

# **Research Report**

## **Micro and Small Business Engagement in Energy Markets**

**Prepared for: Ofgem**

**Prepared by: BMG Research Ltd**

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# Micro and Small Business Engagement in Energy Markets

Prepared for: Ofgem

Prepared by: Steve Lomax, Research Director and Emma Parry, Associate Director,  
BMG Research Ltd

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# 1 Executive summary

## 1.1 Background

In August 2014, Ofgem commissioned BMG Research to undertake this survey of how micro and small businesses across England, Wales and Scotland engage in energy markets. We undertook 1,502 telephone interviews between 29<sup>th</sup> September 2014 and 25<sup>th</sup> November 2014. It focuses on the experiences of micro and small businesses only as these were most likely to be affected by reforms resulting from Ofgem's Retail Market Review.

## 1.2 Key Findings

Overall, views across micro and small businesses reveal a mixed picture. Some aspects of the market appear to work effectively while others indicate further room for improvement.

Key findings include:

- Engagement with energy contracts, awareness of contract details and reported switching have all increased since 2013.<sup>1</sup>
- There is slightly lower awareness of the renegotiation period than the contract end date. Satisfaction with the contract renewal process, while high, is lower than in 2013.
- There are mixed views on whether the switching process takes too long and some scepticism over whether expected savings after switching will be realised.
- The main reason for not switching is satisfaction with the current supplier, rather than a perception of switching barriers.
- There is high satisfaction with suppliers' services overall, and particularly the degree to which the services provided meet the needs of the business. Those who have contacted their supplier tend to be more satisfied than dissatisfied with the response and the solution offered to them.
- However, this satisfaction with suppliers has dropped since 2013, and does not translate into consumer advocacy. More distrust than trust suppliers to be fair in the way they deal with business customers.
- The majority of businesses that use brokers and price comparison sites are satisfied with them.

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<sup>1</sup> The 2013 survey was undertaken by Element Energy and The Research Perspective: <https://www.ofgem.gov.uk/ofgem-publications/85187/non-domquantfinalforpublication181213.pdf>. For more detail of the differences between the surveys see section 2.5.

- But perceptions of brokers among businesses overall are more negative than positive and have declined since 2013. This critical view of brokers is likely to relate to high levels of unsolicited broker contacts.
- There are mixed views on whether brokers clearly identified themselves and provided accurate information. The majority of respondents do not believe that they were upfront about the cost of their services.
- Satisfaction with the sales approach of both energy suppliers and brokers has declined since 2013 and in both cases dissatisfaction exceeds satisfaction in 2014.

### 1.3 Gas and electricity usage and expenditure

Two-fifths of businesses with up to 49 employees (40%) use mains gas as well as mains electricity. Use of mains gas increases with business size, to 58% of businesses with 10-49 employees. Three in ten businesses with up to 49 employees (30%) have a smart meter.

On average, businesses spend approximately £5,000 a year (including VAT) on mains electricity and it accounts for, on average, 16% of all operating costs. The average spend on mains gas is lower at around £4,000 (inc. VAT) and 13% of overall costs on average. A higher proportion of businesses said energy costs accounted for more than 10% of operating costs compared to the 2013 survey.

### 1.4 Current contracts and contract change

The majority of businesses (92%) have a fixed term contract for their gas/electricity supply and pay by direct debit (85%). Around two-thirds of businesses with a fixed term contract have contracts for one (31%) or two (34%) years.

A significant minority of businesses - two-fifths (40%) - are in their first contract with a supplier and just under half of those that have continued with a supplier have negotiated a new contract (45%). Most businesses whose previous contract was extended or rolled-over (91%) were aware of this occurring at the time.

Satisfaction with the renegotiation or extension process is high (77% satisfied), but not to the same levels in 2013 (82%). The 8% that were dissatisfied in 2014 highlighted price increases, the complexity of the contract documents, unreasonable/unfavourable credit or payment terms, and lack of awareness of the process as some of the reasons for dissatisfaction.

Eighty-four per cent of fixed term contract holders know when their contract ends and 73% know when they are able to start renegotiating or giving notice of termination. Both of these indicate higher awareness since 2013 (63% and 65% respectively).

Of the 91% of respondents who recall receiving a bill since April 2014,<sup>2</sup> only a quarter (24%) recall seeing a contract end date and a fifth (20%) recall seeing a date they need to give notice by. Nevertheless, there is a general awareness of these dates amongst the majority of businesses.

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<sup>2</sup> From 31 March 2014, Ofgem's rules require suppliers to include the contract end date and last termination date on micro-business bills.

Of those businesses that have noticed these dates on their bills and shopped around in the last 12 months (16% of all businesses), 64% said they were prompted to do so by the dates included on the bill. Although this group is small, the findings indicate that noticing these dates on bills is a significant trigger for switching.

## 1.5 The switching experience

Three-fifths of businesses (60%) report they switched gas/electricity supplier in the last 5 years. A higher proportion of businesses said they switched supplier in the last 12 months (23%) than the 2013 survey (13%). Just under half of all businesses (47%) have looked into other supplier or tariff options in the last 12 months.

Pursuing cost savings is by far the most likely reason for switching (78% found or were offered a lower price contract or tariff). Receiving a renewal notice from an existing supplier was a significant trigger for switching (47% citing this as a reason), as was the recommendation from a broker (31%).

Businesses that have switched in the last 5 years have divided views of the switching process. Similar proportions agree and disagree that the time between choosing a new tariff and supplier and switching is too long (38% agree; 39% disagree) and that expected savings do not always materialise (37% agree; 36% disagree). There is more of a positive perception of the ease of comparing prices (48% agree that it is easy) and the ease of switching suppliers (58% agree it is easy).

Overall, 19% of all businesses have never considered switching supplier. Among businesses that have not switched in the last 5 years, satisfaction with the current supplier is a key reason for not switching (60% of non-switchers). Being tied to an existing contract is also significant (41%).

## 1.6 Use of brokers

Brokers are the most frequently cited source of information when businesses choose their electricity/gas contract (57%), but current suppliers are more likely to be cited as a primary source (33%, compared with 26% that cite brokers). In addition, one in eight businesses (12%) has mainly used a price comparison website or telephone service and satisfaction with them is high (74% satisfied).

Overall, perceptions of brokers across all businesses tend towards the negative (44% negative; 20% positive). But among users of broker services, perceptions are more positive (24% negative; 41% positive). Views of brokers across all businesses are more negative than the 2013 survey (44% negative compared to 30% in 2013).

Eighty five per cent of respondents in 2014 have been approached by a broker in the last 12 months and 38% report more than 10 contacts. There was evidence of dissatisfaction with cold-calling by brokers in the answers provided to the survey and when we initially contacted respondents. During the process of recruiting businesses to take part in the survey a large number refused because they thought they were being cold called by a broker.

Businesses that have been approached by brokers score them highest on having a professional tone (61%). However, only half (50%) recall that brokers identified themselves clearly while fewer again (40%) perceive that they provided accurate

information about the services they offer. Just 23% of businesses say brokers had been upfront about the cost of using their service.

In contrast to views about broker approaches, satisfaction with the broker service amongst those that have used one is high; with 81% of users satisfied overall.

### 1.7 Contact with suppliers

Forty-five per cent of all businesses have contacted their gas/electricity supplier in the last year. Of those who made contact, the main reason was to seek information (65%), while one in five made a complaint (20%).

More than half of businesses that have contacted suppliers have been satisfied with the time it took them to respond to their query or complaint (55%) and the solution they offered (57%). However, fewer than half (47%) have been satisfied with any follow up service/communication. Around one in four businesses that have contacted suppliers are dissatisfied with the time it took them to respond to their query and complaint (23%); the solution they offered (22%); and any follow up service/communication (25%).

One in seven businesses (14%) reported back-billing.<sup>3</sup> For most of this group, the back-bills were for a period within 12 months immediately preceding the date of the bill (72%). However, one in six businesses (18%) said they had received a back-bill for a period more than 12 months ago.

### 1.8 Views on suppliers and the energy market

Two-thirds of businesses have been satisfied with their current supplier's services overall. Satisfaction levels are highest for the supplier meeting their business needs (69% satisfied) but lower for the information provided on available tariffs and options (49% satisfied) and value for money (50% satisfied). Compared to 2013, satisfaction with suppliers has decreased across all aspects measured.

The Net Promoter Score for suppliers (promoters minus detractors) is lower than in 2013 (-39%, -32% in 2013). Two fifths of businesses (40%) say they tend to distrust or completely distrust energy suppliers to be fair in dealing with business customers. A lower proportion (28%) tend to trust or completely trust them in this regard, while just under a third (31%) are neutral on this subject.

When asked about the energy market in general, businesses are most positive about the ease of switching suppliers (42% satisfied) and the ease of comparing prices (38% satisfied). They are least likely to be satisfied with the sales approaches of energy suppliers (19% satisfied) and brokers (18% satisfied).

Just a third of all businesses in 2014 (33%) are satisfied with the competitiveness of prices in the energy market and more than a quarter (27%) are dissatisfied. Views are also polarised on the variety of options from different suppliers (29% satisfied; 26% dissatisfied) and the level of advice available to businesses when they are looking to switch supplier (32% satisfied; 30% dissatisfied).

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<sup>3</sup> When customers are retrospectively charged for gas/electricity that exceeded their estimated usage.

## 2 Introduction

### 2.1 Background and context

In August 2014 the Office of Gas and Electricity Markets (Ofgem), commissioned BMG Research to undertake this survey of how micro and small business engage in the energy market.

The 2014 survey follows previous surveys in 2012 and 2013 which tracked the experiences of non-domestic customers. These two surveys also included medium and large businesses in addition to micro and small businesses.

This study only focuses on the experiences of micro and small businesses. These were the businesses most likely to be affected by Ofgem's Retail Market Review.

The target population for the 2014 research was all zero-employee, micro and small businesses across England, Wales and Scotland; defined as those with up to 49 employees across all their sites within Great Britain<sup>4</sup>. The survey was undertaken at enterprise rather than establishment level. This means that where a business operated from more than one site, only its head office (not its branches) was contacted. .

### 2.2 Aims and objectives

Ofgem's non-domestic proposals for the Retail Market Review (RMR) were designed to make the market simpler and clearer. These included making it compulsory for energy suppliers to include contract end dates on bills and to allow micro businesses to provide termination notice at any time. These measures took effect on 31<sup>st</sup> March 2014.

In 2014, Ofgem also consulted on options to regulate non-domestic Third Party Intermediaries (TPIs)<sup>5</sup> and to improve processes for automatic rollovers and contract renewal.

While the survey's overarching aim was to provide Ofgem with a clear picture of micro and small business engagement in the energy market, it also aimed to provide initial feedback on Retail Market Review changes.

The survey covered a wide range of topics including:

- **Current energy usage**
  - Which types of energy are currently used
  - How much is spent on each energy type
  - Proportion of overall expenditure spent on energy
  - Which suppliers are used
  - How energy is paid for
  - Type of contract in place
  - Any monitoring arrangements

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<sup>4</sup> Great Britain excludes Northern Ireland.

<sup>5</sup> In this survey, TPIs include brokers, telephone and website price comparison services.

- **Information provision**
  - Extent to which businesses understand energy bills and contracts
  - Extent to which businesses are satisfied with energy bills and contracts
  - Sales and marketing activity experienced
- **Market engagement**
  - Frequency of reviewing energy arrangements
  - Experiences of last contract renewal process
  - Experiences of switching suppliers
  - Use of energy brokers/telephone/website price comparison services
- **Perceptions of market players**
  - Perceptions of energy brokers/telephone/website price comparison services
  - Extent to which businesses are satisfied with suppliers
  - Overall perceptions of the energy market

### 2.3 Research methodology

In total, we conducted 1,502 interviews with micro and small businesses across England, Wales and Scotland. The interviews were undertaken by BMG at its Birmingham-based call centre facility and computer-assisted telephone interviewing (CATI) was used. Fieldwork was carried out between 29<sup>th</sup> September 2014 and 25<sup>th</sup> November 2014.

The sample specification is presented in detail in the Technical Annex in this report (Appendix 3). A glossary of Standard Industry Classification (SIC) groups is also included (in Appendix 4).

The survey data were weighted by business size (number of employees) and industry sector to Inter-Departmental Business Register (IDBR) statistics to counteract any disproportionate representation. Businesses with two or more employees were sampled in greater proportion to their actual representation within the population. This was to ensure robust sample bases among businesses with two or more employees, which ensures a higher level of statistical reliability when analysing the data by business size. Furthermore, the sample achieved by industry does not closely reflect the actual business population. This was due to the requirement to speak to businesses that have non-domestic energy contracts and that manage these contracts themselves rather than having them managed for them through a landlord. A full explanation of the sampling and weighting process is presented in the Technical Annex in this report.

Screening questions at the beginning of the interview ensured that the respondent we were speaking to was:

- Responsible, either solely or jointly, for arranging mains gas and electricity contracts or paying these bills.
- Representing a business that holds a non-domestic (i.e. business) contract for its energy supply managed either by the business itself or an energy broker.

## 2.4 Report conventions

The report provides a summary of the survey findings amongst businesses with up to 49 employees across all sites. For brevity these have been referred to throughout as 'businesses' but consist only of businesses without employees (zero-employee), micro and small businesses. Businesses with 50 or more employees across all GB sites have been excluded.

The report presents findings from all respondents (sample base: 1,502) and by the following variables:

- **Total number of employees across all sites:** zero-employee (unweighted base: 231); 1-9 employees (micro) (820); 10-49 employees (small) (451).
- **Industry sector:** Primary (345), construction (161), retail/wholesale (231), transport/food/accommodation (261), business services (246) and other services (258).
- **Nation:** England (1,087), Wales (162) and Scotland (253).
- **Type of energy that the respondent has responsibility for arranging:** Where the business only uses electricity questions were answered on the basis of their electricity contract. If they also used gas, they were randomly selected to answer questions about their gas contract. The unweighted sample bases were as follows: electricity: 1,129; gas: 366.

All findings in this report are weighted by employee size band and industry sector (SIC 2007) (see Technical Annex for full details) but unweighted sample bases are reported in graphs and tables. This is due to the fact that the size of the unweighted sample governs the extent of sampling error. The larger the unweighted sample the smaller the sampling error and the more robust the findings are. Thus, giving the unweighted sample base on which a finding is based provides an indication of how statistically reliable the finding is.

Throughout this report only statistically significant differences (at the 95% level of confidence) are noted between sub-samples. Significance testing is based on the difference between a sub-sample (e.g. all small micro businesses with 1-4 employees) and the sample average minus the sub-sample in question (e.g. businesses across all size bands except those with 1-4 employees).

Unless stated otherwise, all findings reported in bold font in the charts and figures are statistically significantly higher than the overall total. Those reported in italics are statistically significantly lower than the overall total.

A fuller explanation of the way statistical reliability is calculated and the level of standard error attached to the overall sample and to each of the sub-sample groups is included in the Technical Annex of this report.

Graphs and tables are used throughout the report to assist explanation and analysis. Although occasional anomalies appear due to 'rounding' differences, these are never more than +/-1%.

The questions on which the data is based is referenced for each graph and table and a copy of the questionnaire is included in Appendix 5 of this report.

## 2.5 Comparability with the 2013 non-domestic survey

Where questions from the 2013 non-domestic survey have been repeated within the 2014 survey, we have made comparisons. There are, however, some substantial differences between the 2013 and 2014 surveys relating to sample scope and methodologies. Consequently, comparisons between 2014 and 2013 data should be treated with caution and considered indicative rather than conclusive. To underline the need for caution in examining trends, year on year data is presented in a separate sub-section at the end of each chapter.

In terms of the differences between the 2013 and 2014 surveys, the following points should be noted:

- The 2014 survey filtered out businesses that operate as domestic customers and those that did not hold an energy contract themselves - i.e. those reporting that a landlord or building management company arranged their energy contract on their behalf. Although the 2013 survey filtered out any business in which no one was responsible for paying energy bills and/or recommending or deciding on energy suppliers, the reference to landlord or building management company held contracts, as well as having a domestic contract, were not elements of the interview selection process.
- The extent to which businesses have non-domestic contracts and arrange these themselves or via a broker, varies considerably by business size and sector. In 2014 these figures were estimated based on data from a business omnibus and the business population figures that informed the weighting factors that were applied to the data adjusted accordingly. The impact that this adjustment has had on the business population is illustrated by the following example: Only 14% of construction businesses with no employees have a non-domestic energy contract, increasing to 68% of businesses with 10-49 employees in this sector. The adjusted population figures therefore include only the estimated proportion of the total population that have non-domestic contracts i.e. within the construction sector, 14% of businesses with no employees and 68% of businesses with 10-49 employees. (See Appendix III for a detailed explanation of the weighting process.)
- The 2013 non-domestic survey included medium (50-249 employees across all sites) and large (250+ employees) businesses, while the 2014 survey only includes businesses without employees, micro (1-9 employees) and small (10-49 employees) businesses.
- The 2013 non-domestic survey including both private and public sector organisations. The 2014 survey includes only private sector organisations.
- While it is possible to rebase the data from 2013 on businesses with up to 49 employees overall, public sector organisations are more difficult to account for. That said, the majority of public sector organisations will fall into larger size bands and would not be included in the revised sample base.

A redesign of the 2013 questionnaire for use in the 2014 survey limits comparability between the two surveys. Where questions were retained, in some cases there were subtle changes to question wording or response options or the order they appeared in the questionnaire. Therefore comparisons with the 2013 survey are indicative only.

## 2.6 Overview of 2014 sample profile

When the population of businesses with fewer than 50 employees across all GB sites is adjusted to include only those that arrange their own non-domestic energy contracts, either directly or through a broker, the proportion of businesses without employees decreases – from 45% to 29% - and the proportion with 5 or more employees increases – from 55% to 71% - compared with the total business population.

In addition, against the micro and small business population as a whole (i.e. including businesses with a domestic contract or contract managed by a landlord), primary, retail/wholesale and transport, food and accommodation sectors are over-represented in the sample and construction and business services sectors are under-represented. This suggests that businesses in construction and business services sectors are more likely than average to have domestic contracts or landlord managed energy supply contracts.

Ninety-one per cent of micro and small businesses are single site organisations.

Eighty per cent of respondents representing multi-site organisations (including franchises) have responsibility for arranging energy contracts or paying bills for the entire organisation across Great Britain.

More information on the 2014 sample profile is contained in Appendix 1.

## 3 Gas and Electricity Usage and Expenditure

### 3.1 Overview and key findings

This chapter provides a summary of current energy usage and expenditure. It covers:

- Types of energy used.
- Average annual expenditure on electricity and gas.
- How energy expenditure breaks down between electricity and gas.
- The proportion of overall costs that is accounted for by energy costs.
- Take up of smart meters.

#### Key findings:

Two-fifths of businesses (40%) use both mains electricity and gas; 5% use other forms of fuel in addition to electricity.

Fifty-six per cent of businesses with mains electricity and gas have the same supplier for both<sup>6</sup>.

On average, businesses spend £5,073 (including VAT)<sup>7</sup> per annum on mains electricity; £4,129 (including VAT) on mains gas.

Across all businesses, electricity expenditure accounts for 76% of all energy expenditure; gas expenditure for 24%.

Across businesses with both mains electricity and gas, electricity expenditure accounts for 59% of all energy expenditure; gas expenditure for 41%.

On average, electricity expenditure accounts for 16% of all costs across sites that respondents have responsibility for arranging the energy contracts for; the equivalent figure for gas expenditure is 13%.

In 2014, energy expenditure is more likely than in 2013 to account for more than 10% of an organisation's costs. This may reflect price increases in the last 2 years.

Three in ten businesses (30%) report having a smart meter.

<sup>6</sup> Survey responses regarding suppliers used is included in Appendix II.

<sup>7</sup> All expenditure figures and estimates of contribution to site costs are based on where respondents were able to provide an estimate.

### 3.2 Energy usage

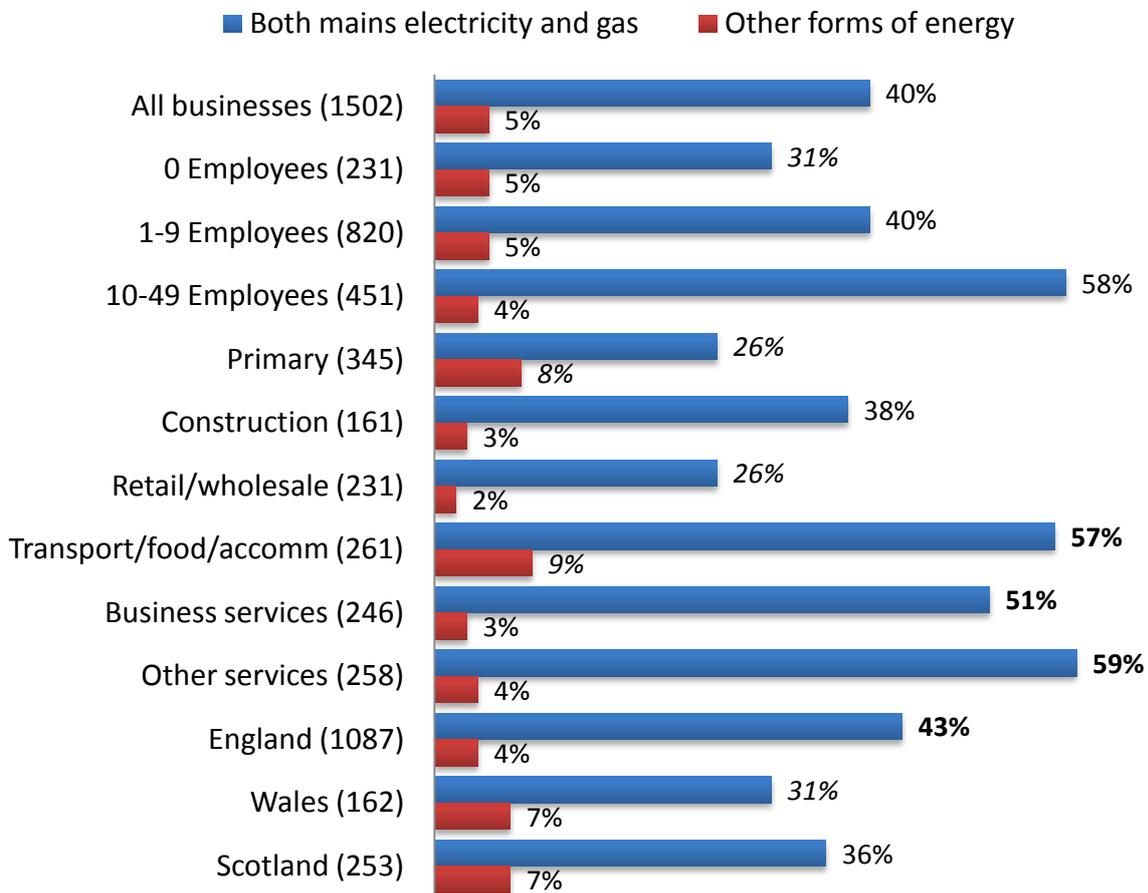
#### 3.2.1 Types of energy used

Respondents were asked about energy usage within their businesses. Two-fifths of all businesses (40%) use both mains electricity and mains gas. One in twenty (5%) use other forms of energy (bottled/calor gas or oil).

Usage of both mains electricity and gas increases with business size to 52% of those with 5-9 employees and 58% of those with 10-49 employees. It is significantly lower than average for businesses without employees (31%); primary and retail/wholesale industries (both 26%); and amongst businesses in Wales (31%).

More than half of businesses with both a mains electricity and gas supply (56%) have the same supplier for both.

**Figure 3.1: Forms of energy used, by business size, sector and nation (all respondents)**



Unweighted sample bases in brackets (all respondents)

A9. Which of these forms of energy do you use?

**Bold font signifies a statistically significantly higher figure compared with the average minus the sub-group tested; italics signifies a statistically significantly lower figure than average minus the sub-group tested**

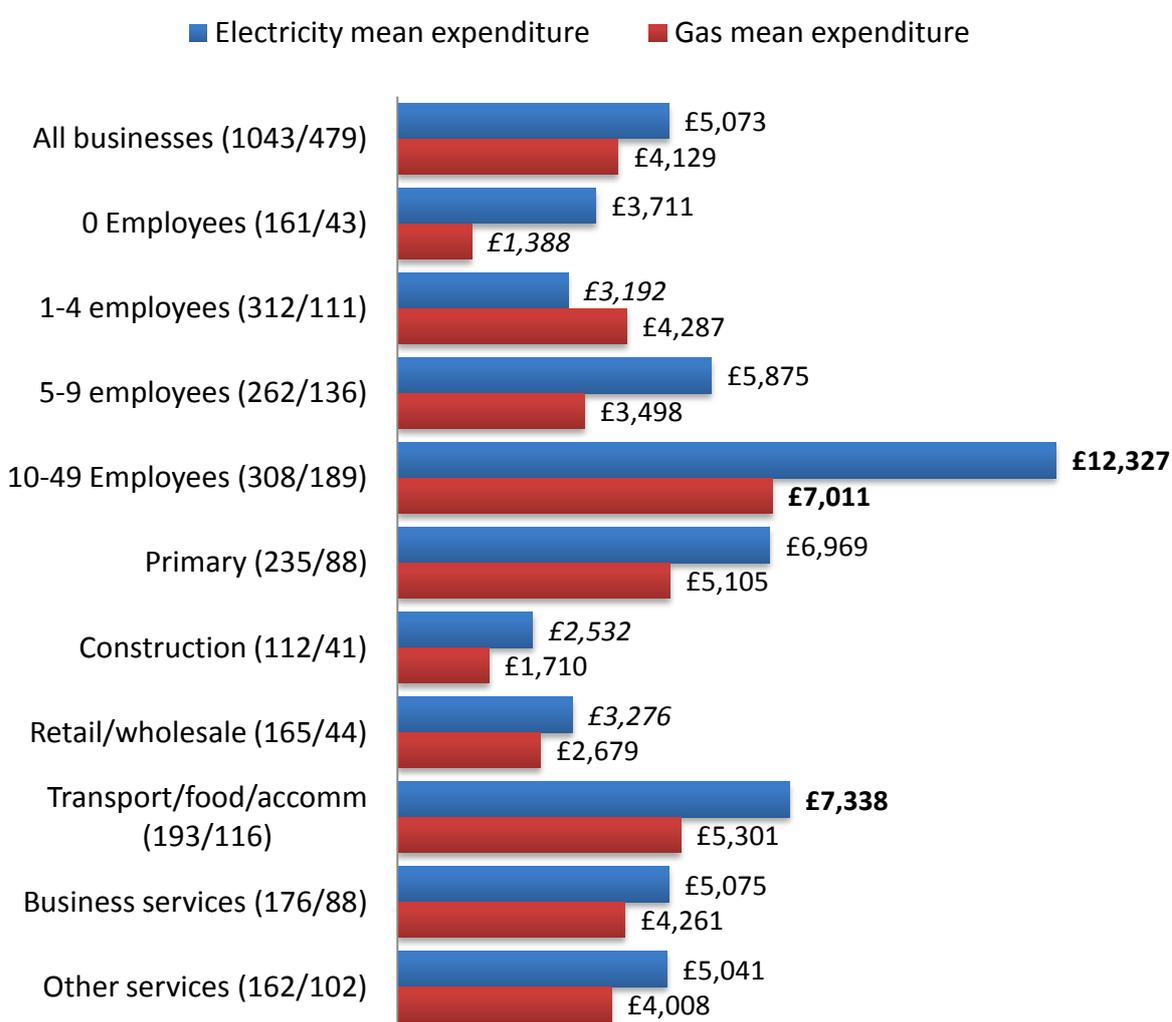
### 3.3 Energy expenditure

#### 3.3.1 Expenditure

On average, businesses spend approximately £5,100 on electricity per annum (including VAT). This increases to approximately £12,300 for businesses with between 10 and 49 employees.

On average, businesses with mains gas spend approximately £4,100 on gas per annum (including VAT). This increases to approximately £7,000 for businesses with between 10 and 49 employees.

**Figure 3.2: Average yearly electricity and gas expenditure, by size and sector (all respondents with electricity/gas supplies that provided a response)**

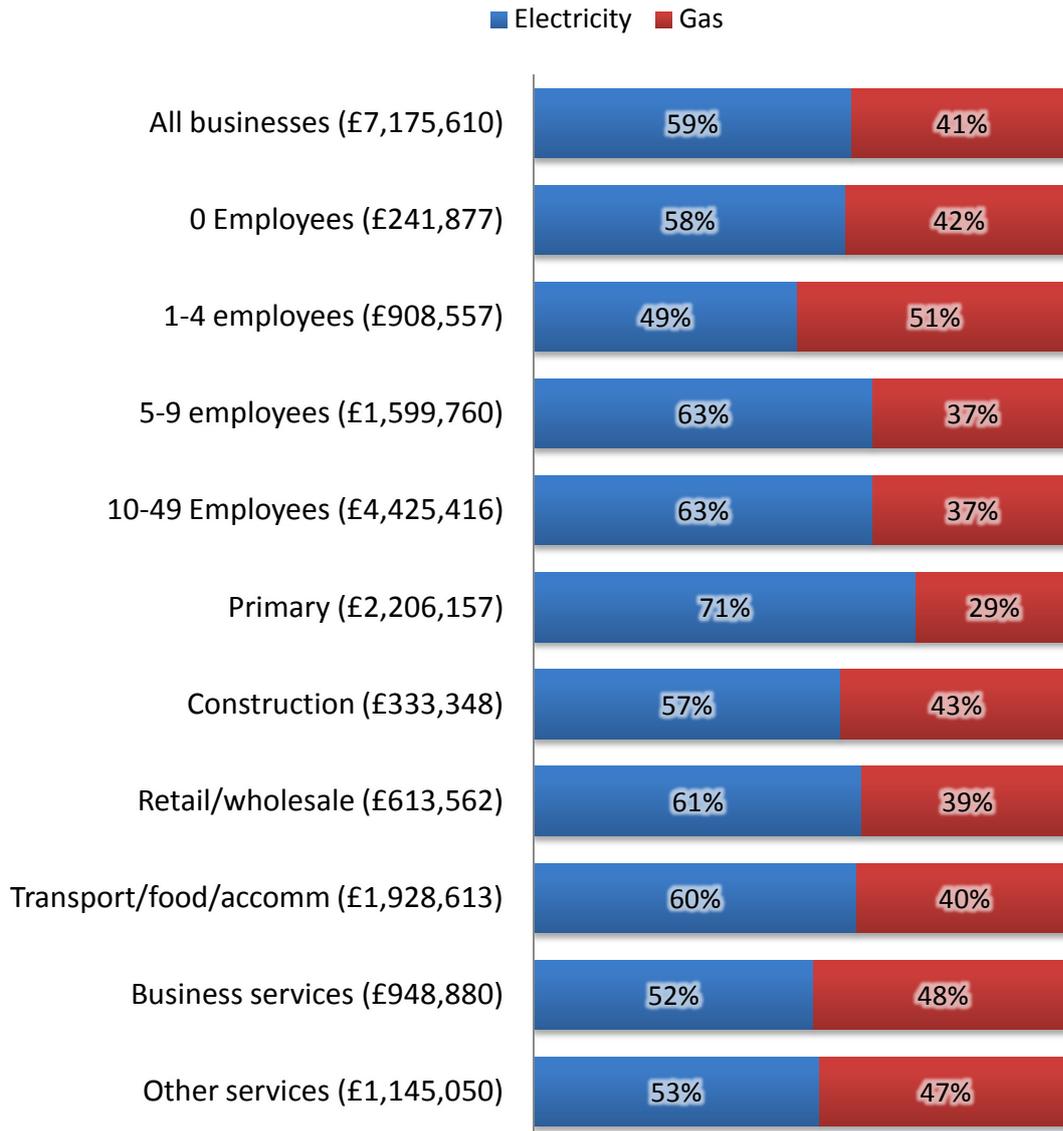


Unweighted sample bases in brackets (respondents specifying electricity/gas expenditure - where provided a response)

*B2A. To the best of your knowledge, approximately how much has the organisation as a whole spent on electricity in the last 12 months? B6A. To the best of your knowledge, approximately how much has the organisation as a whole spent on mains gas in the last 12 months?*

Across all businesses (by aggregating all energy expenditure across businesses with both an electricity and gas supply and those with just one or the other) the breakdown of energy expenditure between electricity and gas is 76%: 24% respectively. The proportion of energy expenditure on electricity increases to 88% in businesses without employees, 87% in primary sector businesses and 83% for businesses in Wales.

**Figure 3.3: Breakdown of total energy expenditure between electricity and gas across all businesses with an electricity and/or gas supply, by business size and sector (where provided a response) Response based on total expenditure in £ sterling**



Unweighted sample bases based on total expenditure (in £ sterling) across all businesses (where provided a response)

*B2A. To the best of your knowledge, approximately how much has the organisation as a whole spent on electricity in the last 12 months? B6A. To the best of your knowledge, approximately how much has the organisation as a whole spent on mains gas in the last 12 months?*

For businesses that have both electricity and gas, electricity expenditure accounts for around three-fifths (59%) and gas expenditure for around two-fifths (41%) of total energy costs.

## Micro and Small Business Engagement in Energy Markets

Figure 3.4 presents the distribution of expenditure on both electricity and gas by business size. As one would expect, it highlights significantly higher levels of spend in businesses with 10-49 employees.

**Figure 3.4: Electricity/gas expenditure by size (where deal with gas/electricity)** \*denotes greater than 0% but less than 0.5%

	Workforce size (UK wide)							
	All businesses %		0 Employees %		1-9 employees %		10-49 Employees %	
	Electricity	Gas	Electricity	Gas	Electricity	Gas	Electricity	Gas
Less than £500	8	12	16	<b>28</b>	5	10	2	<b>3</b>
Between £500 and £1,000	21	24	<b>26</b>	29	23	27	7	14
Between £1,001 and £2,500	27	25	28	19	<b>30</b>	<b>28</b>	16	20
Between £2,501 and £5,000	16	14	11	12	<b>18</b>	13	17	20
Between £5,001 and £10,000	11	8	5	1	11	6	<b>20</b>	20
Between £10,001 and £15,000	4	2	1	0	3	1	<b>13</b>	<b>7</b>
Between £15,001 and £25,000	3	3	1	1	1	3	<b>11</b>	<b>5</b>
Between £25,001 and £50,000	1	*	*	0	1	*	<b>4</b>	<b>2</b>
Between £50,001 and £100,000	1	1	1	0	*	1	1	1
More than £100,000	*	*	0	0	*	0	1	*
Don't know/refused	9	11	9	10	8	12	7	8
<i>Unweighted sample bases (where deal with mains electricity/gas)</i>	1480	692	226	64	808	362	446	266

B2A. To the best of your knowledge, approximately how much has the organisation as a whole spent on electricity in the last 12 months? B6A. To the best of your knowledge, approximately how much has the organisation as a whole spent on mains gas in the last 12 months?

**Bold font signifies a statistically significantly higher figure compared with the average minus the sub-group tested; italics signifies a statistically significantly lower figure than average minus the sub-group tested**

### 3.3.2 Proportion of all costs spent on energy

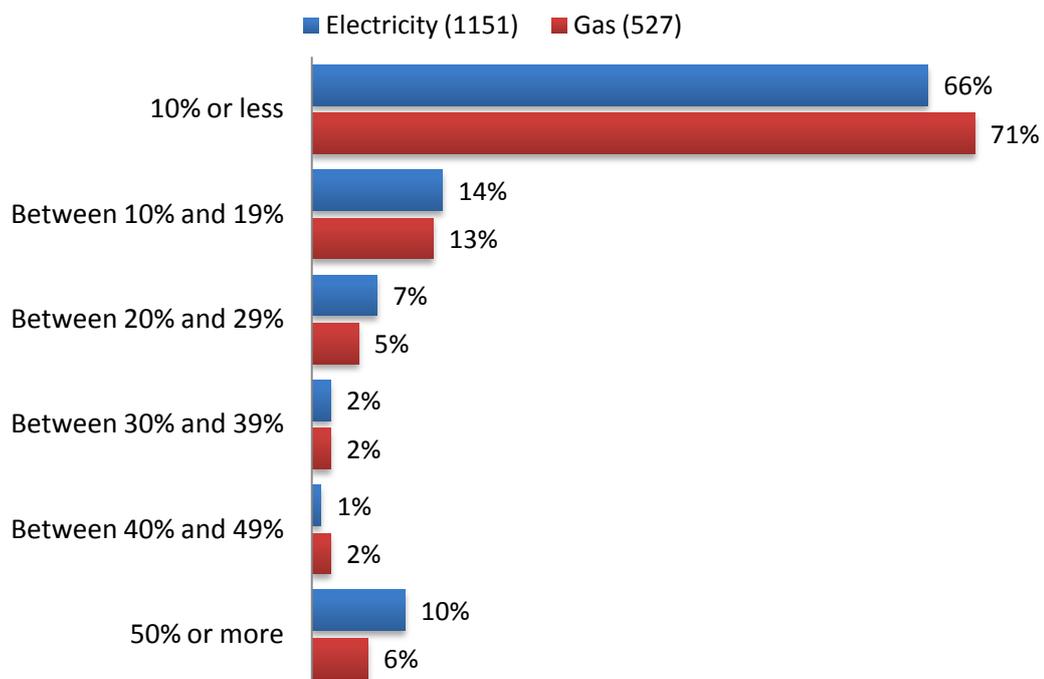
In terms of the proportion of overall site costs spent on electricity, 66% of those able to provide an estimate reported that it accounted for up to 10% of all site costs<sup>8</sup>.

The average proportion of business site costs spent on mains electricity is 16% and this proportion is the same across all business sizes. By sector, it increases to 19% within business services and is lowest in construction (13%).

For businesses able to provide an estimate, two-thirds (71%), said mains gas expenditure accounts for up to 10% of overall site costs.

The average proportion of overall site costs for mains gas is 13%. It fluctuates slightly by business size: it was highest within businesses without employees (15%) and lowest within larger micros (5-9 employees) (10%) and small businesses (10-49 employees) (11%). By sector, it is lowest in the retail and wholesale sector (7%) and highest in the business services (15%) and transport, food and accommodation (15%) sectors.

**Figure 3.5: Proportion of site costs spent on electricity and gas (where have electricity/gas supplies and have provided a response)**



Unweighted sample bases in brackets (where deal with electricity/gas)

*B3. To the best of your knowledge, what percentage of your total organisation's site's costs is spent on electricity? B7. To the best of your knowledge, what percentage of your total organisation's site's costs is spent on gas?*

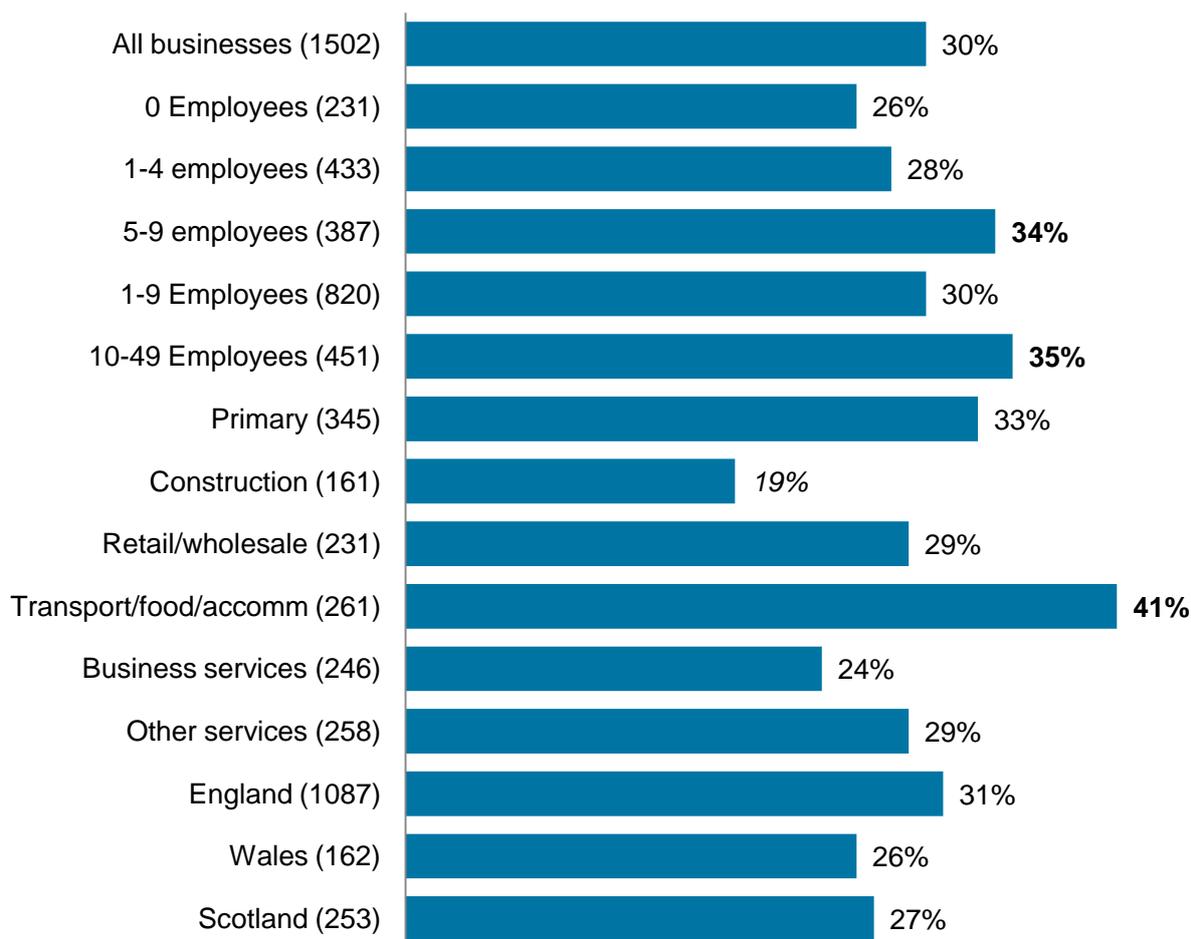
<sup>8</sup> This figure is on the basis of the entire organisation or just the site or sites depending on what the respondent has responsibility for arranging energy contracts or paying bills for across Great Britain.

### 3.4 Smart meters

Three in ten businesses (30%) report having a smart meter.

By sector, smart meter penetration is highest within transport, food and accommodation (41%) and lowest in construction (19%).

**Figure 3.6: Proportion of businesses that report having a smart meter, by business size and sector (all respondents)**



Unweighted sample bases in brackets (all respondents)

G1. *Does your business have a smart meter?*

**Bold font signifies a statistically significantly higher figure compared with the average minus the sub-group tested; italics signifies a statistically significantly lower figure than average minus the sub-group tested**

### 3.5 Comparisons with 2013 non-domestic survey

Figure 3.7 below presents figures for comparison with the 2013 survey. Both are based on businesses with up to 49 employees across all sites.

In 2014, energy expenditure is more likely than in 2013 to account for more than 10% of an organisation's costs. This may reflect price increases during this period.

**Figure 3.7: Gas and electricity usage and expenditure: Comparisons between 2013 and 2014**

Question:	2014	2013*
Which of these forms of energy do they use? – mains gas (all respondents)	40% Base: 1502	43% Base: 863
Electricity expenditure accounts for more than 10% of organisations' costs (where provided a response)	<b>34%</b> Base: 1151	4% Base: 485
Gas expenditure accounts for more than 10% of organisations' costs (where use gas and provided a response)	<b>29%</b> Base: 527	7% Base 527

\*Bases presented are the number of interviews after weighting

**Bold font signifies a statistically significantly higher figure in 2014 compared to 2013; italics signifies a statistically significantly lower figure in 2014 compared to 2013**

## 4 Current Contracts and Contract Renewal

### 4.1 Overview and key findings

This chapter discusses current non-domestic energy contracts held by businesses and the process of contract negotiation and renewal. It covers the following:

- How businesses pay for energy.
- Whether or not they have fixed term contracts and the length of fixed term contracts.
- The origins of their current contract.
- Whether or not it is a new contract or a renewed or renegotiated contract.
- The extent to which businesses were satisfied with the process of contract renewal or renegotiation.
- Satisfaction with aspects of contracts.
- Awareness of content of contracts, in particular references to contract end dates.
- Action taken to change contracts.
- The impact of the compulsory inclusion of contract end dates on bills on the propensity to take action to change contracts.

#### Key findings:

More than three-quarters of businesses that have renewed their contract with their supplier were satisfied with the experience of renegotiating, extending or rolling-over their contract (77%), including 36% that were very satisfied. However, satisfaction with the process has declined since 2013 (82%).

Just under half of businesses (48%) report having read or at least glanced through their contract document in the last 12 months. This proportion is higher amongst recent contract-switchers (67% of those that have switched in the last 12 months) and is higher than in 2013 (23%).

Of those that have read or at least glanced through their contract documents in the last 12 months, most were satisfied with all aspects of their contract measured in this survey. This ranges from 60% who were satisfied with the length/size of the document to 77% who were satisfied with the clarity on the duration of the contract and renewal dates.

Eighty four per cent of businesses with a fixed term contract know at least approximately when it ends (59% know exactly and 25% approximately). However, businesses are less likely to be aware of when they can start renegotiating their contract or give notice of termination to their supplier (73%).

Of the 92% of respondents that recall receiving a bill since April 2014, only 24% recall seeing a contract end date on their bill, while even fewer (20%) recall seeing a date they need to give notice by.

Just under half of all businesses (46%) have looked into other supplier or tariff options for their energy arrangements in the last 12 months. The propensity to look into other supplier or tariff options increases with business size.

In total, 16% of all businesses have both noticed details about contract end dates or dates from which they could renegotiate or give notice on their bills and have taken some action to explore their options in the last 12 months. Of this group, 64% were prompted to take some action as a result of noticing the information.

## 4.2 Payment methods

The majority of businesses said they pay energy bills by direct debit (85%). The proportion of direct debit payers is higher than average amongst businesses with 10-49 employees (88%) and lower than average amongst businesses with no employees (80%).

The propensity to pay by direct debit is significantly higher in Wales than in England and Scotland (92%, compared with 83% and 86% respectively). This is despite the fact that just over a third of Welsh businesses (36%) had no employees, which is higher than average (29%).

One in ten businesses (10%) pays only on receipt of the bill (via cash, cheque, credit card or BACS). This proportion is higher than average amongst businesses with no employees (15%) and lower than average amongst businesses with 10-49 employees (7%).

Paying on receipt of a bill is more prevalent amongst those without a fixed term contract (25%, compared with 9% of those that are on a fixed term contract).

Standing order is used by just 4% of businesses and this does not vary by business size. However, businesses in the transport, food and accommodation sectors are more likely than average to pay their bills this way (6%).

**Figure 4.1: Ways businesses pay for gas/electricity by size (all respondents)**

	Workforce size (UK wide)				
	All businesses %	0 Employees %	1-4 employees %	5-9 employees %	10-49 Employees %
Direct debit	85	80	86	87	<b>88</b>
Standing order	4	3	4	3	4
Pay only on receipt of bill with cash/check/credit card/BACS	10	<b>15</b>	9	9	7
Prepayment meter	0	0	1	0	0
Other	0	0	1	0	0
Don't know	0	0	1	0	0
<i>Unweighted sample bases (all respondents)</i>	1502	231	433	387	451

C1. How does your organisation pay for <GAS>/<ELECTRICITY>?

**Bold font signifies a statistically significantly higher figure compared with the average minus the sub-group tested; italics signifies a statistically significantly lower figure than average minus the sub-group tested**

## 4.3 Fixed term contracts

The majority of businesses (92%) have a fixed term contract for their gas/electricity supply. This varies little by business size, although it is higher than average amongst businesses with between 5 and 9 employees (96%).

By sector, construction businesses are significantly less likely to have a fixed term contract (86%).

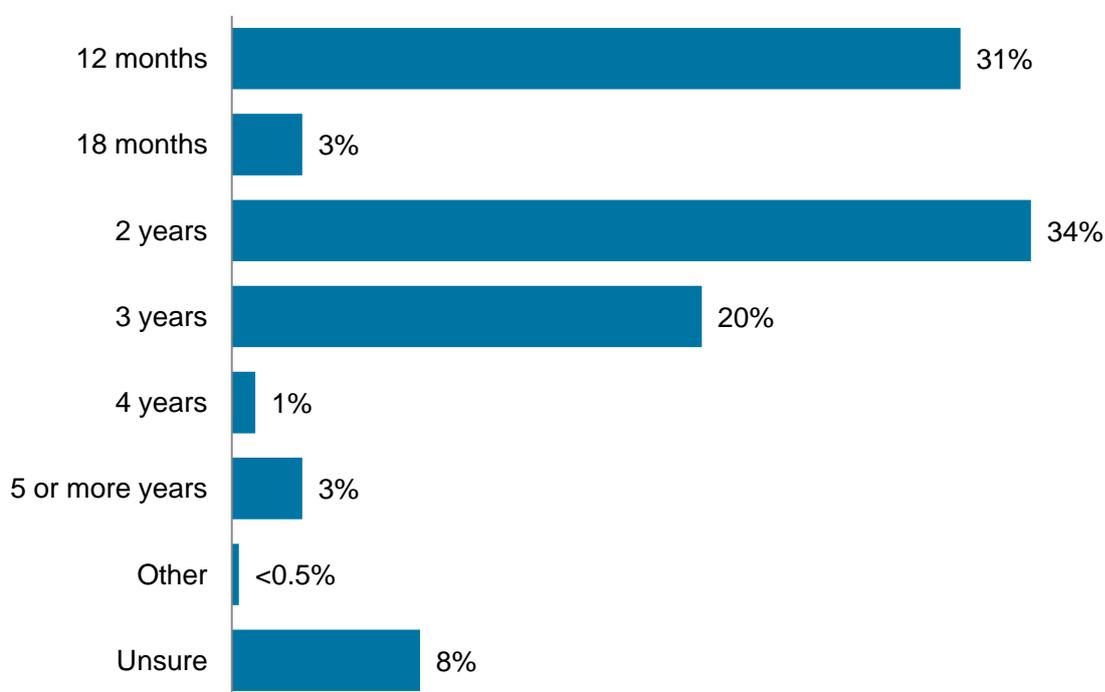
Businesses that have used brokers and telephone/website price comparison services are significantly more likely to be on a fixed term contract in comparison to those that have not (98% of users of each of these services, compared to 84% of businesses that have not used telephone/website price comparison services).

### 4.4 Length of contracts

Of the 92% of businesses with a fixed term contract, just under a third (31%) has a contract for a year and a slightly higher proportion for two years (34%). One-fifth (20%) have a fixed term contract for three years.

Businesses with 10-49 employees are more likely than average to have a fixed term contract over two to three years (2 years, 36%; 3 years, 24%).

**Figure 4.2: Total term of fixed term gas/electricity contract (where has a fixed term contract)**



Unweighted sample base (where has a fixed term contract): 1398

*C3. What is the total term of your GAS/ELECTRICITY contract? By that I mean the length of your contract in total from beginning to end, not the time remaining.*

### 4.5 Origins of current contract

Two-fifths of respondents (40%) report their current contract to be their first contract with their current supplier. This was less likely to be the case for businesses with 10-49 employees (35%). Businesses within the transport, food and accommodation sector are also significantly more likely than average to report their current contract as their first with that supplier (48%).

More than half of all businesses (57%) already had an existing contract with their current supplier. Businesses with 10-49 employees are no less likely to have held an existing contract but a higher proportion than average (7%, compared with 4% overall) were unsure. Some greater uncertainty is to be expected in a larger business where responsibility for making decisions about energy contracts may be shared or change hands more frequently.

Of those who have had more than one contract with their supplier, half (50%) have extended or rolled-over their previous contract. Slightly fewer (45%) have negotiated a new contract and the remainder are unsure.

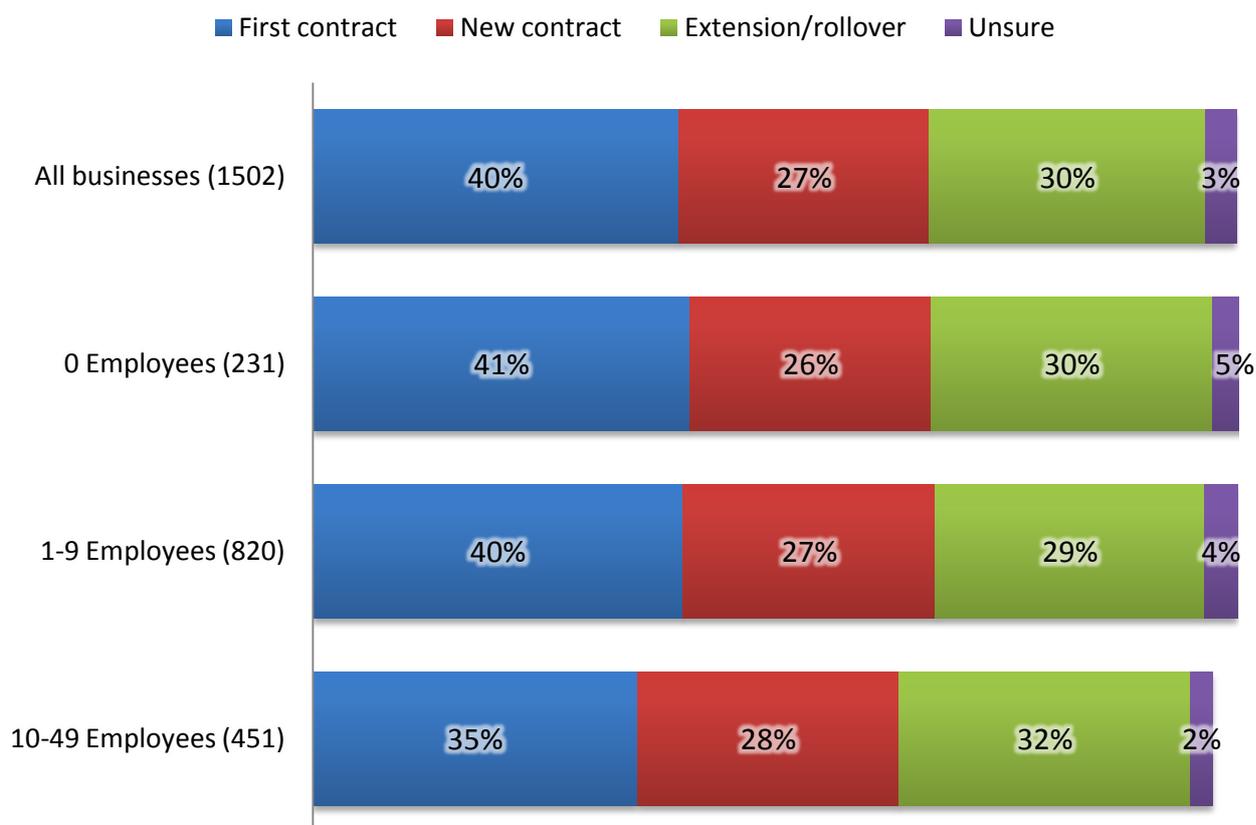
Where a contract has been extended or rolled-over, the majority (91%) report it as being with their knowledge. Only a minority (7%) report the contract extension or rollover being without their knowledge (the remainder are unsure).

As a proportion of all businesses, just 2% report having been unaware that their contract was being renewed at the time of extension or rollover.

Again, as a proportion of all businesses, more than a quarter (27%) had negotiated a new contract with their existing supplier. There are no significant differences by business size. By sector, businesses in transport, food and accommodation sectors are significantly more likely to have negotiated a new contract (53%). This proportion is also significantly higher amongst those with a fixed term contract than those without (46%, compared with 30%) those having used a broker (59%) or telephone/website price comparison service (56%).

Figure 4.3. summarises these findings by business size.

**Figure 4.3: Summary of contract renewal, by size (all respondents)**



Unweighted sample bases in brackets (all respondents)

C8. Is the gas/electricity contract you have now, the first contract you have had with your supplier?  
 C9. Did you or a broker negotiate this contract as a new contract, or was it an extension or rollover of the previous contract you had with this supplier?

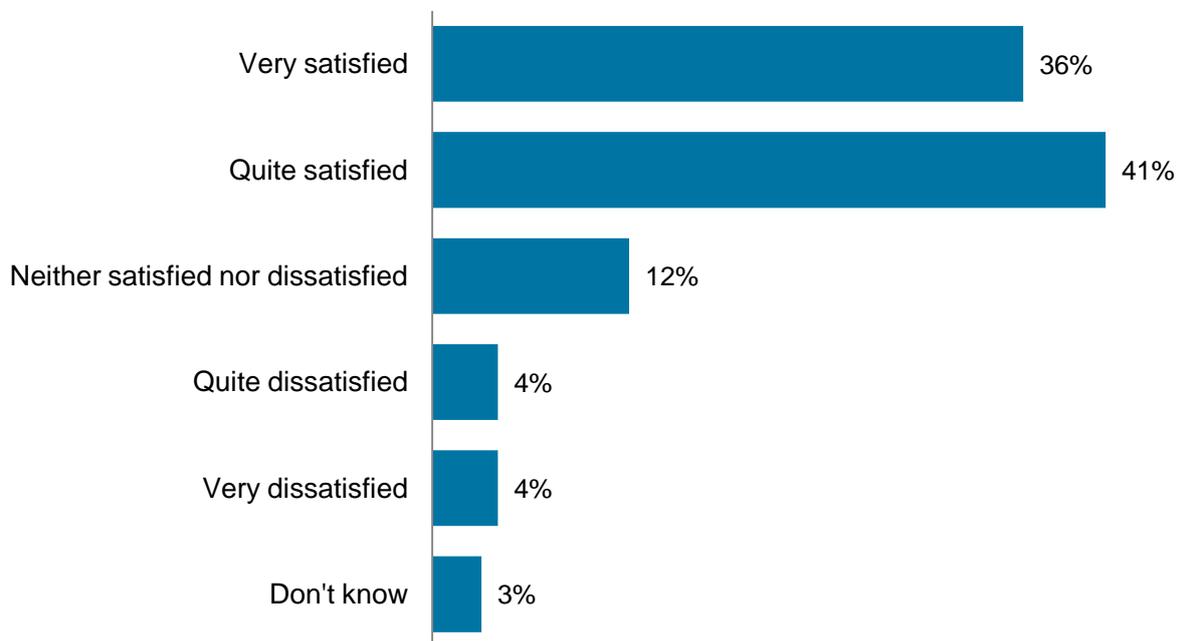
#### 4.6 Satisfaction with last contract change

Respondents who report their current contract as a continuation of their existing contract with their current supplier were asked how satisfied or dissatisfied they were with the renewal or renegotiation process.

Most have been satisfied with the experience of renegotiating, extending or rolling-over their contract with their energy supplier (77%, including 36% very satisfied). However, the proportion that are satisfied is significantly lower amongst businesses with 10-49 employees (72%).

Eight per cent of those who renewed their contract were dissatisfied with the process. This increases to 11% of businesses with 10-49 employees.

**Figure 4.4: Extent to which businesses are satisfied with the experience of renegotiating, extending or rolling-over their contract with their gas/electricity supplier (where not the first contract with their current supplier)**



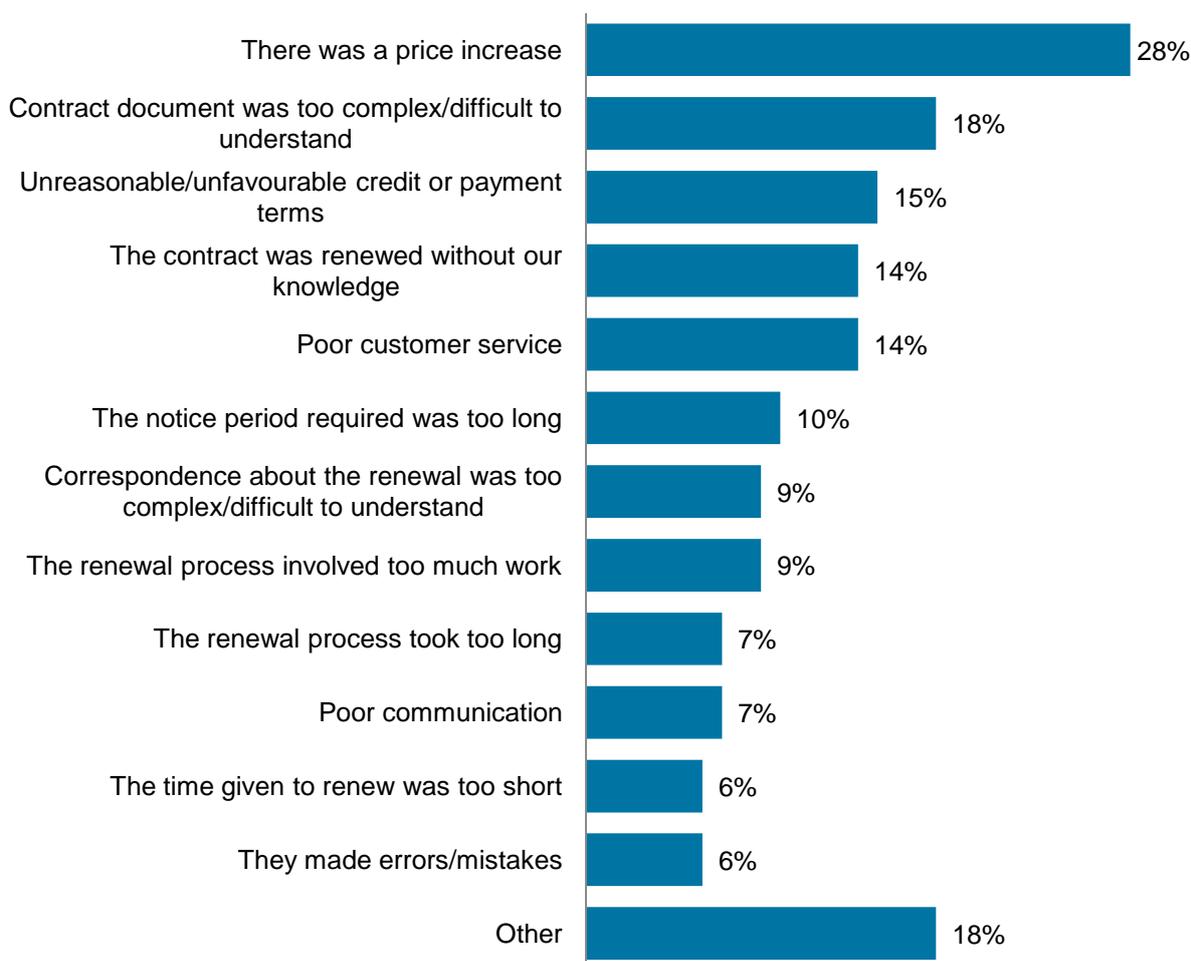
Unweighted sample base (where not the first contract with their current supplier): 850

*C11. How satisfied or dissatisfied were you with the experience of renegotiating/extending or rolling over the contract with your gas/electricity supplier?*

The most common reason for dissatisfaction was a price increase (28%). One in seven (15%) cited unreasonable/unfavourable credit or payment terms. A similar proportion (14%) was not happy because the contract was renewed without their knowledge. Furthermore, there are issues around the complexity of contract documents (18%) and renewal correspondence (9%). Some dissatisfaction is due to the lengthy process, resulting from a notice period (10%) or a renewal process that is perceived as too long (7%). One in ten (9%) found the renewal process to involve too much work.

The number of dissatisfied respondents is small (just 73 respondents) so these findings should be treated as being **indicative** only.

**Figure 4.5: Reasons for dissatisfaction with the experience of renegotiating, extending or rolling-over their contract with their gas/electricity supplier (where dissatisfied)**



Unweighted sample base (where dissatisfied): 73~

C12. Why were you dissatisfied? ~caution: small sample base

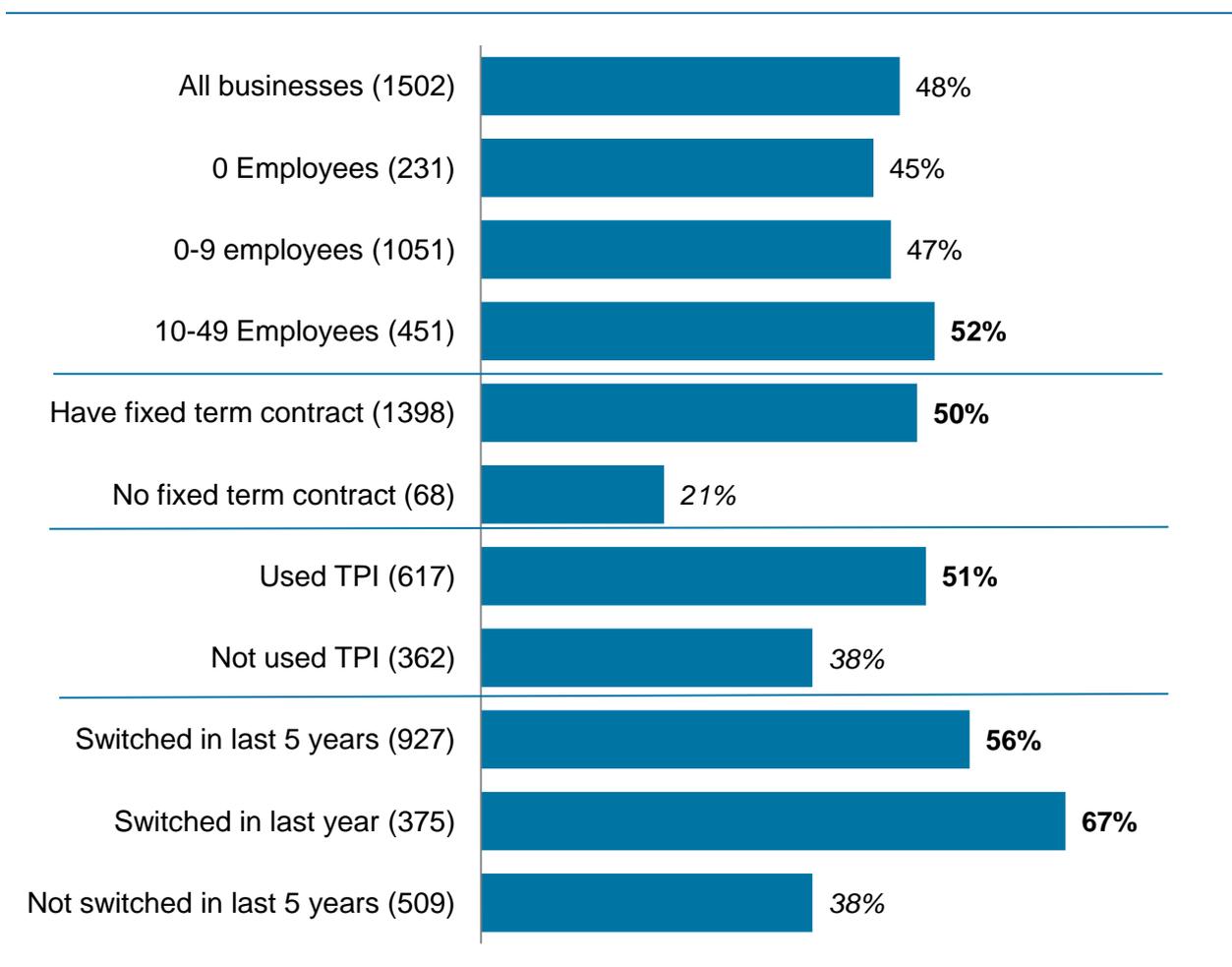
## 4.7 Engaging with contract information

### 4.7.1 Contract document

Nearly half of respondents (48%) report that they read or at least glanced through their contract document in the last 12 months.

This proportion is higher than average in businesses with 10-49 employees (52%) and those that have used brokers (52%) and telephone/website price comparison services (51%). Conversely, businesses that have not switched suppliers or tariffs in the last 5 years are particularly unlikely to have looked at their contract document, with just 38% reporting they had done so. Those that have switched recently (in the last year) are much more likely to be aware of the contents of their contracts (67% of those that have switched in the last 12 months). However, a third of recent switchers (33%) have not examined their new contract details.

**Figure 4.6: Proportion of respondents that have read or glanced through their gas/electricity contract document in the last 12 months (all respondents)**



Unweighted sample bases in brackets (all respondents)

*C6. Have you read or glanced through your gas/electricity contract document in the last 12 months?*

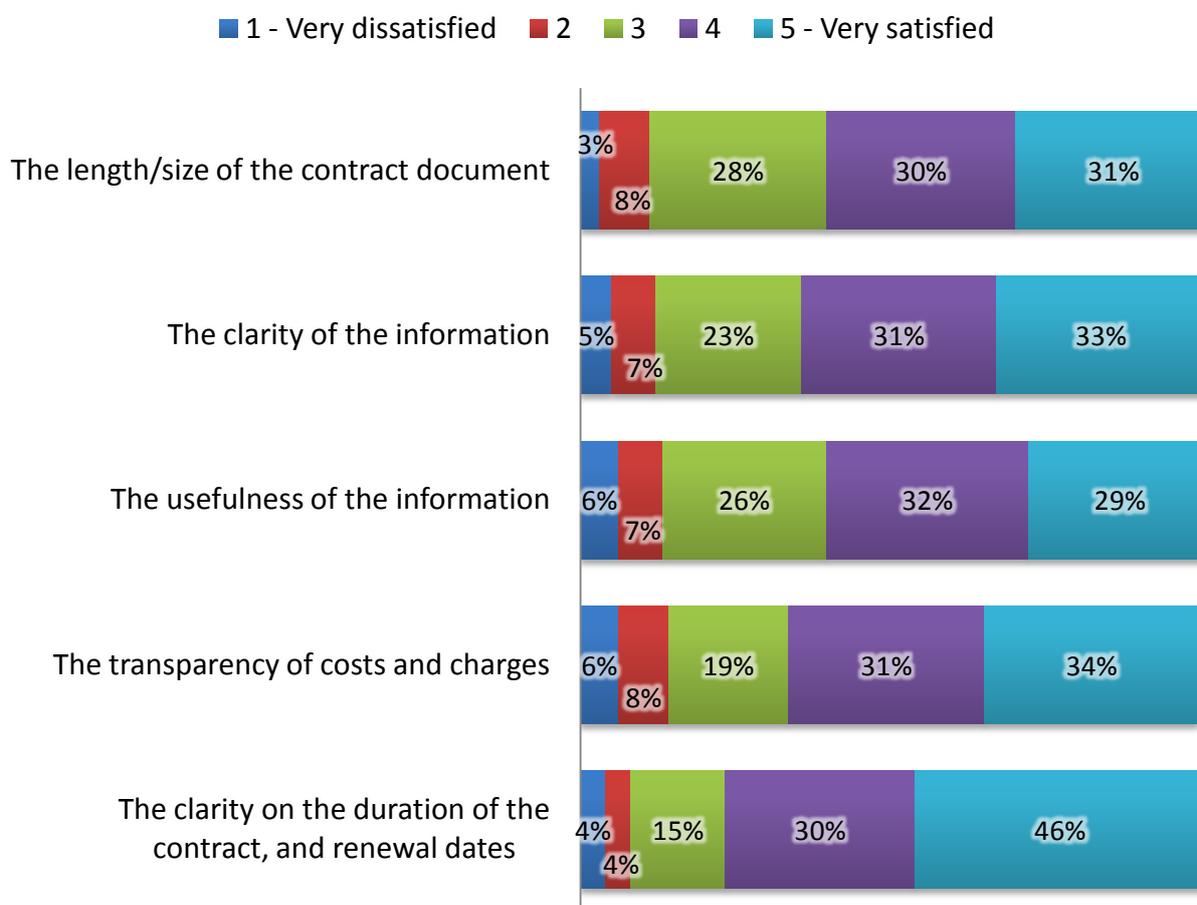
**Bold font signifies a statistically significantly higher figure compared with the average minus the sub-group tested; italics signifies a statistically significantly lower figure than average minus the sub-group tested**

#### 4.7.2 Satisfaction with contract document

At least three-fifths of respondents who have recently read or glanced at their contract document are satisfied with various aspects of it.

They are most satisfied with its clarity on the duration of the contract and renewal dates (77% very/quite satisfied, including 46% that are very satisfied) and least satisfied with the length and size of the contract document (60%, including 31% that are very satisfied).

**Figure 4.7: Extent to which businesses are satisfied with aspects of their contract documents (where read/glanced at contract in the last 12 months) – very/quite satisfied summary figures in bold**



Unweighted sample base (where read/glanced at contract in the last 12 months): 733

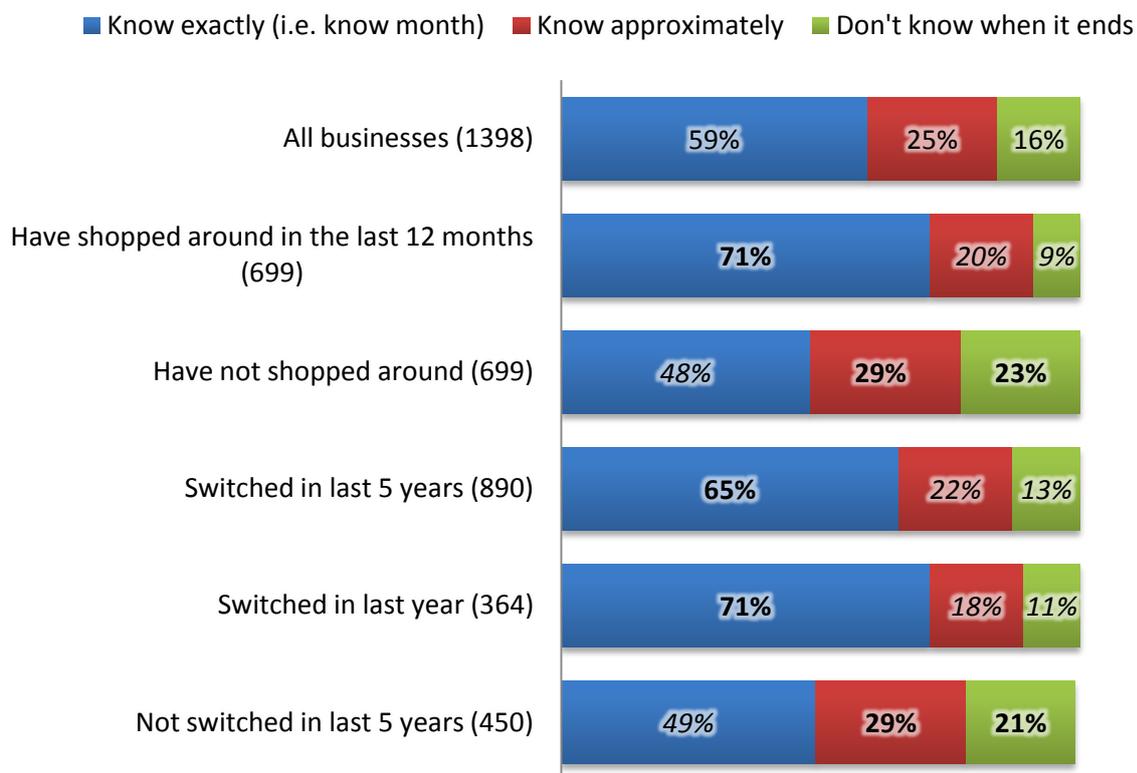
*C7. Thinking about your current <GAS>/<ELECTRICITY> contract document, how satisfied or dissatisfied are you with the following? Please answer on a scale of 1 to 5 where 1 is very dissatisfied and 5 is very satisfied*

#### 4.8 Awareness of contract end date

The majority of businesses with a fixed term contract know at least approximately when it comes to an end; 59% are aware of this exactly and 25% approximately. One in six respondents with a fixed term contract (16%) does not know when their contract ends.

As one might expect, businesses that have recently switched suppliers or tariffs are more likely to be aware of their contract end date.

**Figure 4.8: Knowledge of contract end dates, by recent shopping around/switching (where has a fixed term contract)**



Unweighted sample bases in brackets (where has a fixed term contract)

*C4. Do you know when your gas/electricity contract ends?*

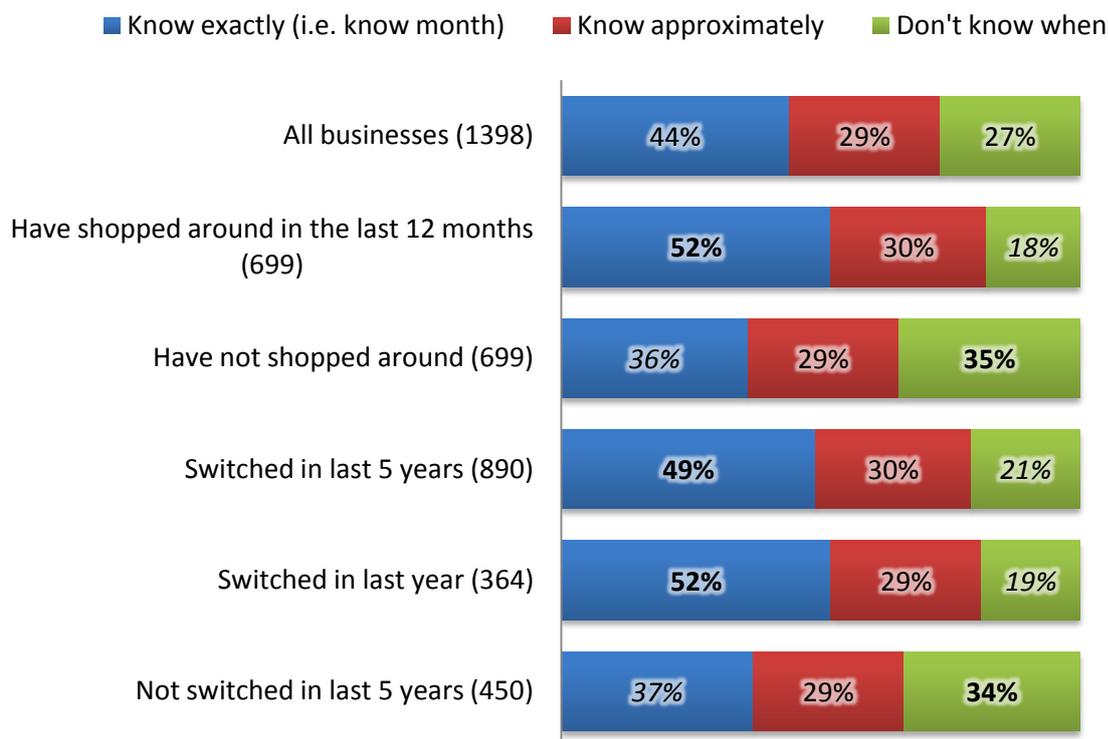
**Bold font signifies a statistically significantly higher figure compared with the average minus the sub-group tested; *italics signifies a statistically significantly lower figure than average minus the sub-group tested***

Forty-four per cent of all businesses with a fixed term contract know exactly when they can start renegotiating their contract or give notice of termination. A further 29% say they know but only approximately.

Those who have recently switched or shopped around are more likely to be aware of when they will next be able to take some action.

Twenty seven per cent of businesses with a fixed term contract do not know when they can start renegotiating their contract or give notice of termination to their supplier (compared with 16% that do not know when their contract ends). Lack of knowledge of contract end dates and notice periods may be barriers to switching.

**Figure 4.9: Knowledge of when to start renegotiating or giving notice of termination, by recent shopping around/switching (where has a fixed term contract)**



Unweighted sample bases in brackets (where has a fixed term contract)

*C5. Do you know when you can start renegotiating your contract or give notice of termination to your gas/electricity supplier?*

**Bold font signifies a statistically significantly higher figure compared with the average minus the sub-group tested;** *italics signifies a statistically significantly lower figure than average minus the sub-group tested*

Ninety-one per cent of respondents recalled receiving a bill since April 2014.

All businesses were asked if they recalled seeing a contract end date or date they need to give notice by to renegotiate or terminate their contract on their last bill. The majority (72%) did not recall seeing a contract end date or a date they need to give notice by to renegotiate or terminate their contract.

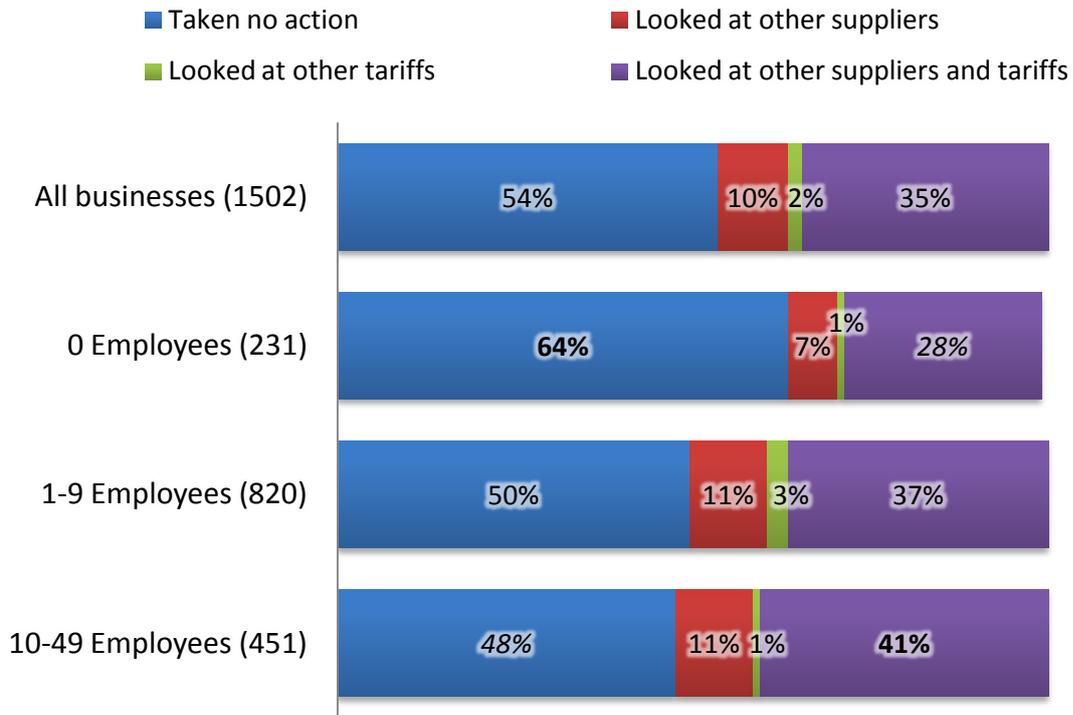
Overall, a net total of 28% recalled seeing either a contract end date or renegotiation date on their last bill. Around one in four of all businesses (24%) recalled seeing a contract end date on their bill, while fewer (20%) recall seeing a date they need to give notice by.

Earlier findings (in Figure 4.8) show that, despite not recalling seeing contract end dates on their bill, the majority of respondents with a fixed term contract claimed they know when their contracts end and/or when they can start renegotiating their contracts.

### 4.9 Action taken to change supplier or tariff

Just under half of businesses (46%) have looked into other supplier or tariff options in the last 12 months. This increases to 52% amongst businesses with 10-49 employees and is significantly lower than average amongst businesses with no employees (36%)<sup>9</sup>.

**Figure 4.10: Action taken to look into other supplier or tariff options for gas/electricity in the last 12 months, by size (all respondents)**



Unweighted sample bases in brackets (all respondents)

*C15. In the past year, have you taken any action to look into other supplier or tariff options for gas/electricity?*

**Bold font signifies a statistically significantly higher figure compared with the average minus the sub-group tested; *italics signifies a statistically significantly lower figure than average minus the sub-group tested***

Businesses with lower levels of spend are less likely than average to have looked at other suppliers or tariffs, with the highest spenders on electricity particularly likely to have done so.

<sup>9</sup> The statistics relating to those that have taken any action in the chart differ from those in the text due to rounding.

**Figure 4.11: Action taken to look into other supplier or tariff options for gas/electricity in the last 12 months, by expenditure (all respondents)**

	<i>Unweighted bases (all respondents)</i>	<b>Any action %</b>	<b>Looked at other suppliers %</b>	<b>Looked at other tariffs %</b>	<b>Looked at other suppliers and tariffs %</b>	<b>Taken no action %</b>
All businesses	1502	46	10	2	35	54
Electricity expenditure						
Up to £1,000	339	42	<b>13</b>	2	27	58
£1,001 to £2,500	369	47	7	3	36	53
£2,501 to £5,000	245	51	9	2	39	49
£5,001k to £10,000	199	49	6	2	<b>42</b>	51
£10,001 plus	209	<b>57</b>	12	2	<b>42</b>	43
Gas expenditure						
Up to £1,000	201	45	12	2	31	55
£1,001 to £2,500	171	49	13	3	32	51
£2,501 to £5,000	112	51	5	0	45	49
£5,001k to £10,000	80	46	5	2	39	54
£10,001 plus	59	55	9	1	45	45

Unweighted sample bases in brackets (all respondents)

*C15. In the past year, have you taken any action to look into other supplier or tariff options for gas/electricity?*

**Bold font signifies a statistically significantly higher figure compared with the average minus the sub-group tested; italics signifies a statistically significantly lower figure than average minus the sub-group tested**

Almost two-thirds of businesses that have noticed contract dates on their bills and taken some action in the last 12 months (64%) said they were prompted to take action after seeing this information.

Taking action based on seeing contract information was significantly higher amongst those talking about their electricity bill than amongst those talking about their gas bill (68%, compared with 51%).

#### 4.10 Comparisons with the 2013 non-domestic survey

Some key trend findings between the 2013 and 2014 surveys are presented below.

- The propensity to have a fixed term contract has increased significantly since 2013. In addition, these are more likely now to be over a period of longer than 12 months.
- A higher proportion of businesses in 2014 compared with 2013 report starting a contract with a new supplier. Among those that have remained with their supplier, there is a greater propensity than in 2013 to have extended or rolled-over their existing contract, compared with negotiating a new contract.
- Satisfaction with the experience of renegotiating, extending or rolling-over a contract with an existing supplier has declined since 2013.
- A significantly higher proportion of businesses in 2014 have read or glanced through their contract. Awareness of contract end and renegotiation dates has increased since 2013 (the former particularly so).
- However, there are lower levels of satisfaction in 2014 compared with 2013 with regard to elements of the contract document.

These findings are also highlighted in Figure 4.12.

**Figure 4.12: Current contracts and contract renewal: Comparisons between 2013 and 2014**

Question:	2014	2013*
How does your organisation pay for energy? – direct debit (all respondents)	85% Base: 1502	82% Base: 863
How does your organisation pay for energy? – on receipt of bill (via cash, cheque, credit card or BACs) (all respondents)	10% Base: 1502	15% Base: 863
How does your organisation pay for energy? – standing order (all respondents)	4% Base: 1502	1% Base: 863
Do you have a fixed term contract for your energy supply? (all respondents)	<b>92%</b> Base: 1502	78% Base: 863
What is the total term of your energy contract? – 12 months (where have a fixed term contract)	31% Base: 1398	40% Base: 676
Is this current contract the first contract you have had with this supplier? – yes (all respondents)	40% Base: 1502	35% Base: 863
Is this current contract the first contract you have had with this supplier? – no but a new contract (all respondents)	27% Base: 1502	42% Base: 863
Is this current contract the first contract you have had with this supplier? – no, an extension/rollover (all respondents)	<b>30%</b> Base: 1502	11% Base: 863
Is it an extension/rollover with or without your knowledge? – with knowledge (where an extension/rollover)	91% Base: 449	92% Base: 98
Satisfaction with the experience of negotiating, extending or rolling- over their contract? – satisfied (where not first contract)	77% Base: 850	82% Base: 448
Have you read or glanced through your energy contract in the last 12 months? – yes (all respondents)	<b>48%</b> Base: 1502	23% Base: 863
Satisfaction with the length/size of the contract document? – satisfied (where read/glanced through it)	60% Base: 733	74% Base: 194
Satisfaction with the transparency of costs and charges? – satisfied (where read/glanced through it)	65% Base: 733	77% Base: 194
Satisfaction with the clarity of the duration of the contract? – satisfied (where read/glanced through it)	77% Base: 733	86% Base: 194
Do you know when your energy contract ends? – know exactly/approximately (where have a fixed term contract)	<b>84%</b> Base: 1398	65% Base: 676
Do you know when you can start renegotiating your contract or give notice of termination? – know exactly/approximately (where have a fixed term contract)	<b>73%</b> Base: 1398	63% Base: 676

\*Bases presented are the number of interviews after weighting

**Bold font signifies a statistically significantly higher figure in 2014 compared to 2013; italics signifies a statistically significantly lower figure in 2014 compared to 2013**

## 5 The switching experience

### 5.1 Overview and key findings

This chapter presents the findings related to questions regarding switching suppliers and/or tariffs. It covers:

- The frequency of review of supply arrangements.
- Recent experience of switching.
- Number of quotes sought.
- Reasons for switching.
- Barriers to switching or reasons for not switching.
- Views on the switching process.

#### Key findings:

The majority of businesses on a fixed term contract (77%) review their gas/electricity supply arrangements when their contract comes up for renewal.

Three-fifths of businesses (60%) have switched supplier in the last 5 years; 13% have switched at least three times in this period. This is a significantly higher proportion than reported in 2013 (40%).

Twenty-three per cent of businesses have switched supplier in the last 12 months. This too is a significantly higher proportion than in 2013 (13%).

Thirty-nine per cent of businesses have never switched and more than half of these (19% of all businesses) have never considered switching.

On average, businesses that switched in the last 5 years contacted more than three suppliers when they last considered switching (mean = 3.35). This includes contact made through a broker on behalf of the business.

Pursuing cost savings is by far the most likely reason for switching: 78% have switched in the last 5 years because they were offered a lower priced contract or tariff.

Satisfaction with their current supplier is the most frequently cited reason for not switching in the last 12 months (60% of those that have not switched).

Of those that have switched suppliers in the last 5 years:

- 58% agree that the process of switching supplier is easy (28% disagree)
- 48% agree that it is easy to compare prices (38% disagree)
- 38% agree that the time between choosing a new tariff and supplier and switching is too long (39% disagree)
- 37% agree that expected savings do not always materialise (36% disagree).

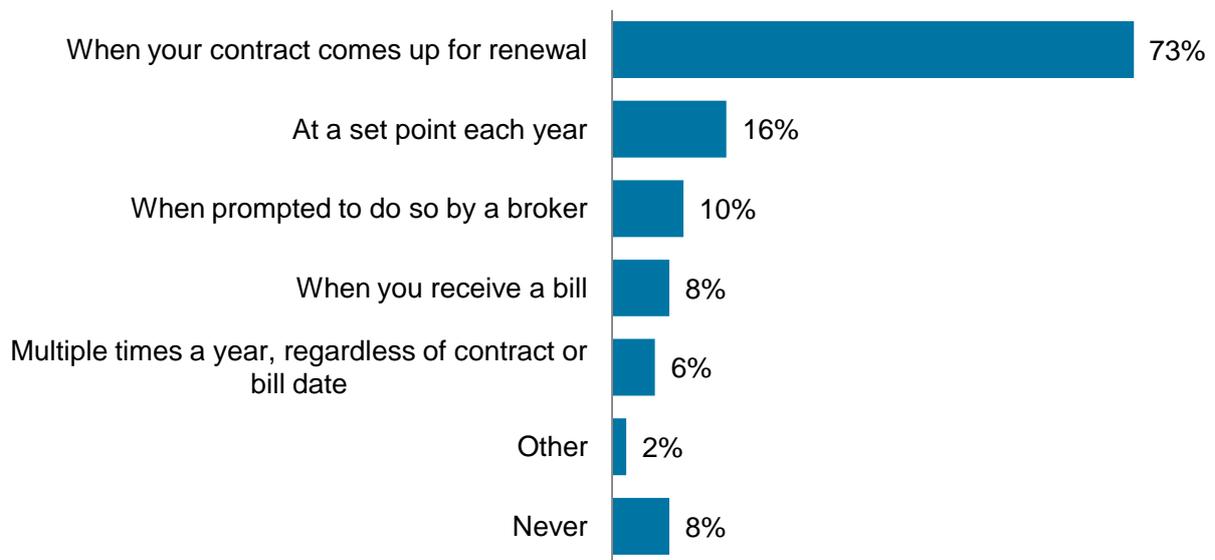
Three-fifths of businesses that have not switched suppliers in the last 12 months (60%) cite satisfaction with their current supplier as the reason, but other significant reasons include scepticism of the potential savings and the perceived complexity of finding a new supplier or tariff (both cited by 19% that have not switched).

## 5.2 Reviewing supplier arrangements

The majority of respondents said they review their energy supply arrangements when their contract comes up for renewal (73%). This increases to 77% amongst those with a fixed term contract.

One in six businesses (16%) said they review their energy supply arrangements at a set point each year, when prompted to do so by a broker (10%), when they receive a bill (8%) or frequently throughout the year (6%).

**Figure 5.1: Frequency with which businesses review their gas/electricity supply arrangements - prompted (all respondents)**



Unweighted sample base (all respondents): 1,502

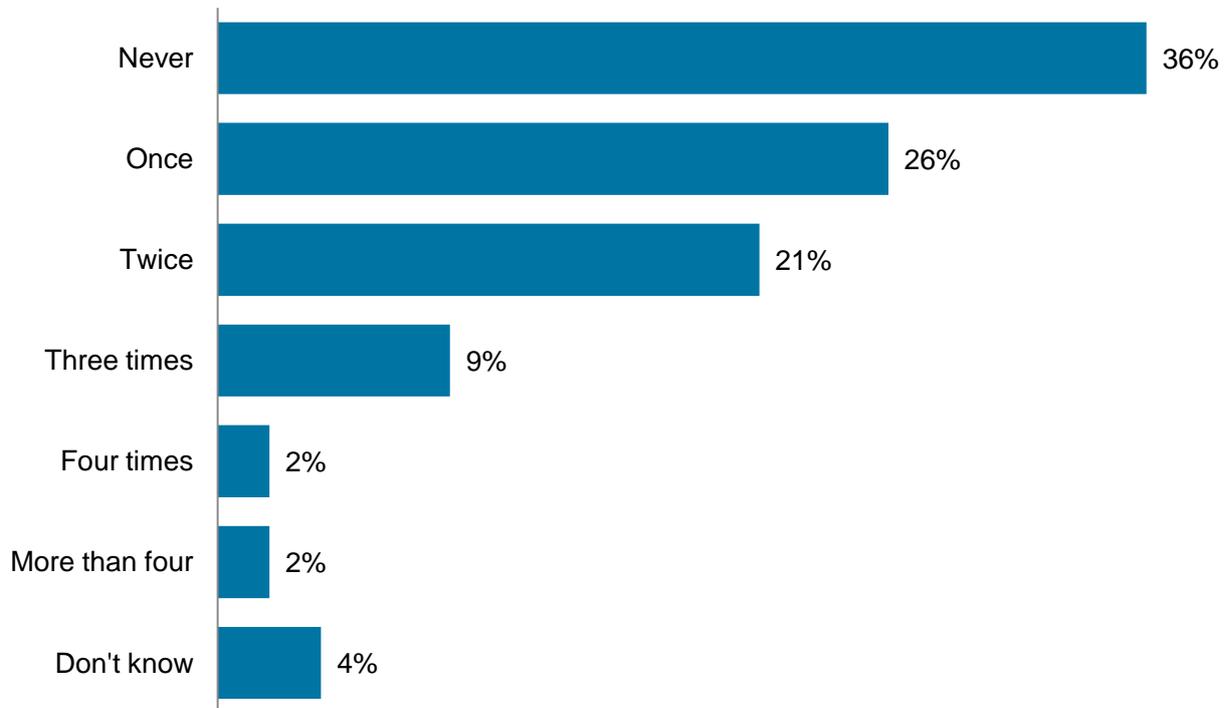
*F1. Approximately how often, if at all, do you review your gas/electricity supply arrangements?*

There are no significant differences by business size or sector.

### 5.3 Switching

Three-fifths of businesses (60%) report that they switched gas/electricity supplier in the last 5 years. A quarter of all businesses (26%) has switched once, one in five (21%) switched twice and 13% switched 3 or more times over this period.

**Figure 5.2: Number of times businesses have switched gas/electricity supplier in the last 5 years (all respondents)**



Unweighted sample base (all respondents): 1,502

*F1. How many times has your organisation switched gas/electricity supplier in the last 5 years?*

By business size, businesses with 10-49 employees are significantly more likely to have switched over the last 5 years (68%), while businesses without employees are significantly less likely to have done so (46%).

**Figure 5.3: Number of times businesses have switched gas/electricity supplier in the last 5 years, by size and annual electricity/gas expenditure (all respondents)**

	<i>Unweighted bases (all respondents)</i>	<b>Any switching %</b>	<b>Never %</b>	<b>Once %</b>	<b>Twice %</b>	<b>Three times %</b>	<b>Four times %</b>	<b>More than four %</b>	<b>Don't know %</b>
<b>All businesses</b>	1502	60	36	26	21	9	2	2	4
0 employees	231	54	<b>44</b>	26	16	9	1	1	2
1-4 employees	433	59	39	24	22	9	1	2	2
5-9 employees	387	66	28	28	25	9	2	3	6
10-49 employees	451	68	25	29	24	11	2	2	7
<b>Electricity expenditure</b>									
Up to £1,000	339	55	<b>43</b>	27	21	6	1	*	2
£1,001 to £2,500	369	57	<b>42</b>	26	17	10	2	1	1
£2,501 to £5,000	245	63	33	27	24	10	2	1	4
£5,001k to £10,000	199	<b>70</b>	26	28	25	13	2	3	4
£10,001 plus	209	<b>72</b>	25	20	<b>31</b>	13	2	6	3
<b>Gas expenditure</b>									
Up to £1,000	201	59	38	28	21	7	2	1	3
£1,001 to £2,500	171	62	35	26	22	11	1	2	3
£2,501 to £5,000	112	73	25	30	<b>29</b>	10	1	3	2
£5,001k to £10,000	80	69	29	26	25	13	1	3	2
£10,001 plus	59	75	19	26	24	12	2	<b>11</b>	6

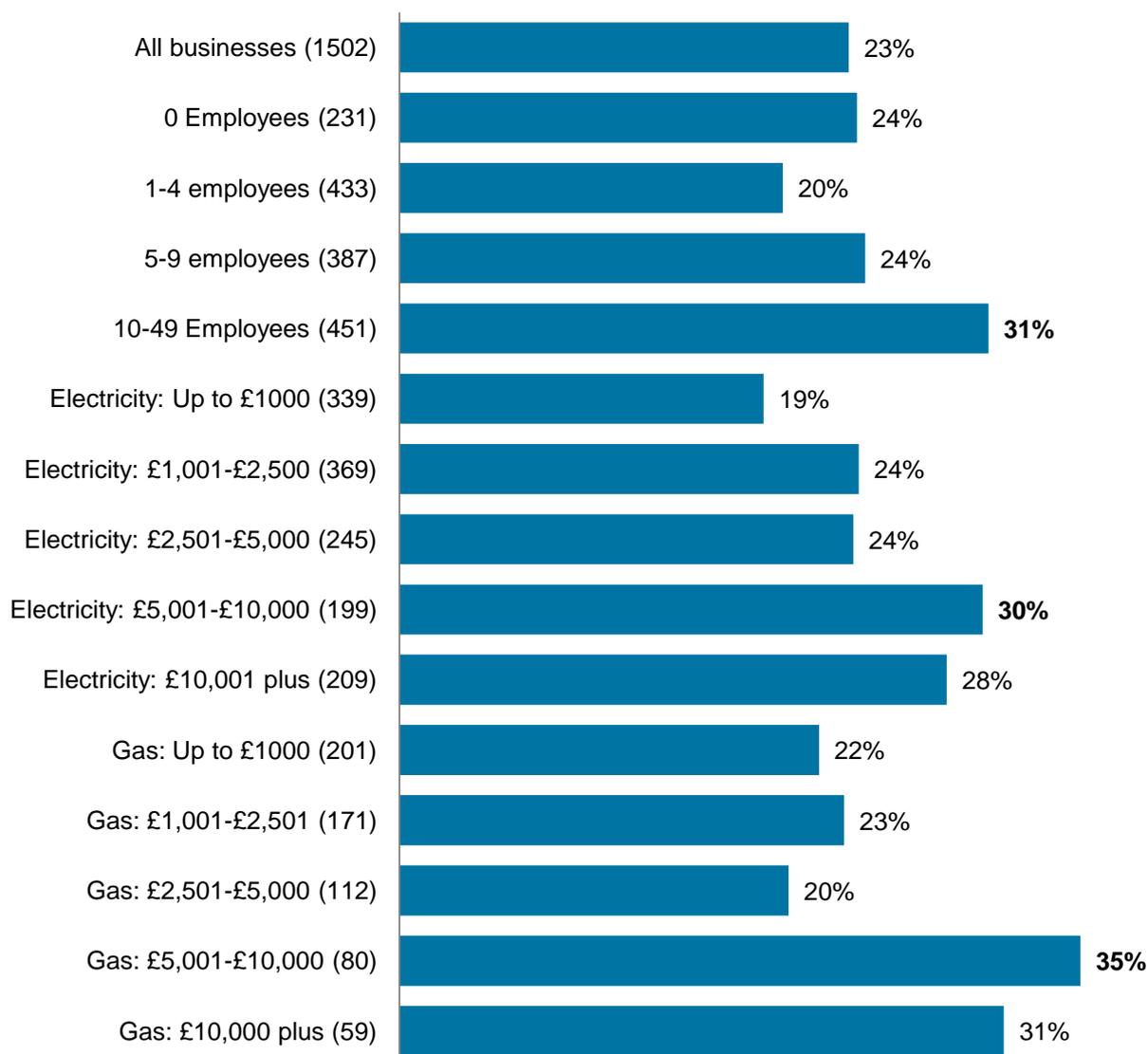
*E1. How many times has your organisation switched gas/electricity supplier in the last 5 years?*

**Bold font signifies a statistically significantly higher figure compared with the average minus the sub-group tested; italics signifies a statistically significantly lower figure than average minus the sub-group tested**

Of those that have switched supplier at all in the last 5 years, 39% have switched in the last 12 months. This equates to 23% of all businesses.

Businesses with 10-49 employees are significantly more likely than average to have switched suppliers (31% in the last year; 45% in the last 5 years).

**Figure 5.4: Proportion of businesses that have switched gas/electricity supplier in the last 12 months, by size and annual electricity/gas expenditure (all respondents)**



Unweighted sample bases in brackets (all respondents)

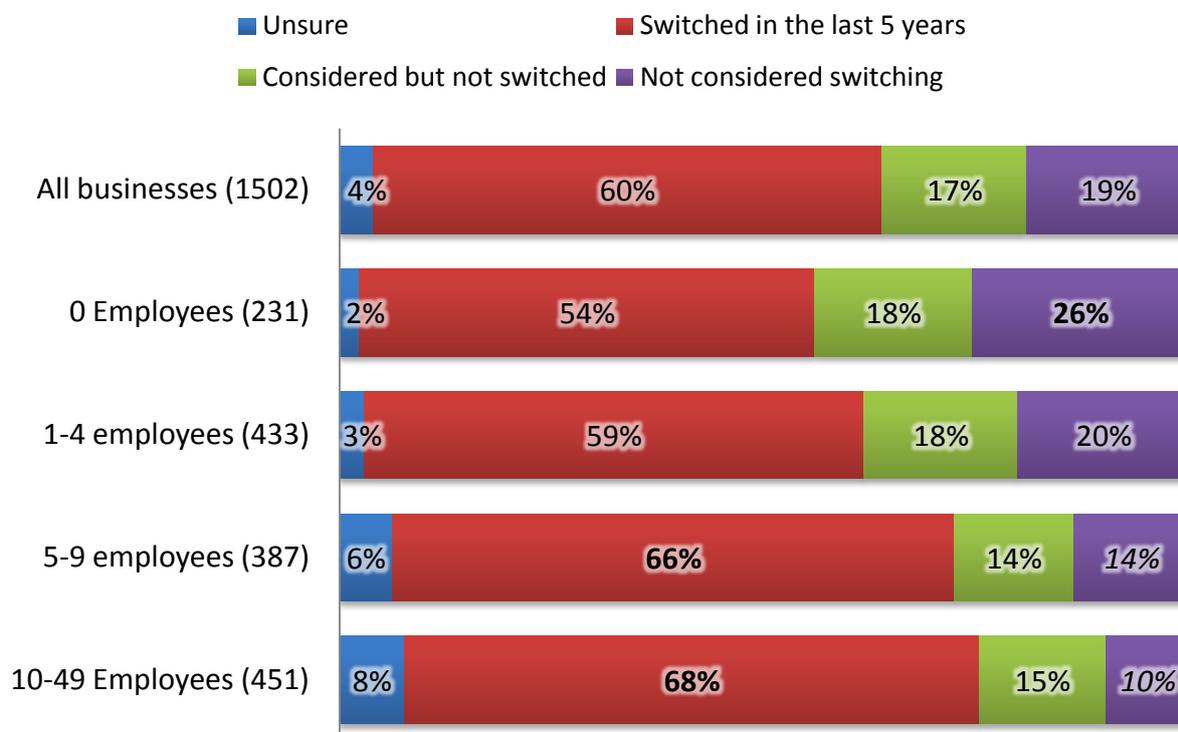
*E2. Have you switched gas/electricity supplier in the last 12 months?*

**Bold font signifies a statistically significantly higher figure compared with the average minus the sub-group tested; italics signifies a statistically significantly lower figure than average minus the sub-group tested**

Overall, 19% of all businesses have never considered switching supplier. This proportion is higher than the average within businesses without employees (26%) and within the construction sector (26%).

A further 17% of all businesses have not switched but considered doing so. This proportion is higher within businesses with fewer than 5 employees (18%) than within businesses with 5-9 employees and businesses with 10-49 employees (14% and 15% respectively). By sector, businesses that have considered switching are more prevalent than average in transport/food/accommodation (22%) and construction (21%).

**Figure 5.5: Proportion of businesses that have considered/never considered switching gas/electricity supplier in the last 12 months, by size (all respondents)**



Unweighted sample bases in brackets (all respondents)

*E3. Have you ever considered switching gas/electricity supplier?*

**Bold font signifies a statistically significantly higher figure compared with the average minus the sub-group tested; *italics signifies a statistically significantly lower figure than average minus the sub-group tested***

### 5.3.1 Number of quotes

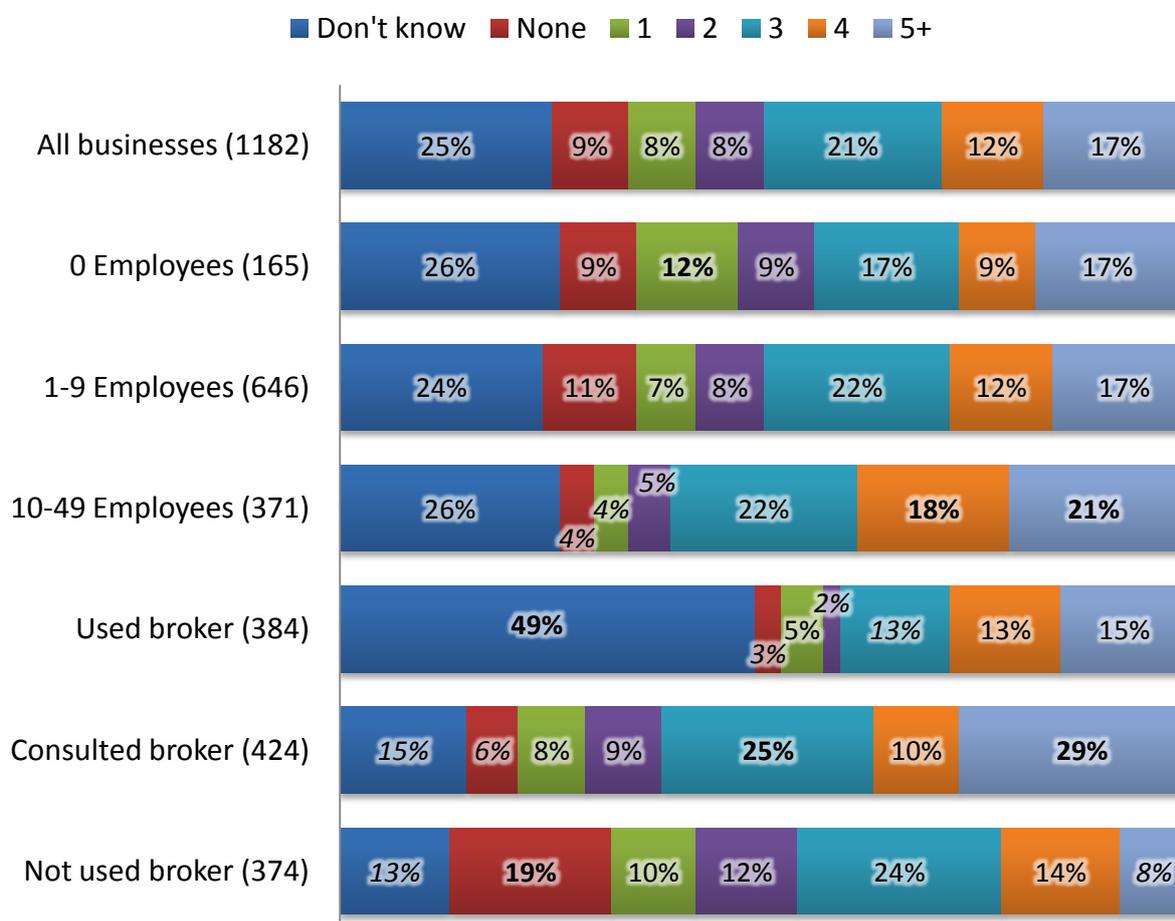
On average, businesses that switched or considered switching in the last 5 years contacted three suppliers, either directly or through brokers. This increases to 4 for businesses with 10-49 employees.

By sector, the average number of quotes obtained is lowest within construction (2.87) and highest within transport, food and accommodation (4.13).

Those businesses that used a broker or other third party intermediary (such as a telephone/website price comparison service) have obtained a higher number of quotes than those that did not (4.20 for those using brokers and 3.88 for those using telephone/website price comparison services).

Just 8% of businesses have obtained just one quote, while a further 8% have obtained two. Nine per cent have not obtained any quotes. Of those that have not switched but considered doing so, 18% did not obtain any quotes.

**Figure 5.6: Number of quotes obtained last time businesses considered switching, by size and broker usage (where switched in the last 5 years or considered doing so) (where provided a response)**



Unweighted sample bases in brackets (where switched in the last 5 years or considered doing so)

*E4. Thinking about the last time you considered switching gas/electricity supplier, how many suppliers did you or your broker contact for quotes?*

**Bold font signifies a statistically significantly higher figure compared with the average minus the sub-group tested; italics signifies a statistically significantly lower figure than average minus the sub-group tested**

## 5.4 Reasons for switching

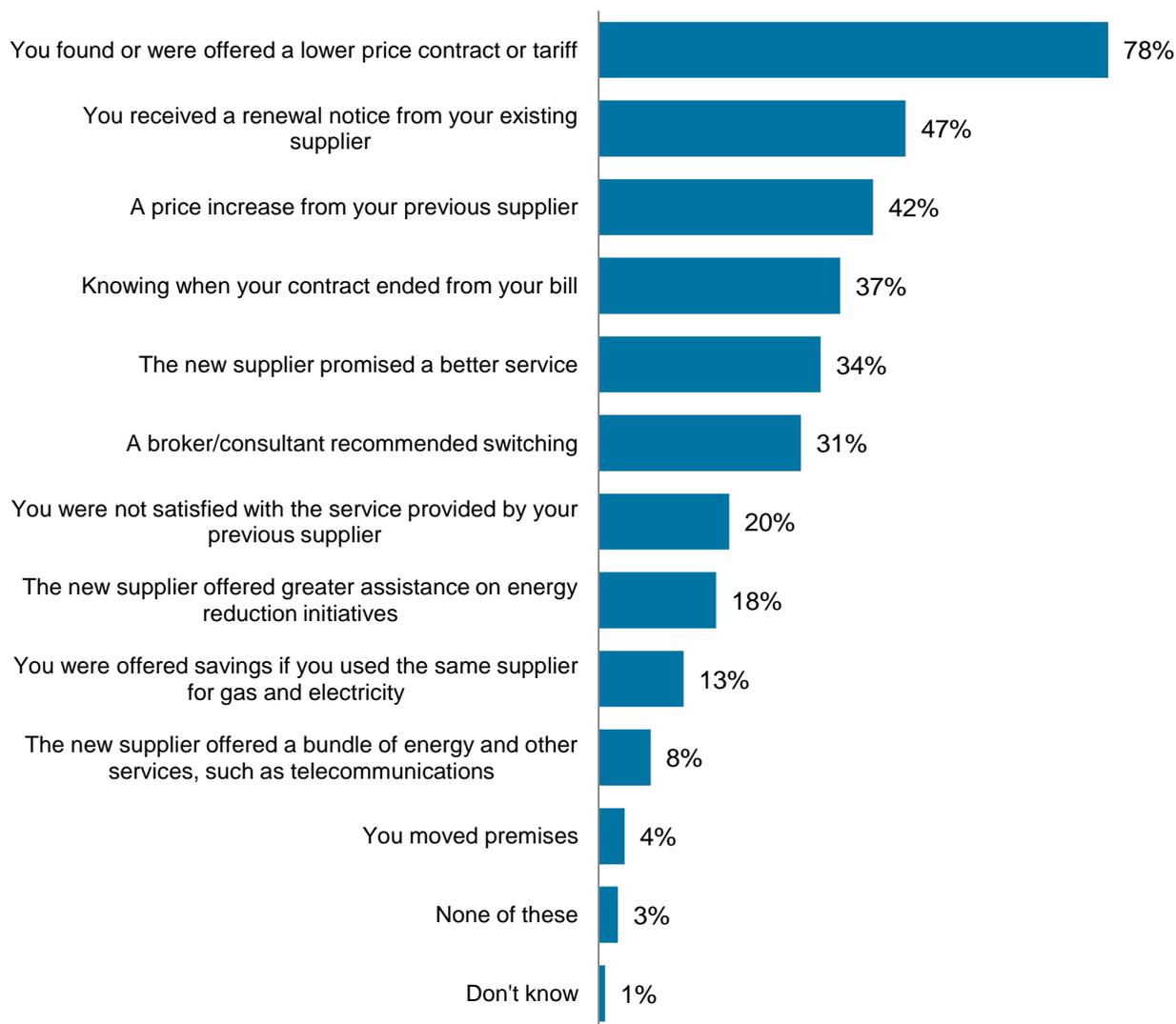
Respondents that had switched in the last 5 years were asked if any of a number of factors had prompted them to switch supplier the last time they had done so.

Pursuing cost savings is by far the most likely reason for switching (78%). Another related reason was a price increase from the current supplier (42%).

A number were prompted to change by receiving a renewal notice from an existing supplier (47%) or seeing the contract end date on a bill (37%).

In addition, there are instances where consumers appear to have been convinced to switch either because of the promise of better service from a new supplier (34%) or a recommendation from an intermediary (31%).

**Figure 5.7: Factors in the decision to switch gas/electricity supplier on the last occasion – prompted, multiple response (where switched in the last 5 years)**



Unweighted sample base (where switched in the last 5 years): 927

*E5. Were any of the following factors in your decision to switch gas/electricity supplier on the last occasion you switched?*

There are few significant differences by business size in terms of reasons for switching. Although businesses with between 5 and 9 employees were more likely than average to cite receiving a renewal notice (53%) and the offer of savings as reasons for using the same supplier for gas and electricity (18%).

There are some significant differences, however, by energy spend as a proportion of total costs. Businesses which spend relatively less on energy as a proportion of total costs actually appear to be more price sensitive (in terms of citing price rises and cost savings

as reasons for switching). Businesses for which energy costs are a greater proportion of their overall costs tend to be more responsive to energy reduction initiatives and bundles of energy and other services.

**Figure 5.8: Factors in the decision to switch gas/electricity supplier on the last occasion – prompted, multiple response, by share of all costs (where switched in the last 5 years)**

	All businesses that have switched %	Electricity costs as % of all costs			Gas costs as % of all costs		
		10% or less %	11-39% %	40%+ %	10% or less %	11-39% %	40%+ %
You found/were offered a lower price contract or tariff	78	<b>81</b>	76	80	79	75	81
You received a renewal notice from your existing supplier	47	<b>52</b>	43	33	<b>55</b>	41	59
A price increase from your previous supplier	42	<b>47</b>	39	37	<b>50</b>	43	24
Knowing when your contract ended from your bill	37	39	43	34	41	40	39
The new supplier promised a better service	34	<b>38</b>	34	34	30	31	31
A broker/consultant recommended switching	31	31	36	25	30	28	10
You were not satisfied with your previous supplier's service	20	20	25	21	17	<b>30</b>	18
New supplier offered greater assistance on energy reduction	18	19	23	26	17	<b>31</b>	26
You were offered savings if you used the same supplier for gas/electricity	13	12	17	13	<b>31</b>	<b>42</b>	24
The new supplier offered a bundle of energy and other services	8	8	10	<b>15</b>	8	8	27
You moved premises	4	4	4	7	4	5	0
None of these	3	3	3	2	4	3	5
Don't know	1	1	0	1	2	0	0
<i>Unweighted bases (where switched in the last 5 years)</i>	<i>927</i>	<i>493</i>	<i>149</i>	<i>76</i>	<i>250</i>	<i>67</i>	<i>21</i>

*E5. Were any of the following factors in your decision to switch gas/electricity supplier on the last occasion you switched?*

**Bold font signifies a statistically significantly higher figure compared with the average minus the sub-group tested; italics signifies a statistically significantly lower figure than average minus the sub-group tested**

## 5.5 Reasons for not switching

Respondents who have not switched suppliers in the last 12 months were asked why they have not done so.

Their reasons for not switching from their current supplier are summarised in Figure 5.9. The two main reasons were general satisfaction with their current supplier (60%) and being tied into an existing contract (41%).

Of some significance (each accounting for around one in five businesses that have not switched) is scepticism with regard to the savings that can be made through switching (19% cite this) and the perception that finding a new tariff or supplier is too complex and time consuming (also 19%).

One in four businesses without employees cite the complexity of finding a new tariff or supplier (25%), which is significantly higher than average. Businesses with 10-49 employees are significantly more likely than average to be tied to a contract (48%).

**Figure 5.9: Reasons for not switching suppliers in the last 12 months - prompted, multiple response, by detailed business size (where have not switched in the last 12 months)**

	All businesses that have not switched in last 12 months %	Workforce size (UK wide)			
		0 Employees %	1-4 employees %	5-9 employees %	10-49 Employees %
You were broadly satisfied with existing supplier	60	61	64	55	53
You were tied to your existing contract	41	38	39	42	<b>48</b>
You did not believe switching would result in significant savings	19	22	18	18	14
It was too complex and time consuming to find a new tariff or supplier	19	<b>25</b>	17	19	11
Your existing supplier prevented switching	8	10	9	5	5
You did not start looking to switch in time	7	6	9	8	4
Switching dates/procedures were unclear	6	8	5	8	5
You did not receive a renewal notification from your existing supplier	5	4	5	6	4
You were not happy with the broker's recommendations	4	4	4	6	3
It didn't occur to you to consider switching	3	3	4	3	1
You had outstanding arrears	1	1	1	1	2
None of these	7	8	6	5	<b>10</b>
Don't know	1	*	*	2	2
<i>Unweighted bases (where have not switched in the last 12 months)</i>	1127	177	345	293	312

*E6. You say you have not switched suppliers in the last 12 months. Why have you not switched?*

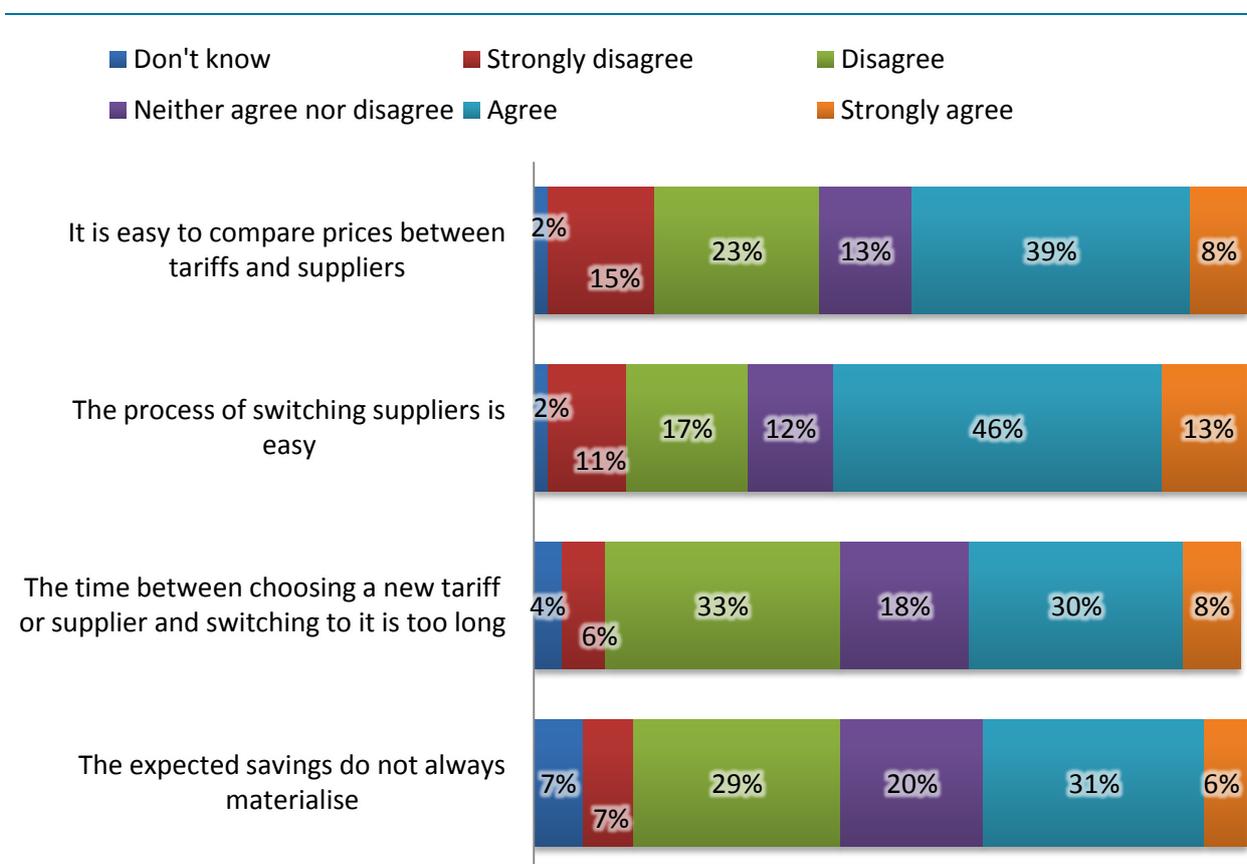
**Bold font signifies a statistically significantly higher figure compared with the average minus the sub-group tested; italics signifies a statistically significantly lower figure than average minus the sub-group tested**

## 5.6 Views on the switching process

Respondents with experience of switching suppliers in the last 5 years (60% of all respondents) were asked their views on various aspects of it.

While higher proportions of respondents agree than disagree that it is easy to compare prices (48% strongly agree/agree; 38% strongly disagree/disagree) and that the process of switching supplier is easy (58% strongly agree/agree; 28% strongly disagree/disagree), similar proportions agree or disagree that the time between choosing a new tariff and supplier and switching to it is too long (38% strongly agree/agree; 39% strongly disagree/disagree). Just over a third agree with the statement that expected savings do not always materialise (37% strongly agree/agree; 36% strongly disagree/disagree).

**Figure 5.10: Extent to which respondents agree or disagree with aspects of the switching process (where have switched in the last 5 years)**



Unweighted sample base (where have switched in the last 5 years): 899

*E7. In terms of the switching process, to what extent do you agree or disagree with the following aspects of it?*

Businesses with 10-49 employees tend to be more polarised in their views, with larger differences between the proportions that agree and disagree. The exception is for views on expected savings, which vary only slightly by business size.

**Figure 5.11: Extent to which respondents agree or disagree with aspects of the switching process, by detailed business size (where have switched in the last 5 years)**

		All businesses that have switched in last 5 years %	Workforce size			
			0 Employees %	1-4 employees %	5-9 employees %	10-49 Employees %
It is easy to compare prices between tariffs and suppliers	Strongly agree/agree	48	46	52	41	48
	Neutral	13	10	11	15	19
	Strongly disagree/disagree	38	41	35	<b>43</b>	31
	Average score	3.04	2.99	3.09	2.90	3.14
The process of switching suppliers is easy	Strongly agree/agree	58	50	61	58	<b>65</b>
	Neutral	12	12	12	10	13
	Strongly disagree/disagree	28	35	26	30	21
	Average score	3.32	3.16	3.34	3.34	<b>3.52</b>
The time between choosing a new tariff or supplier and switching to it is too long	Strongly agree/agree	38	38	41	38	33
	Neutral	18	17	19	16	19
	Strongly disagree/disagree	39	38	36	41	<b>46</b>
	Average score	3.02	3.02	3.09	3.00	2.86
The expected savings do not always materialise	Strongly agree/agree	37	37	38	37	35
	Neutral	20	19	21	22	21
	Strongly disagree/disagree	36	32	36	38	39
	Average score	3.01	3.02	3.03	2.99	2.96
<i>Unweighted bases (where have switched in the last 5 years)</i>		927	119	252	257	299

*E7. In terms of the switching process, to what extent do you agree or disagree with the following aspects of it?*

Average score is calculated on a scale of 1 to 5, where 1 is strongly disagree and 5 is strongly agree.

**Bold font signifies a statistically significantly higher figure compared with the average minus the sub-group tested; *italics* signifies a statistically significantly lower figure than average minus the sub-group tested**

## 5.7 Comparisons with the 2013 non-domestic survey

Figure 5.12 presents figures for the 2013 and 2014 surveys on questions where it is possible to compare the data.

It shows that there has been a significant increase in reported switching. .

**Figure 5.12: The switching experience: Comparisons between 2013 and 2014**  
All respondents

Question:	2014 Base: 1502	2013* Base: 863
How many times has your organisation switched energy supplier in the last 5 years? – at least once	<b>60%</b>	40%
How many times has your organisation switched energy supplier in the last 5 years? – once only	26%	22%
How many times has your organisation switched energy supplier in the last 5 years? – twice	<b>21%</b>	11%
Have you switched energy supplier in the last 12 months? – yes	<b>23%</b>	13%

*\*Bases presented are the number of interviews after weighting*

**Bold font signifies a statistically significantly higher figure in 2014 compared to 2013; italics signifies a statistically significantly lower figure in 2014 compared to 2013**

## 6 Use of brokers and other information sources

### 6.1 Overview and key findings

This chapter summarises use of brokers, as well as other sources of information when businesses choosing contracts or tariffs. It covers:

- Sources businesses consult when choosing energy contracts or tariffs.
- Satisfaction with price comparison websites or telephone services.
- Approaches from and use of brokers.
- Views on the conduct of brokers.

#### Key findings:

Fifty-seven per cent of businesses cite brokers as a source of information when choosing their energy contracts and 26% as a main source. This increases to 37% of businesses with 10-49 employees.

Forty-six per cent of all businesses cite their current supplier as a source of information when choosing energy contracts. Thirty-three per cent cite them as a main source, increasing to 44% of businesses without employees.

One in eight businesses (12%) have mainly used a price comparison website or telephone service to choose their current energy contract; 74% were satisfied with the service provided (31% very satisfied).

Eighty five per cent of businesses have been approached by brokers in the last 12 months. More than half of all businesses (56%) report receiving up to 10 approaches by brokers in the last 12 months. Some have received far more numerous contacts such that; the average number of contacts is 28 per year.

Of those businesses that have been approached by brokers in the last 12 months:

- 61% reported that brokers' had a professional tone; 25% disagreed
- 50% reported that the brokers clearly identified themselves as an energy broker; 37% disagreed
- 40% reported that the broker provided accurate information about the services they offered; 34% disagreed
- 23% reported that brokers were upfront about the cost of their service; 34% disagreed.

Just 5% of businesses that have used a broker said they were charged for the broker's services. Most consider the fee to have been at the right level.

Brokers mainly compared suppliers/tariffs (82%) and arranged new energy contracts (76%) for businesses. Only a minority of businesses reported receiving other services such as energy management (26%) and accounting services (16%) from brokers.

Most of the businesses that have used brokers (81%) were satisfied with the service provided. This includes 51% that were very satisfied.

However, the perception of energy brokers more generally among micro and small businesses tends to be more negative. Forty-four per cent of all businesses describe their overall view of energy brokers as negative, while 20% describe their view as positive.

Satisfaction with broker services among those using them has been high in both the 2013 and 2014 surveys but there has been a significant increase since 2013 in the extent to which businesses overall hold negative perceptions of brokers.

## 6.2 Use of brokers and other information sources

Respondents were asked about sources they consulted or approached when choosing their current gas/electricity contract or tariff.

Brokers are the most commonly cited consulted source for businesses when choosing a gas/electricity contract or tariff (57%). Just over a quarter (26%) cited brokers as the main source.

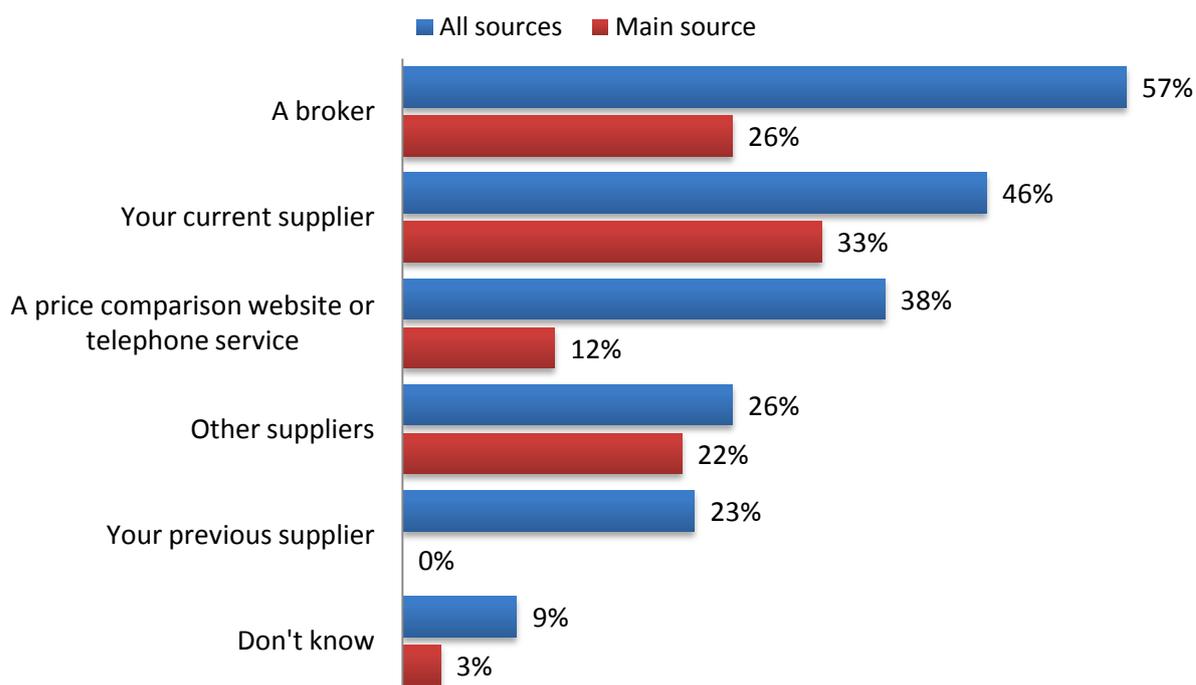
Current suppliers are cited by just under half of respondents (46%), but suppliers are most likely to be regarded as a primary information source (by 33%).

Price comparison websites or telephone services, while consulted by nearly two in five businesses (38%), are only cited as a main source when choosing an energy contract by one in eight (12%).

Consulting other suppliers is also significant (26%), with the majority of users citing them as the main influence in making their choice (22% of all businesses).

Almost one in four (23%) consulted their previous supplier, but no-one relied on them as their main information source with respect to choosing their current contract or tariff.

**Figure 6.1: Sources consulted when choosing current gas/electricity contract or tariff: All sources and main source – prompted, multiple response (all respondents)**

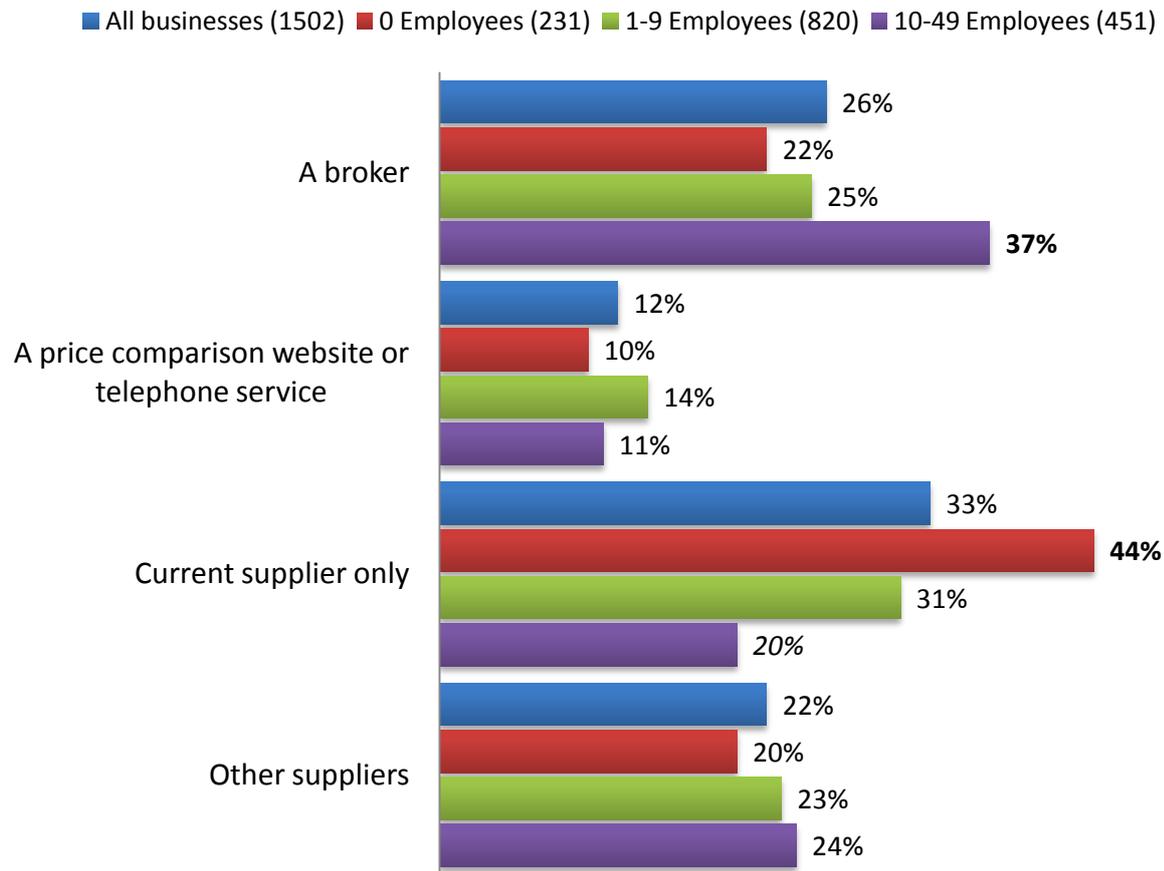


Unweighted sample base (all respondents): 1502

*D1. When choosing your current <GAS>/<ELECTRICITY> contract or tariff did you consult or were you approached by, any of the following? D2. And how did you mainly choose your current gas/electricity contract for tariff?*

Businesses with 10-49 employees are significantly more likely to rely on a broker (37%) when making their final decision. Businesses without employees are significantly more likely than average to rely on their current (at the time of considering change) supplier (44%). At least one in five across all business sizes consulted other suppliers as their main information source.

**Figure 6.2: Main source consulted when choosing current gas/electricity contract or tariff, by organisation size – prompted, multiple response (all respondents)**



Unweighted sample bases in brackets (all respondents)

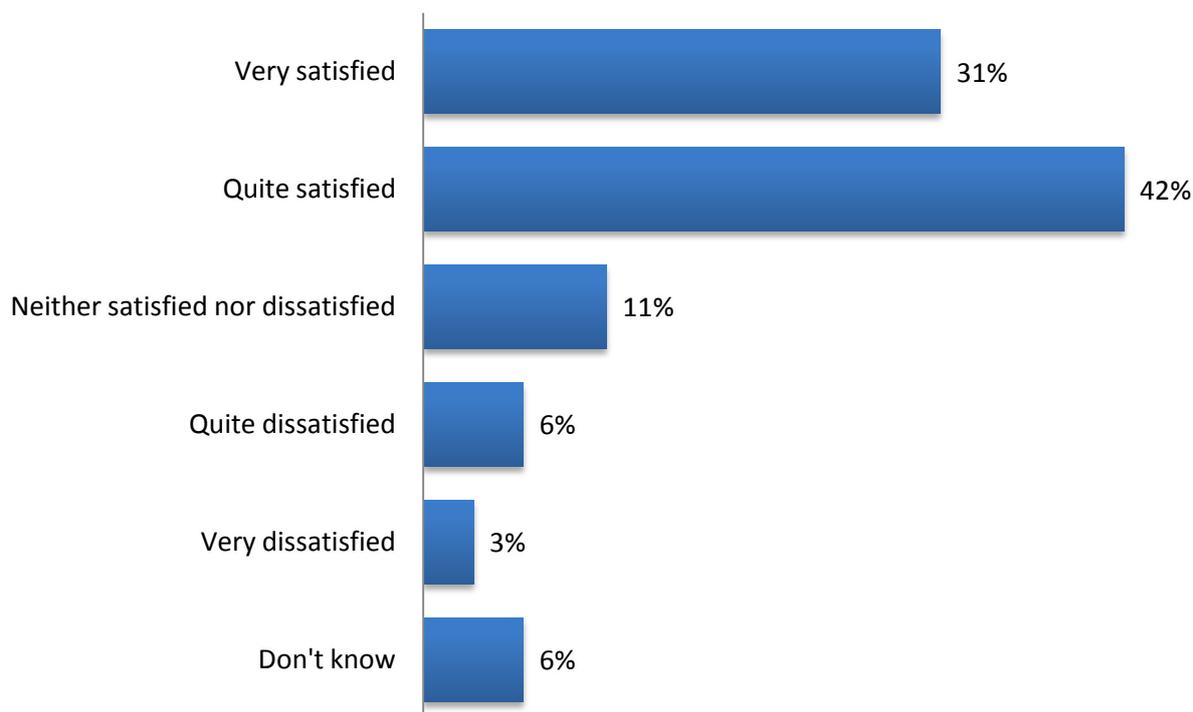
*D2. And how did you mainly choose your current gas/electricity contract for tariff?*

**Bold font signifies a statistically significantly higher figure compared with the average minus the sub-group tested; italics signifies a statistically significantly lower figure than average minus the sub-group tested**

### 6.2.1 Satisfaction with price comparison website or telephone service

As mentioned above, one in eight respondents (12%) have mainly used a price comparison website or telephone service to choose their current gas/electricity contract or tariff. Three-quarters of these businesses have been satisfied with their experience of this service (74%). This includes a third of users (31%) that have been very satisfied. 9% were dissatisfied.

**Figure 6.3: Extent to which businesses are satisfied overall with the service provided by the price comparison website or telephone service (where mainly used a price comparison website or telephone service)**



Unweighted sample base (where mainly used a price comparison website or telephone service): 197

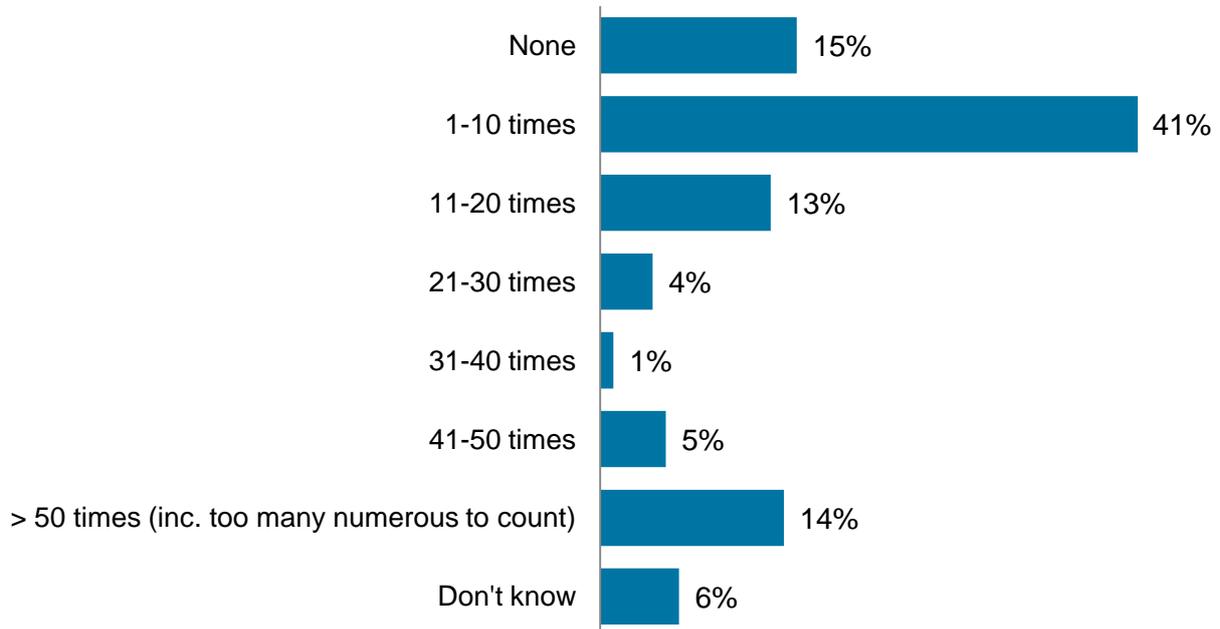
*D2b. How satisfied or dissatisfied were you overall with the service provided by the price comparison website or telephone service when changing to your current gas/electricity contract or tariff?*

## 6.3 Approaches from brokers

### 6.3.1 Number of times approached

Fifteen per cent of all respondents have not been approached by a broker in the last 12 months; 41% have been approached at least once and up to 10 times, while 38% reported more than 10 approaches by brokers in the last 12 months. Overall, the average number of reported broker approaches was 28 over the last year.

**Figure 6.4: Number of times businesses have been approached by a broker in the last 12 months (all respondents)**



Unweighted sample base (all respondents): 1502

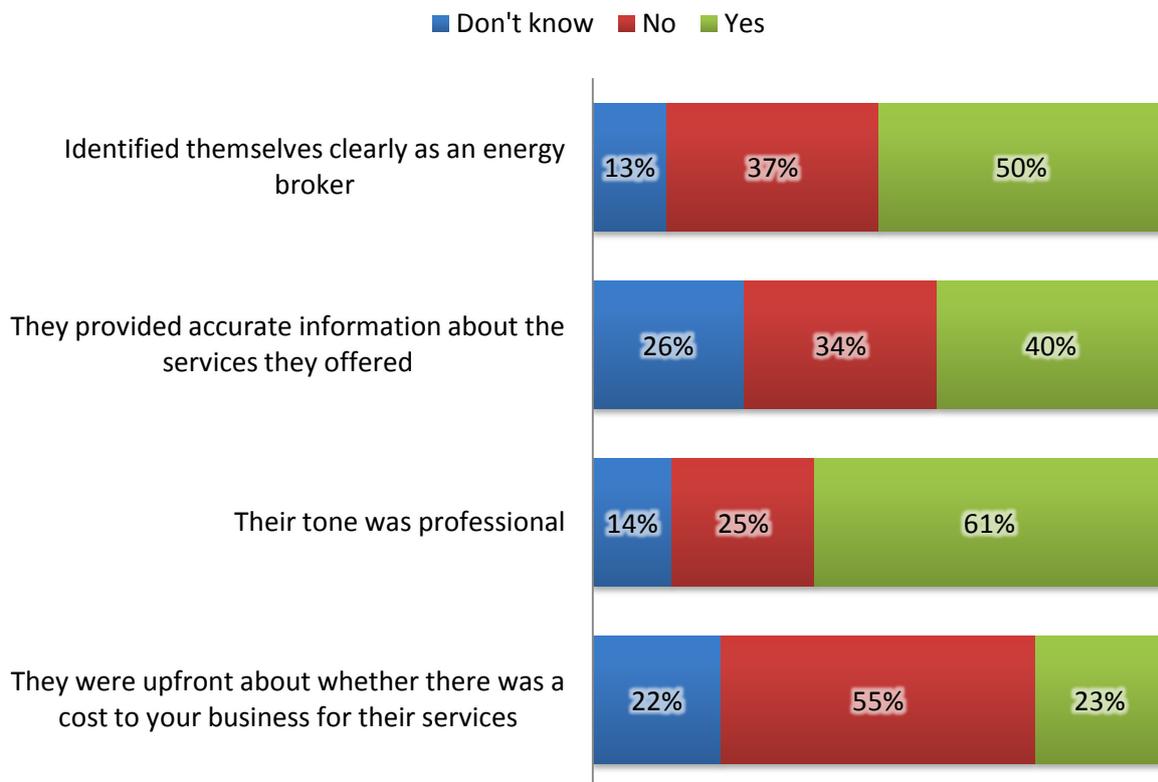
*D3. Approximately how many times, if at all, have you been approached by a broker in the last 12 months?*

As shown in Figure 6.4, some respondents (14%) reported a very large number of calls from brokers, reflecting, on average, a few calls from brokers every week. Retail and wholesale businesses are significantly more likely than average to recall having been approached more than 50 times by brokers.

### 6.3.2 Satisfaction with broker approaches

Businesses' views of broker conduct is mixed. While half of respondents approached by brokers (50%) reported that they identified themselves clearly as an energy broker, more than a third (37%) said they did not. Two-fifths (40%) considered that they provided accurate information about the services they offered, compared with a third that did not (34%). Respondents that report being approached by a broker were just over twice as likely to say that brokers were not upfront about whether there was a cost to their business. Brokers score best for having a professional tone: three-fifths (61%) said this was the case, compared with just a quarter (25%) saying this was not the case.

**Figure 6.5: Perceived conduct of brokers in approaches to businesses (where approached by a broker)**



Unweighted sample bases in brackets (where approached by a broker): 1194

*D4. Thinking about the last time you were approached by a broker, would you say they...?*

By business size, those with 10-49 employees are more likely to report brokers have identified themselves clearly and are upfront about the cost of their services. These views may be in part related to the larger micro and small businesses being more familiar and confident in dealing with brokers.

Businesses with 1-9 employees are more likely than average to consider the tone of brokers as unprofessional (28%), while businesses without employees are more likely than average to disagree that brokers were upfront about the cost to their business for their services (28%).

**Figure 6.6: Perceived conduct of brokers in approaches to businesses, by business size (where approached by a broker)**

		All businesses that have been approached %	Workforce size		
			0 Employees %	1-9 Employees %	10-49 Employees %
Identified themselves clearly as an energy broker	Yes	50	47	50	<b>56</b>
	No	37	37	39	32
	Don't know	13	16	12	12
They provided accurate information about the services they offered	Yes	40	40	40	39
	No	34	31	35	34
	Don't know	26	29	25	28
Their tone was professional	Yes	61	61	61	63
	No	25	22	<b>28</b>	21
	Don't know	14	17	12	16
They were upfront about whether there was a cost to your business for their services	Yes	23	21	22	<b>27</b>
	No	55	50	59	48
	Don't know	22	<b>28</b>	19	25
<i>Unweighted bases (where approached by brokers)</i>		1194	171	644	379

*D4. Thinking about the last time you were approached by a broker, would you say they...?*

**Bold font signifies a statistically significantly higher figure compared with the average minus the sub-group tested; italics signifies a statistically significantly lower figure than average minus the sub-group tested**

## 6.4 Brokers' charges

One in twenty respondents that had used a broker (5%) reported they were charged for their services. That so few respondents are aware indicates a lack of clarity of the cost of broker services.

Most of the respondents that recall being charged were aware of this charge before using the broker's services (92%).

Of those that recall being charged, more than half paid through a regular fee added to the energy bill (53%), while one in four (25%) made a one off payment.

Two in three respondents that were charged by their brokers considered the fee to be about right (68%). One in four (25%) considered it too much.

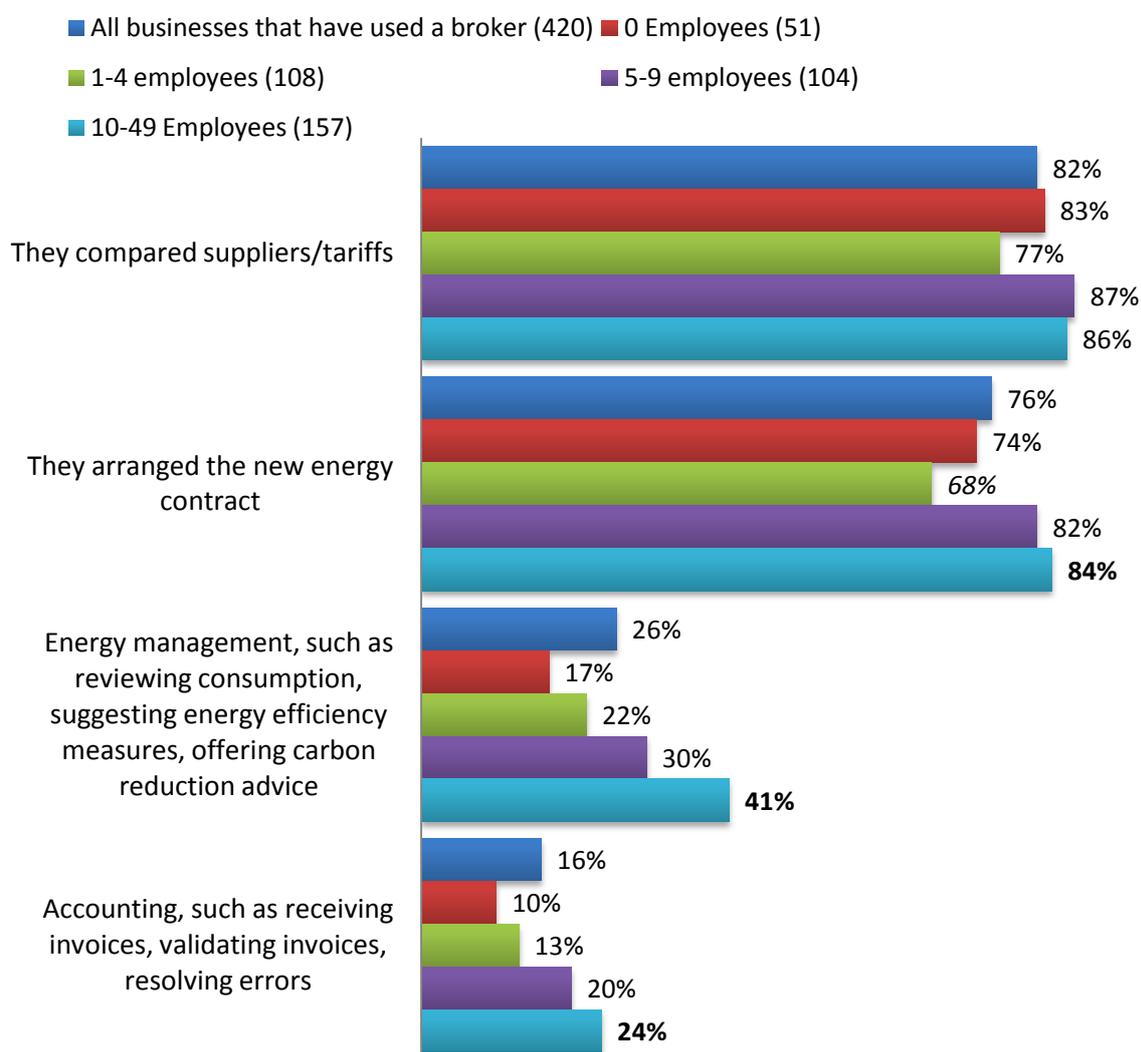
*It should be noted that the findings on how businesses paid charges to brokers are based on just 24 respondents. Caution should be exercised in drawing conclusions from these findings.*

## 6.5 Use of broker services

Among those using brokers, it was mainly to compare suppliers/tariffs (82%) and for arranging new energy contracts (76%) on behalf of businesses.

Much less common was use of brokers for energy management (such as a review of consumption and offering advice and recommendations for energy efficiency measures and carbon reduction - 26%) or accounting (such as receiving invoices, validating invoices, resolving errors - 16%). Both of these services are significantly more likely to have been used by businesses with 10-49 employees.

**Figure 6.7: Services received from brokers, by business size – prompted, multiple response (where used a broker)**



Unweighted sample bases in brackets (where used a broker)

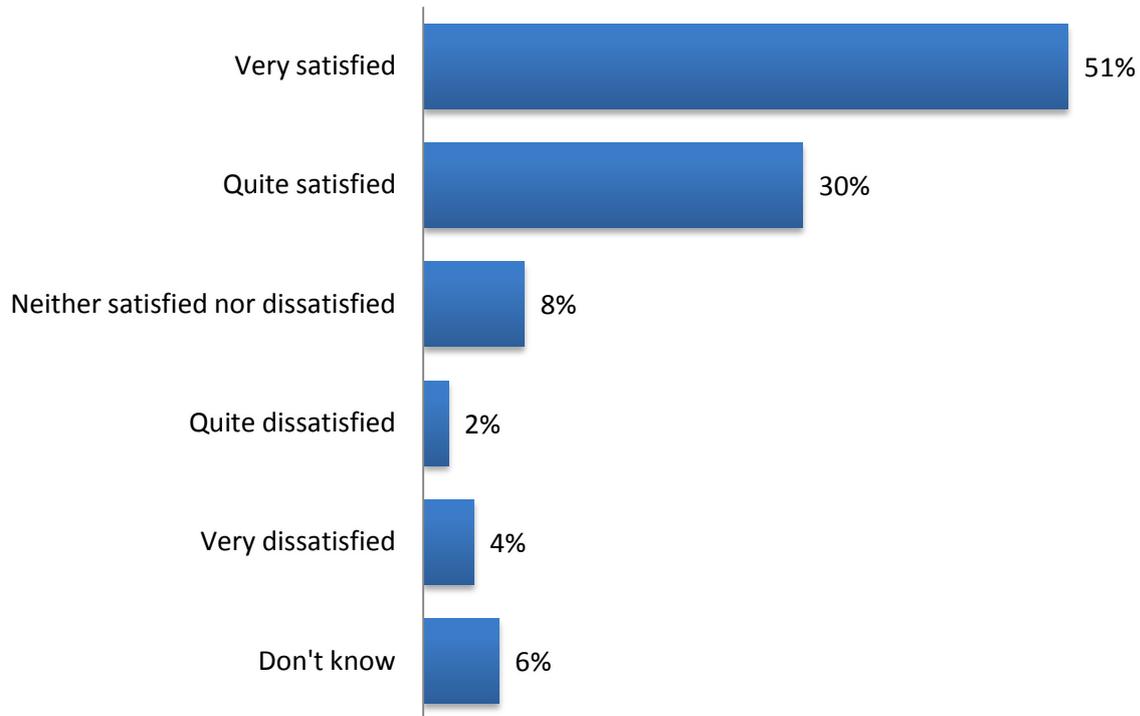
*D9. Which of the following services did you receive from your broker?*

**Bold font signifies a statistically significantly higher figure compared with the average minus the sub-group tested; italics signifies a statistically significantly lower figure than average minus the sub-group tested**

### 6.5.1 Overall satisfaction with broker services

The majority of those that have used brokers were satisfied with the service provided (81%). This includes 51% that were very satisfied. Just 6% were dissatisfied (4% were very dissatisfied).

**Figure 6.8: Extent to which respondents are satisfied with the service provided by their broker (where used a broker)**



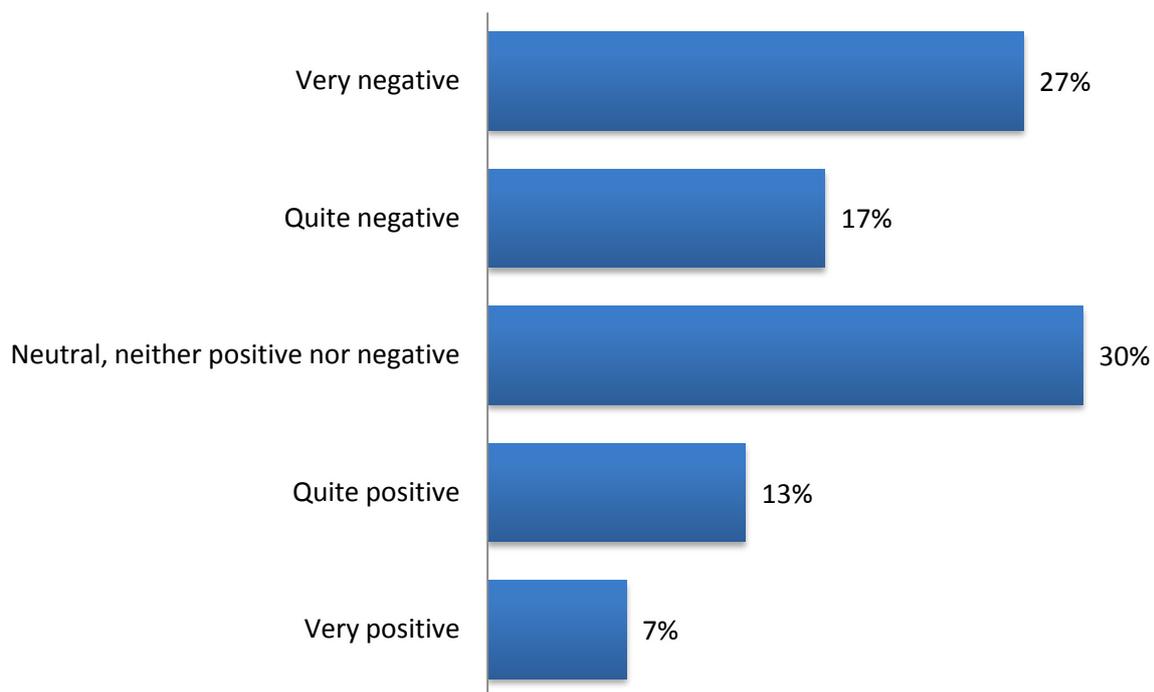
Unweighted sample base (where used a broker): 420

*D10. How satisfied were you overall with the service provided by the broker when changing to your current gas/electricity contract or tariff?*

There are few significant differences in users' satisfaction with brokers by business size, although businesses with between 5 and 9 employees are more likely than average to have been dissatisfied (11%).

All businesses were also asked about their general views of brokers. Businesses overall tend to view them less favourably than those that have used a broker. A higher proportion of businesses describe their overall view of energy brokers as negative rather than positive (44%, compared with 20%). The remainder are neutral (30%) or unsure (6%).

**Figure 6.9: Overall views of energy brokers (all respondents)**



Unweighted sample base (all respondents): 1,502

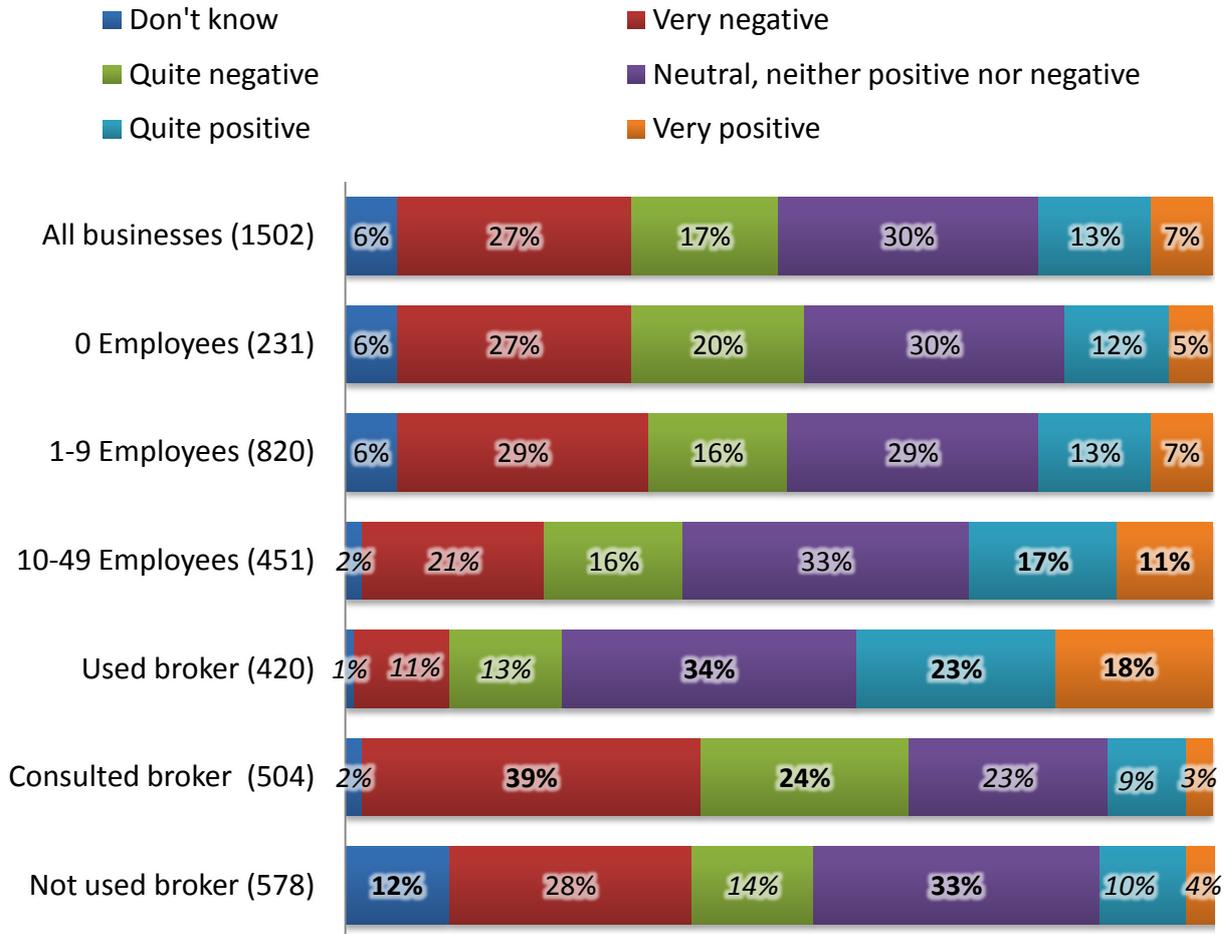
*D11. How would you describe your overall view of energy brokers?*

As expected (given very positive user satisfaction ratings), those that have used brokers hold more positive views of them than those who have not (41% of users have a positive view of energy brokers, compared with 13% of non-users; 24% of users have a negative view, compared with 42% of non-users). A particularly critical group are those who have consulted brokers but ultimately not used them as a main source for their decision on a tariff/contract (63% negative).

Businesses with 10-49 employees are more positive than other business sizes (28% positive). This is likely to be related to usage of brokers. Businesses of this size are more likely to have been approached by and to use brokers (see Sections 6.2 and 6.5).

These findings suggest that wider perceptions of energy brokers do not match the experience of businesses that have used them.

**Figure 6.10: Overall views of energy brokers, by business size and usage (all respondents)**



Unweighted sample bases in brackets (all respondents)

*D11. How would you describe your overall view of energy brokers?*

**Bold font signifies a statistically significantly higher figure compared with the average minus the sub-group tested; *italics* signifies a statistically significantly lower figure than average minus the sub-group tested**

## 6.6 Comparisons with the 2013 non-domestic survey

Figure 6.11 presents figures for the 2013 and 2014 surveys on those questions where comparable data are available.

While the extent to which businesses have used brokers to arrange their energy contract has remained at a similar level in 2013 and 2014, the use of brokers for energy management and accounting services has increased significantly since 2013.

Satisfaction with broker services amongst users has remained high over the two years, but perceptions of brokers across all businesses, including a large proportion of businesses that have not used their services, have become significantly more negative since 2013.

**Figure 6.11: Use of brokers and other information sources: Comparisons between 2013 and 2014** All respondents

Question:	2014 Base: 1502	2013* Base: 863
How would you describe your overall view of energy brokers? – positive	<i>20%</i>	32%
How would you describe your overall view of energy brokers? – negative	<b>44%</b>	30%

*\*Bases presented are the number of interviews after weighting*

**Bold font signifies a statistically significantly higher figure in 2014 compared to 2013; italics signifies a statistically significantly lower figure in 2014 compared to 2013**

## 7 Contact with suppliers

### 7.1 Overview and key findings

This chapter focuses on businesses' contact with suppliers. It covers:

- Recent contact with suppliers.
- Reasons for contact.
- Satisfaction with contact.
- Experience of back-billing.

#### Key findings:

Forty-five per cent of all businesses have contacted their gas/electricity supplier in the last year.

The main reason for contacting suppliers is a query or to obtain information (65%), with just 20% contacting suppliers with a complaint.

Of those that have had contact with their energy supplier:

- 57% were satisfied with the solution offered (34% very satisfied, while 22% were dissatisfied)
- 55% were satisfied with the time it took them to respond to their query or complaint (31% very satisfied while 23% were dissatisfied)
- 47% were satisfied with any follow up service/communication (27% very satisfied while 25% were dissatisfied).

Satisfaction is at similar levels to that reported in 2013, although there has been a slight increase in satisfaction with the solution the supplier offered and the follow up service/communication.

One in seven businesses (14%) have experienced back-billing. The majority of back-billing (72%) was for the 12 month period immediately preceding the date of the bill.

### 7.2 Contacting suppliers

Forty-five per cent of all businesses have contacted their gas/electricity supplier in the last year. This does not vary by business size and is similar across all sectors with the exception of construction, where businesses are less likely to have contacted their supplier (34%).

Businesses that were more likely than average to have contacted their supplier in the last year included those with a fixed term contract (47%), those that have shopped around for a new supplier or tariff in the last 12 months (60%) and those that have switched in the last year (59%).

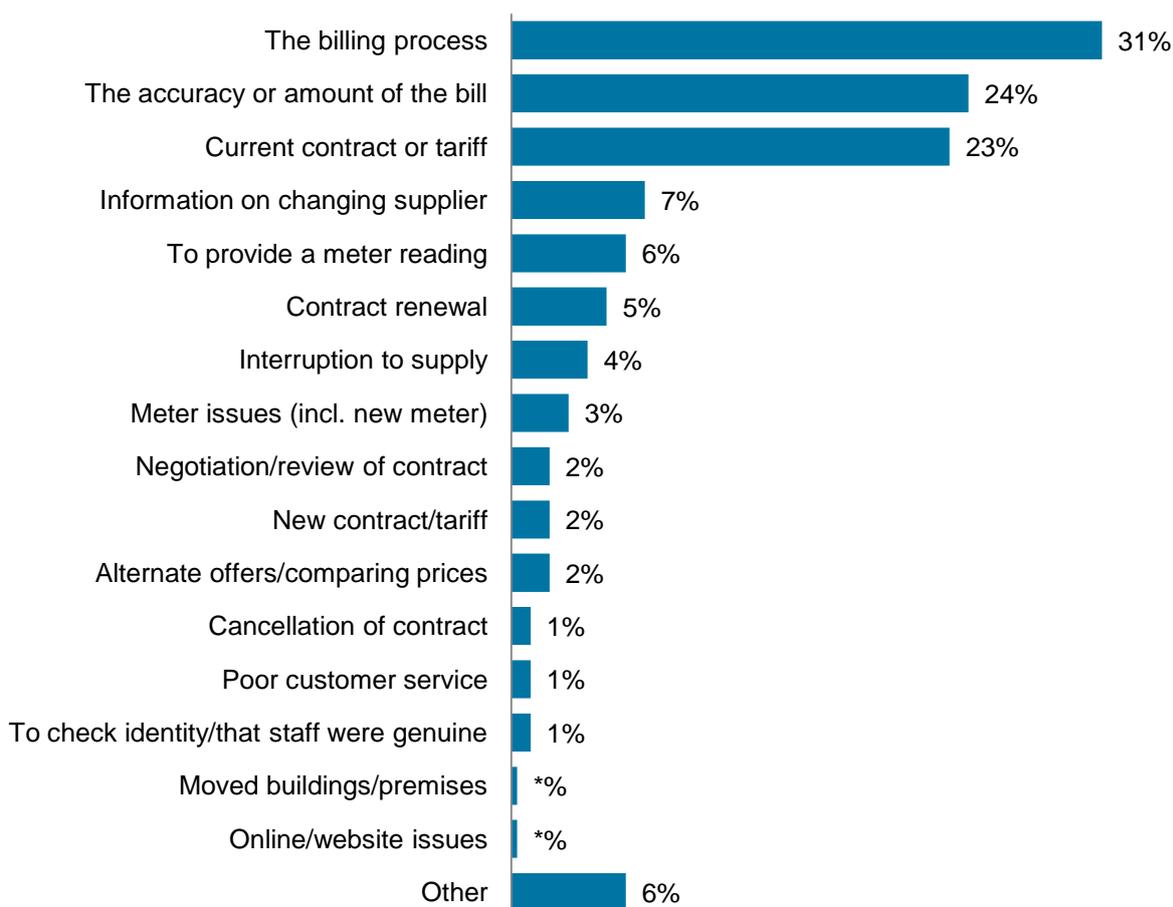
### 7.2.1 Reasons for contact

Given the correlation between shopping around, switching and contact with the supplier, it is not surprising that the reason for contact was much more likely to have been a query or to obtain information than a complaint (65% stating a query/information; 20% stating a complaint).

However, businesses that have used brokers to set up their current contract or tariff are significantly more likely than average to be contacting their supplier with a complaint (26%, compared with 19% of those that have not).

More detailed reasons for contacting suppliers are presented in Figure 7.1 below. Queries about the billing process and the accuracy and amount of the bill are the two most frequently cited reasons for contacting suppliers. Both these reasons are significantly more likely than average to be cited by businesses that have used brokers (40% citing the billing process; 32% citing the accuracy or amount of the bill). Discussing the customer’s current contract or tariff was also a significant reason for supplier contact.

**Figure 7.1: Reasons for contacting suppliers in the last 12 months - unprompted, multiple response (where contacted supplier)**



Unweighted sample base (where contacted supplier): 663 \*denotes less than 0.5%

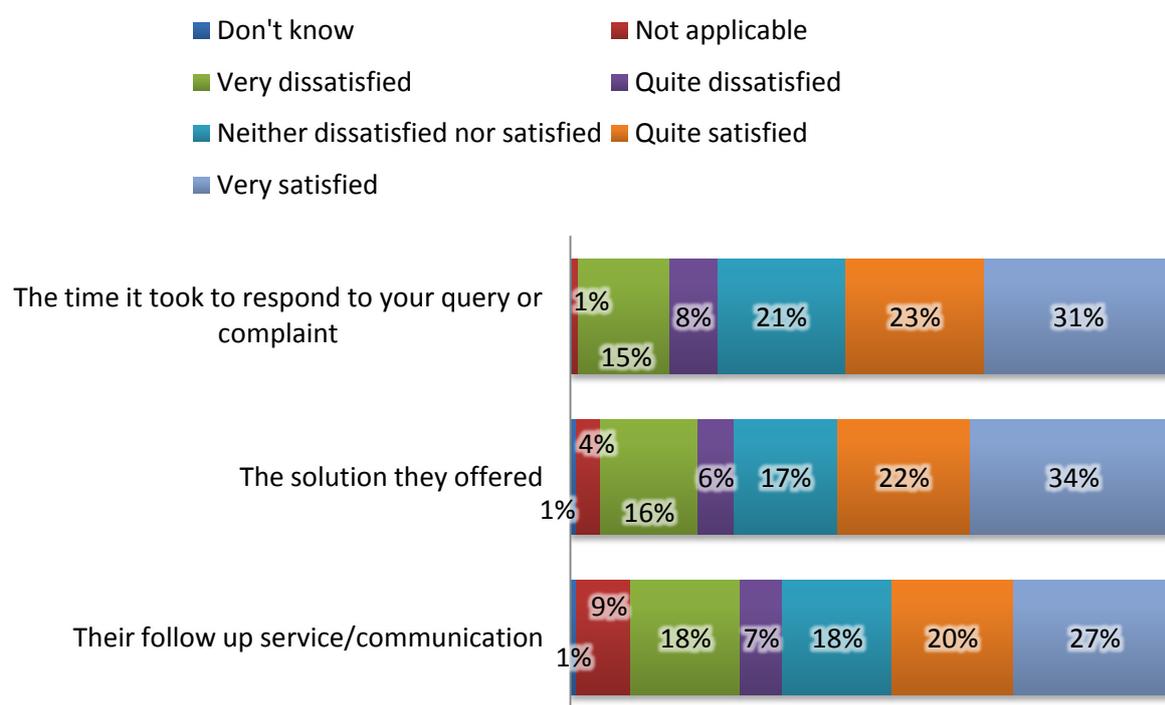
F6. What was the reason for contacting them?

### 7.2.2 Satisfaction with contact

When those who made contact with suppliers were asked how satisfied they have been with this contact, more than half were satisfied with the time it took suppliers to respond to their query or complaint (55% very satisfied/satisfied) and the solution they offered (57%). Just under half were satisfied with any follow up service/communication (47%).

Around one in four respondents were dissatisfied with the time it took them to respond to their query or complaint (23%), the solution offered (22%) and their follow up service/communication (25%).

**Figure 7.2: Extent to which respondents are satisfied with the last contact with their gas/electricity supplier (where contacted supplier)**



Unweighted sample base (where contacted supplier): 663

*F7. Thinking about the last time you contacted your gas/electricity supplier, how would you rate your level of satisfaction with the following...?*

In most cases, there is little difference in satisfaction whether businesses are referring to their electricity or gas contract. An exception is follow up service/communication, where respondents who were talking about their gas contract are more likely to be satisfied. Users of both electricity and gas, however, are more likely to be dissatisfied with each aspect compared to users of electricity only.

**Figure 7.3: Extent to which respondents are satisfied with their last contact with their gas/electricity supplier, by type of fuel contract referred to (where contacted supplier)**

		All businesses that have contacted supplier %	Fuel contract referenced		Fuel - usage	
			Gas %	Electricity %	Use both %	Use electricity only %
The time it took to respond to your query or complaint	Satisfied (very/quite)	55	56	4	50	57
	Neutral	21	21	20	22	20
	Dissatisfied (very/quite)	23	26	24	26	21
	Average score	3.48	3.56	3.46	3.35	3.56
The solution they offered	Satisfied (very/quite)	57	56	56	51	59
	Neutral	17	21	16	18	16
	Dissatisfied (very/quite)	22	18	23	<b>26</b>	20
	Average score	3.55	3.64	3.52	3.40	3.63
Their follow up service/communication	Satisfied (very/quite)	47	55	45	44	48
	Neutral	18	15	18	15	19
	Dissatisfied (very/quite)	25	24	26	<b>30</b>	23
	Average score	3.34	3.47	3.30	3.21	3.40
<i>Unweighted bases (where contacted supplier)</i>		663*	138	520	281	375

F7. Thinking about the last time you contacted your <GAS>/<ELECTRICITY> supplier, how would you rate your level of satisfaction with the following on a scale of 1 to 5, where 1 is very dissatisfied and 5 is very satisfied... \*difference between total base and sum of sub-sample bases is due to respondents not included in sub-samples due to don't know/refused/other responses in the defining questions (A9 and A10)

Average score is calculated on a scale of 1 to 5, where 1 is very dissatisfied and 5 is very satisfied.

**Bold font signifies a statistically significantly higher figure compared with the average minus the sub-group tested; italics signifies a statistically significantly lower figure than average minus the sub-group tested**

### 7.3 Back-billing

One in seven businesses (14%) report that they have experienced back-billing<sup>10</sup>. This does not vary by business size and it varies little by most industry sectors except for being higher than average in transport, food and accommodation (18%).

<sup>10</sup> where customers are retrospectively charged for gas/electricity that exceeded their estimated usage

Respondents referring to gas bills are significantly less likely to report back-billing than those referring to their electricity bill (10% gas, compared with 15% electricity).

Businesses that have shopped around or switched in the last year are more likely than average to report back-billing (17% and 20% respectively).

Most back-billing has been for the 12 months period immediately preceding the date of the bill (72%), while one in six businesses that have been back-billed have received additional charges for a period more than 12 months ago (18%).

## 8 Views on suppliers and the energy market

### 8.1 Overview and key findings

This chapter examines views on suppliers and the energy market. It covers:

- Satisfaction with aspects of energy suppliers' services.
- Overall satisfaction with the service provided by energy suppliers.
- Propensity to recommend suppliers.
- Views on the energy market in general.
- Perception of fairness of energy suppliers in their dealings with business customers.

#### Key findings:

Of all businesses:

- 69% are satisfied with the degree to which their energy supplier meets their needs (33% very satisfied) while 10% are dissatisfied
- 50% are satisfied with their energy supplier with regard to value for money (20% very satisfied) while 18% are dissatisfied
- 49% are satisfied with the information that their energy supplier provides on available tariffs and options (21% very satisfied) while 21% are dissatisfied.

There has been a decline in satisfaction with aspects of supplier service; this is most pronounced with regard to information provided on available tariffs and options from the supplier (69% in 2013).

Overall, 66% of businesses are satisfied with the service provided by their energy supplier. This includes 28% that are very satisfied. Around one in ten (11%) are dissatisfied overall. Overall satisfaction has declined since 2013 (80% in 2013).

Despite generally high levels of satisfaction, only one in six businesses (18%) would recommend their energy supplier to others. By contrast, more than half (57%) can be considered to be detractors.

A low level of advocacy amongst businesses of their current energy suppliers is further highlighted by a significant negative Net Promoter Score (NPS) of -39%<sup>11</sup>. This suggests a lower level of advocacy than in 2013 when the NPS calculated was -32%.

In terms of general views regarding the energy market, businesses are most positive about the ease of switching (42% satisfied) and comparing prices (38% satisfied). They are least positive with regard to the sales approaches of energy suppliers (19% satisfied) and brokers (18% satisfied).

There has been a decline in satisfaction with sales approaches of brokers and energy suppliers since 2013 (34% and 38% respectively in 2013).

Two in five businesses (40%) say they tend to distrust or completely distrust energy suppliers in terms of energy suppliers' ability to be fair in dealing with business customers. This compares with 28% that tend to trust or completely trust energy suppliers. Around one in three (31%) are neutral in this respect.

<sup>11</sup> This is calculated by subtracting the proportion that are detractors (those actively discouraging usage) from the proportion that are promoters (actively encouraging usage). The possible range of the NPS is -100% (completely negative) to +100% (completely positive).

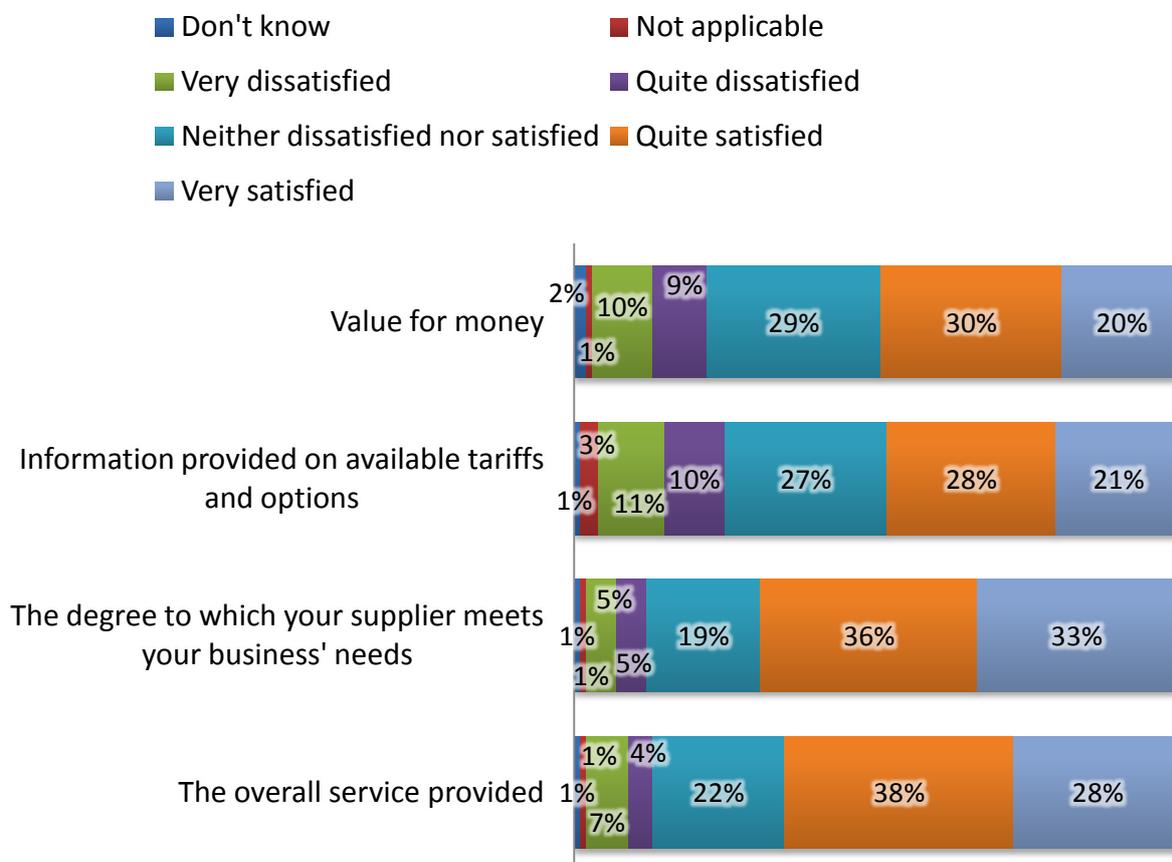
## 8.2 Views on current energy suppliers

Respondents were asked to rate their satisfaction with three aspects of their current supplier's services and to rate their satisfaction overall.

They are most likely to be satisfied with the degree to which their supplier meets their business needs (69% satisfied; 33% very satisfied) and least likely to be satisfied with information provided on available tariffs and options (49%; 21% very satisfied) and value for money (50%; 20% very satisfied).

Despite this variation in satisfaction ratings, two-thirds of respondents (66%) are satisfied with their current supplier overall, including 28% that are very satisfied.

**Figure 8.1: Extent to which respondents are satisfied with their gas/electricity supplier (all respondents)**



Unweighted sample base (all respondents): 1502

*H1. Thinking about your current gas/electricity supplier, how would you rate your level of satisfaction with the following..?*

Satisfaction is generally consistent across all business sizes and between respondents that reference electricity or gas suppliers, as shown in Figure 8.2 below.

**Figure 8.2: Extent to which respondents are satisfied with aspects of their current supplier, by business size and type of fuel bill (all respondents)**

		All businesses %	Workforce size			Fuel	
			0 Employees %	1-9 Employees %	10-49 Employees %	Electricity %	Gas %
Value for money	Satisfied (very/quite)	50	52	49	50	50	49
	Neutral	29	31	28	29	29	28
	Dissatisfied (very/quite)	18	14	<b>20</b>	19	18	20
	Average score	3.43	3.52	3.39	3.44	3.44	3.40
Information provided on available tariffs and options	Satisfied (very/quite)	49	47	49	49	49	48
	Neutral	27	29	26	27	<b>28</b>	21
	Dissatisfied (very/quite)	21	18	22	20	20	<b>24</b>
	Average score	3.40	3.43	3.38	3.39	3.42	3.29
The degree to which your supplier meets your business' needs	Satisfied (very/quite)	69	67	71	68	70	69
	Neutral	19	21	18	20	19	18
	Dissatisfied (very/quite)	10	10	10	10	10	10
	Average score	3.89	3.87	3.91	3.86	3.89	3.89
The overall service provided	Satisfied (very/quite)	66	65	66	67	66	64
	Neutral	22	24	20	21	22	21
	Dissatisfied (very/quite)	11	9	12	10	11	13
	Average score	3.78	3.78	3.78	3.79	3.79	3.73
<i>Unweighted bases (all respondents)</i>		1502	231	820	451	1129	340

H1. Thinking about your current gas/electricity supplier, how would you rate your level of satisfaction with the following..?

Average score is calculated on a scale of 1 to 5, where 1 is very dissatisfied and 5 is very satisfied.

**Bold font signifies a statistically significantly higher figure compared with the average minus the sub-group tested; italics signifies a statistically significantly lower figure than average minus the sub-group tested**

### 8.2.1 Likelihood of recommending their current energy supplier

In terms of the likelihood of recommending current energy suppliers, the scores are classified as follows:

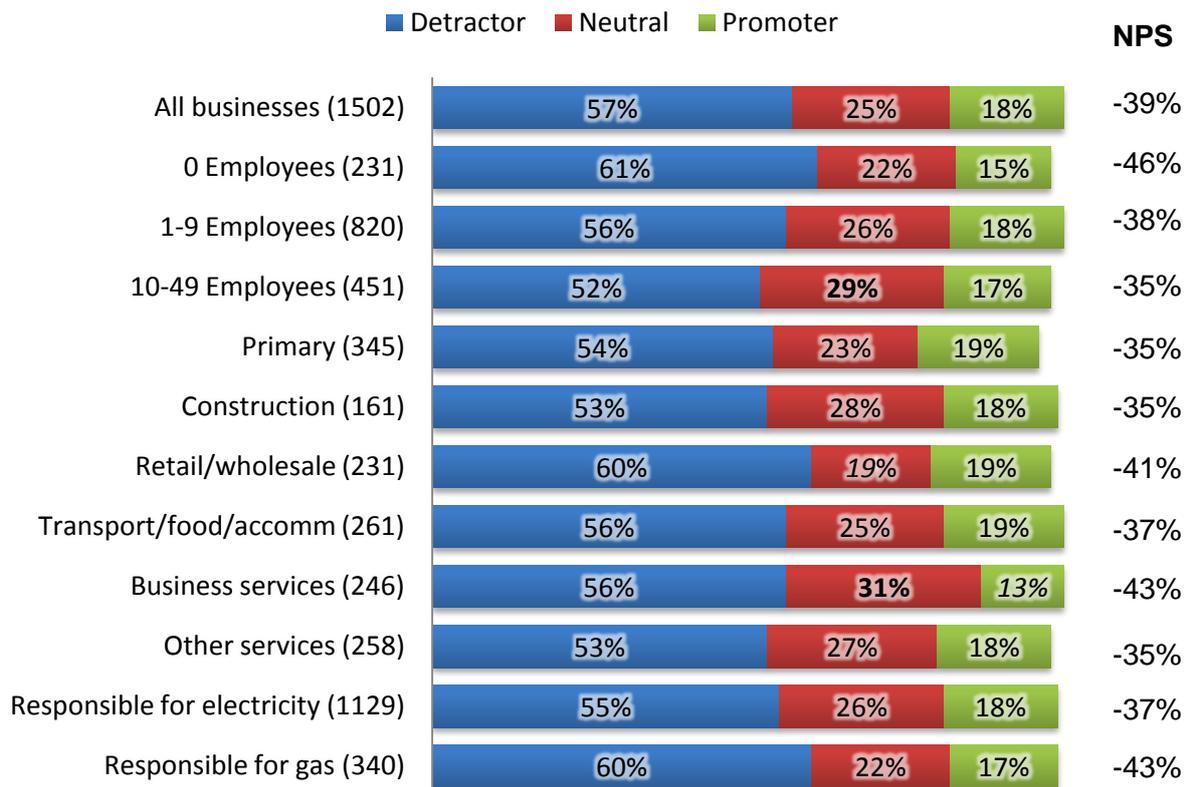
- Promoter (9, 10): 18%
- Neutral (7, 8): 25%
- Detractors (0-6): 57%

The Net Promoter Score (NPS) is calculated by subtracting 'detractors' from 'promoters'. The NPS across all respondents is -39%, which on a scale of +100% to -100% signifies a poor rating and a low level of advocacy.

By business size, the NPS is lowest amongst businesses without employees (-46%) but higher than average in businesses with 10-49 employees (-35%). This suggests the propensity to be positive increases with business size.

Respondents responding in relation to their gas bill have a lower NPS than those responding in relation to their electricity bill (-43% compared with -37%), suggesting a lower propensity to recommend a gas supplier than an electricity supplier.

**Figure 8.3: Likelihood of recommending their current gas/electricity supplier to someone else or another business (all respondents) excludes don't knows NPS at end of bars**



Unweighted sample bases in brackets (all respondents)

*H2. How likely is it that you would recommend your current gas/electricity supplier to someone else or another business?*

**Bold font signifies a statistically significantly higher figure compared with the average minus the sub-group tested; *italics signifies a statistically significantly lower figure than average minus the sub-group tested***

Although Section 8.2 reported that around two-thirds of businesses are satisfied with the overall service provided by their current energy supplier, levels of advocacy, as indicated by the NPS, are low. This suggests that satisfaction is not translating into recommendation of their supplier.

### 8.3 Views on the energy market in general

Respondents were asked for their views on the energy market in general.

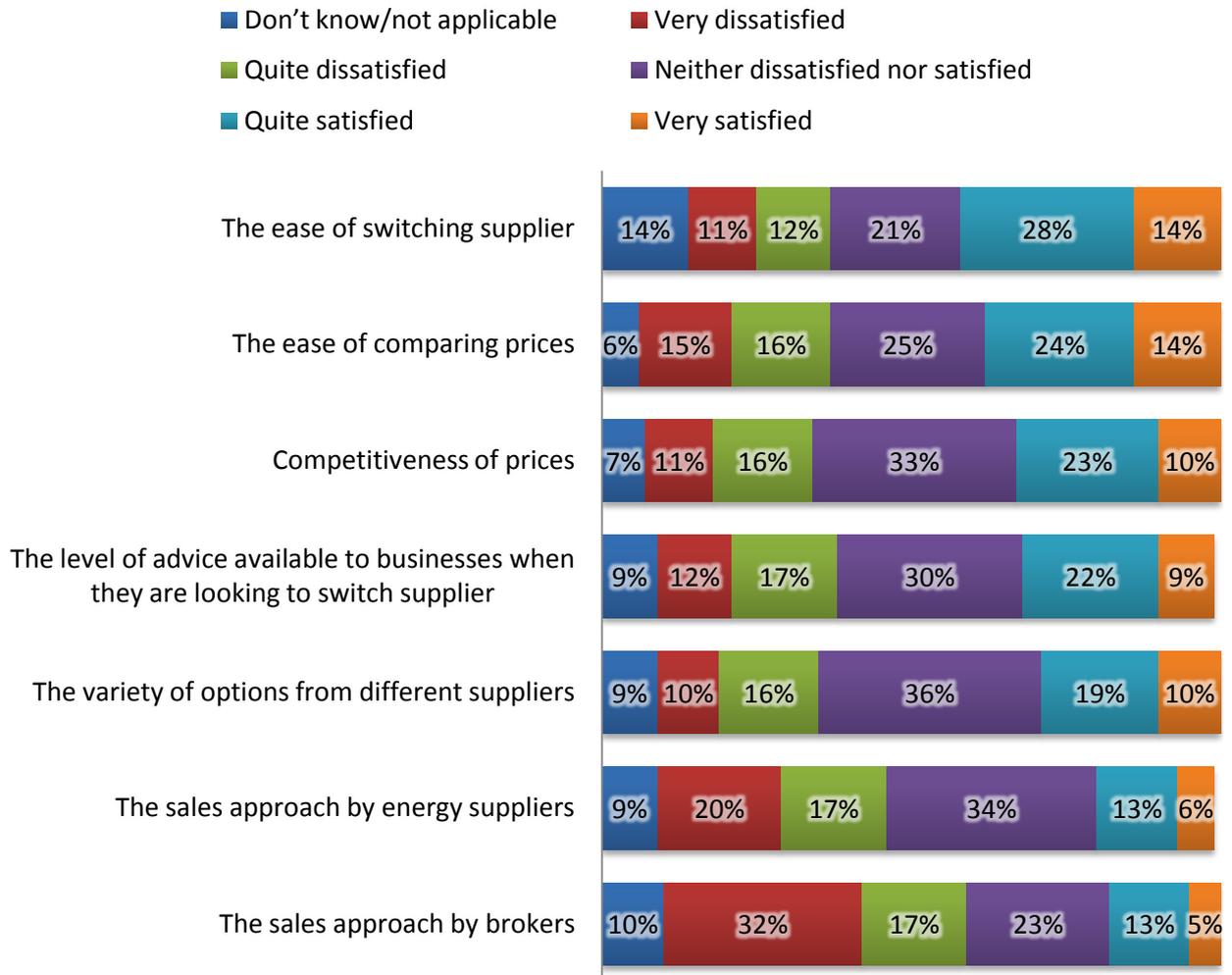
Satisfaction levels range from 18% for sales approaches of brokers and 19% for sales approaches of energy suppliers to 42% for the ease of switching suppliers.

A significant minority of respondents (between 21% and 36%) are neutral in their views on these aspects of the energy market.

Levels of dissatisfaction range from 23% for the ease of switching supplier to 48% for the sales approach by brokers.

While the ease of switching suppliers and comparing prices are rated quite positively, fewer than half of all businesses are satisfied with any of the aspects of the energy market. Dissatisfaction considerably exceed levels of satisfaction for sales approaches from energy suppliers and brokers (energy suppliers: 38% dissatisfied, compared with 19% satisfied; brokers: 48% dissatisfied, compared with 18% satisfied).

**Figure 8.4: Extent to which respondents are satisfied with aspects of the energy market in general (all respondents)**



Unweighted sample bases (all respondents): 1,502

*H3. Thinking now about the energy market in general, how would you rate your level of satisfaction with the following..?*

Satisfaction levels are higher than average in businesses with 10-49 employees. They are also considerably higher amongst businesses that have switched in the last five years, compared with those that have not.

**Figure 8.5: Extent to which respondents are satisfied with aspects of the energy market, by business size and switching in the last 5 years (all respondents)**

		Workforce size				Switching behaviour	
		All businesses %	0 Employees %	1-9 Employees %	10-49 Employees %	In the last 5 years %	Not in the last 5 years %
Competitiveness of prices	Satisfied (very/quite)	33	31	32	<b>38</b>	<b>35</b>	30
	Neutral	33	33	34	29	33	30
	Dissatisfied (very/quite)	27	26	27	28	28	27
	Average score	3.05	3.00	3.05	3.12	3.06	3.02
The variety of options from different suppliers	Satisfied (very/quite)	29	25	30	<b>33</b>	<b>31</b>	24
	Neutral	36	37	36	33	37	35
	Dissatisfied (very/quite)	26	26	26	26	25	27
	Average score	3.03	2.95	3.05	3.08	3.06	2.97
The ease of comparing prices	Satisfied (very/quite)	38	37	37	39	39	35
	Neutral	25	24	25	21	24	26
	Dissatisfied (very/quite)	31	30	31	<b>35</b>	33	29
	Average score	3.05	3.07	3.04	3.04	3.04	3.07
The sales approach by energy suppliers	Satisfied (very/quite)	19	19	18	24	<b>21</b>	15
	Neutral	34	35	34	32	34	34
	Dissatisfied (very/quite)	38	35	39	37	36	<b>41</b>
	Average score	2.64	2.68	2.60	2.70	2.72	2.52
The sales approach by brokers	Satisfied (very/quite)	18	15	19	22	<b>22</b>	13
	Neutral	23	20	23	27	24	21
	Dissatisfied (very/quite)	48	52	47	43	46	<b>52</b>
	Average score	2.37	2.37	2.38	2.52	2.51	2.15

		Workforce size				Switching behaviour	
		All businesses %	0 Employees %	1-9 Employees %	10-49 Employees %	In the last 5 years %	Not in the last 5 years %
The ease of switching supplier	Satisfied (very/quite)	42	40	42	47	<b>54</b>	25
	Neutral	21	22	21	20	21	23
	Dissatisfied (very/quite)	23	23	24	19	23	25
	Average score	3.26	3.23	3.23	3.46	3.40	2.95
The level of advice available to businesses when they are looking to switch supplier	Satisfied (very/quite)	32	29	33	35	<b>35</b>	26
	Neutral	30	31	29	28	29	32
	Dissatisfied (very/quite)	30	27	31	29	31	28
	Average score	3.00	2.97	2.98	3.10	3.03	2.94
<i>Unweighted bases (all respondents)</i>		1502	231	820	451	927	50

H3. Thinking now about the energy market in general, how would you rate your level of satisfaction with the following..?

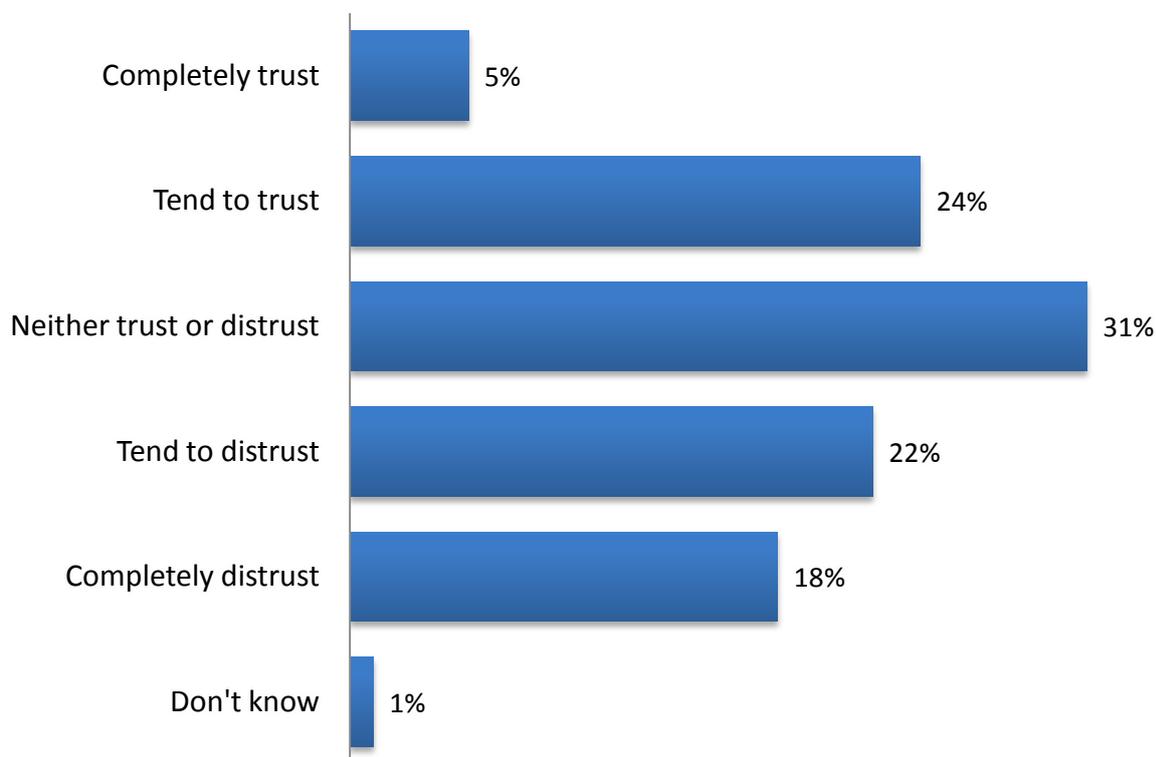
Average score is calculated on a scale of 1 to 5, where 1 is very dissatisfied and 5 is very satisfied.

**Bold font signifies a statistically significantly higher figure compared with the average minus the sub-group tested; *italics signifies a statistically significantly lower figure than average minus the sub-group tested***

### 8.3.1 Extent to which businesses trust energy suppliers to be fair

There is evidence of an underlying distrust of energy suppliers' ability to be fair in their dealings with business customers. Two in five businesses (40%) say they tend to distrust or completely distrust energy suppliers in this regard, while fewer (28%) tend to trust or completely trust them and the remainder (31%) are neutral in their views.

**Figure 8.6: Extent to which respondents trust or distrust energy suppliers to be fair in the way they deal with business customers (all respondents)**



Unweighted sample base (all respondents): 1,502

*H4. To what extent do you trust or distrust energy suppliers to be fair in the way they deal with business customers?*

There are no significant differences in trust of energy suppliers to be fair in the way they deal with their customers by business size. The proportion that trust (completely/tend to) energy suppliers ranges from 25% amongst businesses with 10-49 employees to 30% within businesses without employees, while distrust (completely/tend to) ranges from 39% within businesses without employees to 41% amongst businesses with 10-49 employees.

By sector, levels of trust are higher than average amongst construction businesses (36%), while levels of distrust peak (at 44%) amongst retail/wholesale businesses.

Businesses that have switched in the last 12 months are significantly more likely than average to say they distrust energy suppliers to be fair (51%), with a quarter (25%) completely distrusting them. Similarly, businesses that have had some contact with suppliers in the last 12 months are significantly more likely report distrust (46%, compared with 35% for those with no contact). This suggests some negative impact from recent contact.

## 8.4 Comparisons with the 2013 non-domestic survey

Figure 8.7 presents figures for the 2013 and 2014 surveys on those questions where there are comparable data available.

Levels of satisfaction with all elements of supplier service, including overall satisfaction, have declined since 2013. This is most apparent with regard to the information provided by the supplier on available tariffs and options. It is also reflected in the decline in satisfaction with the variety of options from different suppliers.

A lower level Net Promoter Score could be linked to lower satisfaction rates. Even though the propensity to recommend the supplier has actually increased in 2014, the propensity to be a detractor has increased by a greater proportion.

There has been a significant decrease in levels of satisfaction with regard to sales approaches from both brokers and energy suppliers.

**Figure 8.7: Views on suppliers and the energy market: Comparisons between 2013 and 2014 All respondents**

Question:	2014 <i>Base: 1502</i>	2013* <i>Base: 863</i>
Satisfaction with the degree to which your supplier meets your business needs? - satisfied	69%	79%
Satisfaction with the information provided on available tariffs and options from your supplier? - satisfied	49%	69%
Satisfaction with value for money from your supplier? - satisfied	50%	57%
Satisfaction with service provided by supplier overall? - satisfied	66%	80%
How likely is it that you would recommend your current supplier to someone else or another business? - Promoter (9,10 out of 10)	<b>18%</b>	11%
How likely is it that you would recommend your current supplier to someone else or another business? - Neutral (7, 8 out of 10)	25%	43%
How likely is it that you would recommend your current supplier to someone else or another business? - Detractor (0-6 out of 10)	<b>57%</b>	43%
Net Promoter Score (NPS) <sup>12</sup>	-39%	-32%
Satisfaction with the sales approaches of brokers? - satisfied	18%	34%
Satisfaction with the sales approaches of energy suppliers? - satisfied	19%	38%
Satisfaction with the variety of options from different suppliers? - satisfied	29%	57%

*\*Bases presented are the number of interviews after weighting*

**Bold font signifies a statistically significantly higher figure compared with the average minus the sub-group tested; italics signifies a statistically significantly lower figure than average minus the sub-group tested**

<sup>12</sup> NPS calculated by subtracting 'detractors' from 'promoters'.

## Appendix 1: Sample Profile

### Business size

The weighted sample profile reflects the population data adjusted to take account of those who arrange their own non-domestic energy contracts. Of the *non-adjusted* business population as a whole (i.e. up to 49 employees), 45% have no employees other than the owner/manager/partners. Within the *adjusted* business population, businesses without employees account for just 29% of all those with up to 49 employees. This reflects the extent to which these smallest businesses are more likely to be home-based, low energy users and have domestic energy contracts.

As a consequence of a high proportion of businesses without employees falling out of scope of the survey, the proportion of businesses in the larger size bands increases compared to the whole population.

- no employees: non-adjusted, 45%; adjusted, 29%
- 1-4 employees: non-adjusted, 35%; adjusted, 39%
- 5-9 employees: non-adjusted, 11%; adjusted, 17%
- 10-49 employees: non-adjusted, 9%; adjusted, 15%

The size profile of each of the industry groups examined in the survey is summarised in Figure 1.1 below.

**Figure 1.1: Size of the workforce across all sites, by sector (all respondents)**

	Primary (ABCDE)		Construction (F)		Retail/ wholesale (G)		Transport/ Food/ Accom (HI)		Business services (JKLMN)		Other services (PQRS)	
	Population – adjusted %	Sample %	Population – adjusted %	Sample %	Population – adjusted %	Sample %	Population – adjusted %	Sample %	Population – adjusted %	Sample %	Population – adjusted %	Sample %
None (no employees)	50	<b>42</b>	47	<b>28</b>	37	<b>31</b>	24	<b>18</b>	55	<b>30</b>	32	<b>16</b>
1-4 employees (Small micro)	30	<b>33</b>	39	<b>32</b>	39	<b>41</b>	44	<b>43</b>	31	<b>42</b>	40	<b>39</b>
5-9 employees (Larger micro)	10	<b>12</b>	9	<b>23</b>	14	<b>18</b>	17	<b>21</b>	8	<b>14</b>	14	<b>21</b>
10-49 Employees (Small)	10	<b>13</b>	6	<b>17</b>	10	<b>11</b>	14	<b>18</b>	6	<b>14</b>	14	<b>24</b>
<i>Population/unweighted bases (all respondents)</i>	268k	345	257k	161	351k	231	193k	261	793k	246	226k	258

S4 How many paid employees does your business currently employ across all sites, excluding owners and partners?

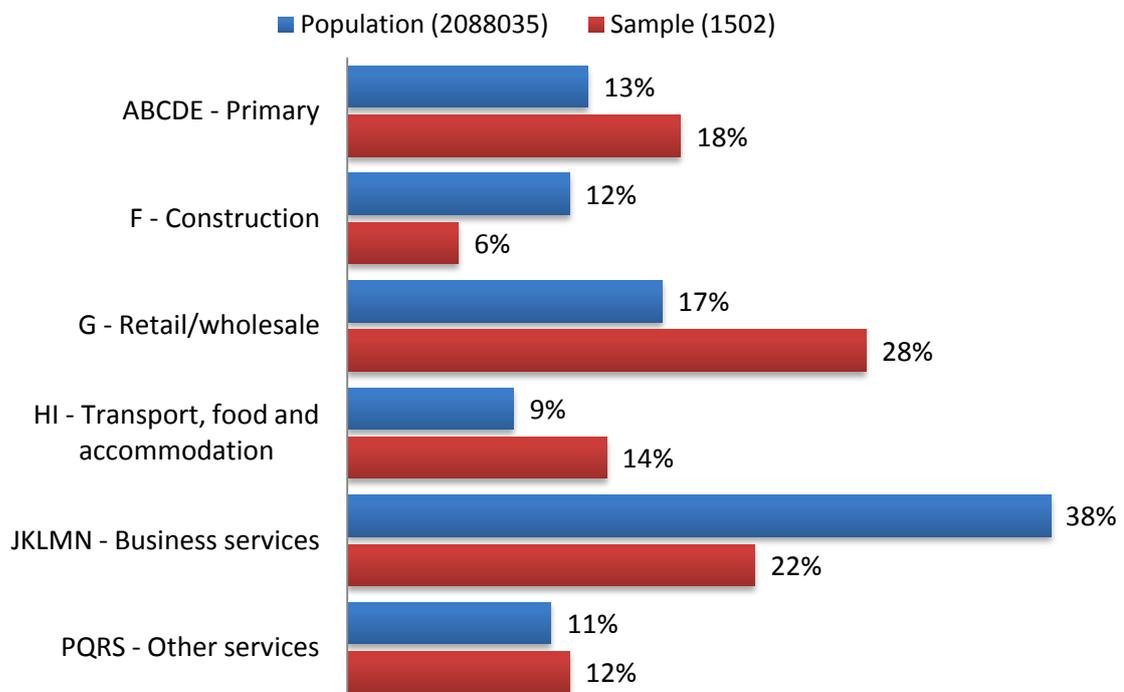
## Industry sector

The sector profile of the sample (and population of businesses with up to 49 employees with self-managed, non-domestic contracts) is summarised in Figure 1.2 below.

Retail/wholesale businesses account for just over 1 in 4 businesses (28%) with those in business services accounting for just over 1 in 5 (22%). Against the population as a whole (i.e. including businesses with a domestic contract or contract managed by a landlord), primary, retail/wholesale and transport, food and accommodation sectors are over-represented in the sample and construction and business services sectors are under-represented.

This suggests that businesses in construction and business services sectors are more likely than average to have domestic contracts or landlord managed energy supply contracts.

**Figure 1.2: Industry sector profile – actual population compared with population adjusted for those having non-domestic contracts (all respondents)**



Population/unweighted sample base in brackets (Source for population: ONS<sup>13</sup> IDBR<sup>14</sup> 2014)

QA2. *What is the main business activity that you undertake?*

<sup>13</sup> Office for National Statistics

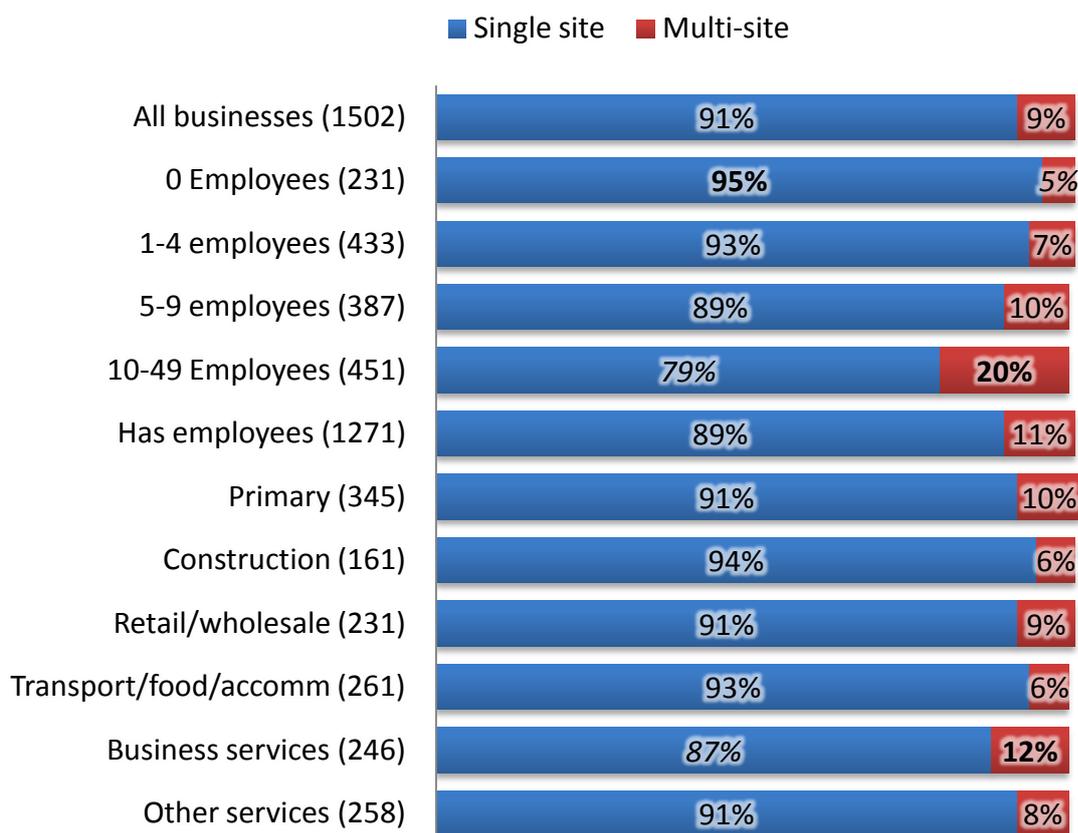
<sup>14</sup> Inter-departmental Business Register

### Site characteristics

Just 2% of businesses are franchises and there is little variation by business size and sector.

Ninety-one per cent of businesses are single site organisations and this proportion is significantly lower amongst businesses with 10 to 49 employees (79%).

**Figure 1.3: Number of sites, by business size and sector (all respondents)**



Unweighted sample bases in brackets (all respondents)

QA5. *How many sites in Great Britain does your business operate from, including the site where you are now?*

**Bold font signifies a statistically significantly higher figure compared with the average minus the sub-group tested; italics signifies a statistically significantly lower figure than average minus the sub-group tested**

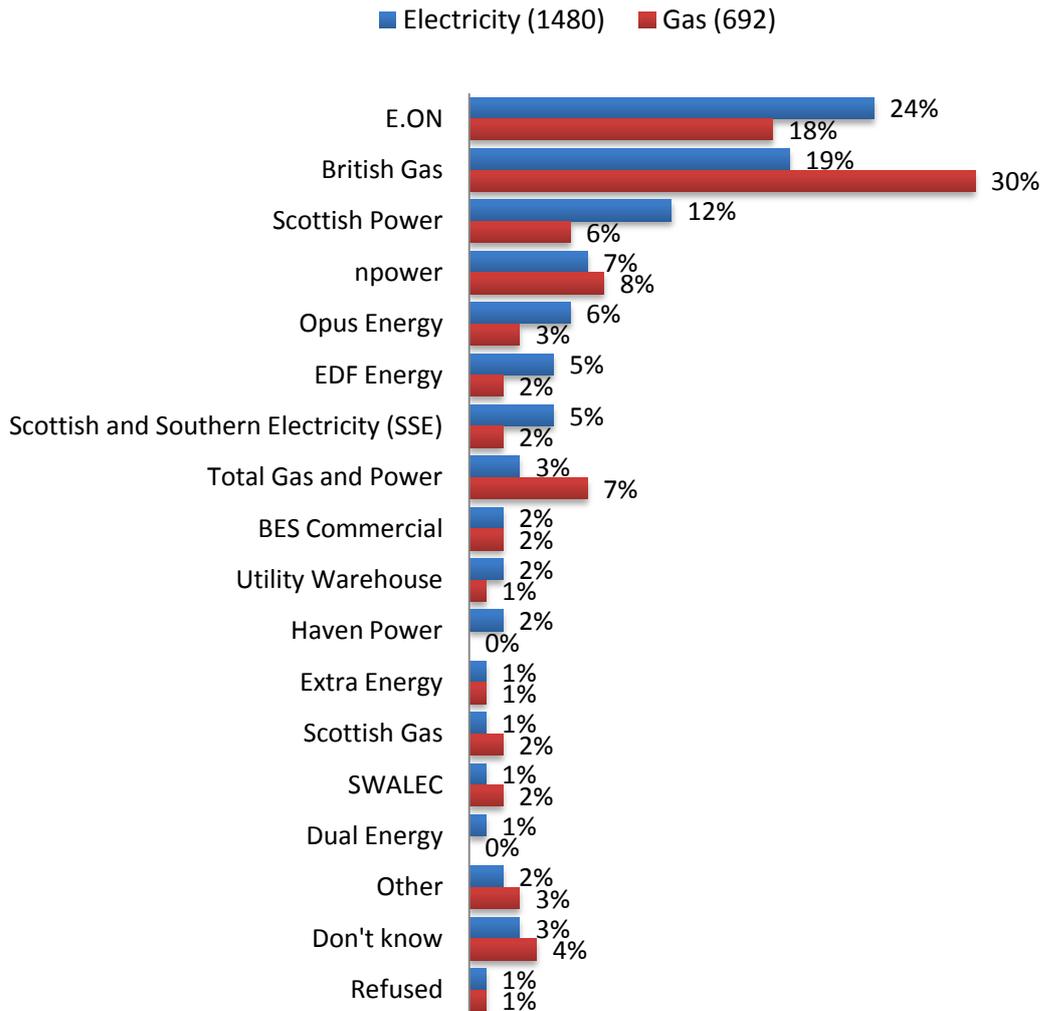
The majority of multi-site organisations that are not franchises are classed as head offices (87%, or 8% of all businesses).

Eighty per cent of respondents representing multi-site organisations (including franchises) have responsibility for arranging energy contracts or paying bills for the entire organisation across Great Britain. Of the remainder, most have responsibility for energy contracts or paying bills at just the site at which they are based (15%), while a small proportion (4%) are responsible for more than one branch but not all parts of the organisation.

## Appendix 2: Suppliers

The electricity suppliers most likely to be used are E-On and British Gas. E-On is the most frequently used supplier for electricity and British Gas the most frequently cited supplier for gas.

**Figure 2.1: Electricity and gas suppliers used, by type of energy (all respondents)**



Unweighted sample bases in brackets (all respondents)

*B1. What is the name of your organisation's site's current electricity supplier? B5. What is the name of your organisation's site's current gas supplier?*

More than half of those with both a mains electricity and gas supply (56%) have the same supplier for both. This is slightly higher amongst businesses with up to 9 employees than businesses with 10 to 49 employees (58% of those with up to 9 employees, compared with 51% of those with 10 or more).

## Appendix 3: Technical Annex

### Population, interviews and weighting of data

The target population for the 2014 research was all micro and small businesses across England, Wales and Scotland; defined as those with up to 49 employees across all their sites within Great Britain<sup>15</sup>. The survey was undertaken at enterprise rather than establishment level. This means that where a business operated from more than one site, only its head office (not its branches) was contacted. Businesses with no employees, other than the owner/manager or any partners were also included in the target population.

The sample specification was based on attaining a minimum number of interviews by business size (number of employees) based on bandings: 0, 1-4, 5-9, 10-49 and by industry, by Standard Industry Classification (SIC) groups: Primary (ABCDE<sup>16</sup>) Construction (F), Retail and Wholesale (G), Transport, food and accommodation (HI), Business services (JKLMN) and Other services (PQRS). A glossary of SIC groups is provided in Section 12 of this report.

The survey sought the views of non-domestic customers only. Therefore, any businesses supplied with gas or electricity on a domestic contract (because their business premises are also their home) were excluded. Since there was no way of identifying businesses with domestic energy contracts before speaking to them, screening questions were included at the beginning of the interview. Thus, the interviewers were able to establish that the respondent was:

- Responsible, either solely or jointly, for arranging mains gas and electricity contracts or paying these bills;
- Representing a business that holds a non-domestic (i.e. business) contract for its energy supply which is managed by itself or an energy broker on behalf of the business.

### Sample completed

In total, 1,502 interviews were undertaken with micro and small businesses across England, Wales and Scotland.

The interviews were undertaken by BMG at its Birmingham-based call centre facility and CATI (computer-assisted telephone interviewing) was used. Fieldwork was conducted between 29<sup>th</sup> September 2014 and 25<sup>th</sup> November 2014.

Average interview length was 18.6 minutes. Completed interviews were achieved at an average rate of 0.52 per interviewer hour.

Quotas were set by size band and broad sector groups in order to ensure that robust analysis could be undertaken by size and sector. However, the requirement for the survey to only include businesses with non-domestic energy contracts that manage these

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<sup>15</sup> Great Britain excludes Northern Ireland

<sup>16</sup> Alphabetical classifications relate to broad SIC 2007 sector classification groups

contracts themselves or through an energy broker hindered progress in terms of achieving the required number of interviews within smaller size bands and some sectors. For example, it proved to be challenge to meet the quota for interviews amongst zero employee businesses, as these were more likely than average to be home-based with domestic contracts.

The proportion of businesses with domestic contracts or subject to a landlord or building management service arranging and managing energy contracts on their behalf was unknown at the outset of the fieldwork. The screening questions allowed some quantification, while calls were also terminated during the initial stages of the introduction for these reasons and the CATI system enabled these call outcomes to be logged and quantified

Although the screening questions and call outcomes were useful indicators, they were too reliant on getting through to businesses and speaking to the right person to be a comprehensive and reliable indicator of the proportion of businesses that were out of scope.

A further indicator of the extent of domestic and landlord/building management contracts across private sector businesses with up to 49 employees was obtained by adding an appropriate question to a business omnibus<sup>17</sup>. This provided a larger sample on which to base the statistics and these statistics were used to adjust the population to account for these out of scope businesses. Figure 3.1 below presents the proportion of businesses by size and sector that have non-domestic energy contracts, based on the responses to the question included in the business omnibus.

It is apparent that the extent businesses have domestic contracts or landlords making decisions on energy contracts for them varies considerably by business size within sector. For instance, while 68% of construction businesses with 10 to 49 employees have non-domestic energy contracts, only 14% of businesses in this industry sector with no employees have non-domestic energy contracts. Thus, more than four in five construction businesses without employees fall out of scope of the survey. The same is true of businesses without employees in business services sectors, while fewer than two in five businesses without employees in the retail and wholesale industry would fall out of scope.

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<sup>17</sup> The Small Business Survey (SBS) 2014, commissioned by the Department for Business, Innovation and Skills (BIS); undertaken by BMG Research between July and October 2014. SBS 2014 is a large scale general business survey undertaken with SMEs (0-249 employees). The report is published on the BIS website at: <https://www.gov.uk/government/publications/small-business-survey-2014-businesses-with-employees> However, the question that was added is not reported on as it was included only for the purposes for use in this Ofgem commissioned survey and was only asked of businesses with up to 49 employees.

**Figure 3.1: Proportion of businesses with non-domestic energy contracts, by size and sector**

	Micros			
	0 employees %	1-4 employees %	5-9 employees %	Small 10-49 employees %
Primary (ABCDE)	53	70	82	83
Construction (F)	14	19	59	68
Retail and Wholesale (G)	62	78	92	86
Transport, Food and Accommodation (HI)	48	66	80	85
Business services (JKLMN)	14	36	50	61
Other services (PQRS)	24	47	71	81

Source: The BIS Small Business Survey (SBS) 2014

### Weighting

Survey data have been weighted to counteract any disproportionate representation within the sample.

Businesses with two or more employees were sampled in a greater proportion to their actual representation within the population. This was a deliberate step to overcome the small sample sizes amongst businesses with two or more - and particularly five or more - employees that would otherwise result if sampling was in proportion to the population. Businesses with no employees account for 45% of the business population with up to 49 employees, while those with fewer than five employees account for a further 35% of the population. Oversampling in larger size bands provides more robust data for analysis by business size.

Furthermore, the requirement to speak to businesses that have non-domestic energy contracts and that manage these contracts themselves (rather than having them managed for them through a landlord) meant the sample achieved by industry (grouped SIC) did not closely reflect the actual business population.

To correct this, IDBR statistics were used as a starting point for the population data and adjusted by the statistics from the business omnibus in Figure 3.1 so that the weighting factors were based on the population estimated to have non-domestic energy contracts managed by themselves or by an energy broker.

Figure 3.2 shows a summary of the number of interviews completed by each of the quota variables; how this translates into the number of weighted cases; and how it compares with the population is provided. .

**Figure 3.2: Population, interviews and weighting of data**

	Population (n)	Population %	Population – adjusted for non- dom usage (n)	Population – adjusted %	No. of interviews	No. of cases (weighted)
<b>Size (employees)</b>						
0	944,755	45	270,873	29	231	433
1-4	737,790	35	370,564	39	433	592
5-9	223,785	11	159,974	17	387	256
10-49	181,705	9	138,650	15	451	222
<b>Sector</b>						
Primary (ABCDE)	267,190	13	170,447	18	345	272
Construction (F)	257,255	12	59,337	6	161	95
Retail and Wholesale (G)	351,045	17	263,316	28	231	421
Transport, Food and Accommodation (HI)	193,000	9	128,539	14	261	205
Business services (JKLMN)	793,015	38	210,261	22	246	336
Other services (PQRS)	226,155	11	108,161	12	258	173
<b>Total for GB</b>	<b>2,088,035</b>	<b>100</b>	<b>940,062</b>	<b>100</b>	<b>1,502</b>	

**Sample response outcomes**

Call outcomes were monitored and reported throughout the fieldwork period. The last call outcome report is presented in Figure 3.3.

The refusal rate was high at 40% overall. The most frequently cited reasons for refusing to take part was 'nuisance' and 'lack of time'. Both reasons were commonly stated due, as reported in feedback from interviewers, to the large number of 'cold calls' businesses report receiving from energy brokers and energy companies competing for their business. Linked to this, there were some difficulties experienced in convincing prospective respondents that the survey was genuine and not a sales call.

A further one in four calls ended before beginning the survey because the business reported having a domestic energy contract or a landlord or building management company that arranges and manages their energy contract for them.

**Figure 3.3: Survey call outcomes**

	TOTAL (n)	TOTAL (% of sample frame contacted)
<b>Sampling frame contacted</b>	<b>17,506</b>	<b>100%</b>
<b>Total completes</b>	<b>1,502</b>	<b>9%</b>
<b>Sampling frame available</b>	<b>3,666</b>	<b>21%</b>
- Appointment	321	2%
- Call back	3,281	19%
- Part completed (further attempt to complete made)	64	<0.5%
<b>Unusable Sampling frame (no longer trading/not known/unobtainable)</b>	<b>1,214</b>	<b>7%</b>
<b>Refusals</b>	<b>6,941</b>	<b>40%</b>
- Refusal (nuisance)	3,576	20%
- Refusal (lack of time)	3,365	19%
<b>Filtered out</b>	<b>4,183</b>	<b>24%</b>
- Landlord deals with contract	2,279	13%
- No business contract/only domestic	1,680	10%
- Business too large (including quota fails)	224	1%

### Statistical confidence

The overall sample is sufficiently large to allow reporting on findings with a high degree of statistical reliability. Unless stated otherwise, all findings reported in bold font in the charts and figures are statistically significantly higher against the overall total. Figures reported in italics are statistically significantly lower than the overall total. It should be noted that the comparison is between the sub-group and the total minus that sub-group. For example, where comparisons are made between 1-4 employees and others this means a comparison between businesses with 1-4 employees and businesses without employees, larger micros (5-9 employees) and small businesses.

## Quality control

There is a focus on maintaining quality and accuracy at every stage of the research process. Firstly at the database stage:

### Database

The sample frame used was the Inter-Departmental Business Register (IDBR), which is defined by ONS as:

“A list of UK businesses maintained by National Statistics (NS) and combines the former Central Statistical Office (CSO) VAT based business register and the former Employment Department (ED) employment statistics system. It complies with European Union regulation 2186/93 on harmonisation of business registers for statistical purposes.”

The main strengths of the IDBR are highlighted in its 2001 Review, with the three most relevant to this study being:

- that it is updated frequently [weekly] from administrative sources
- the existence of systems that regularly update the structures of large businesses
- its excellent coverage, which is due to the use of two comprehensive administrative sources [HM Customs and Excise and Inland Revenue]
- that extensive work is undertaken to reduce the level of duplication arising from the use of multiple administrative sources.

In order to minimise errors arising from discrepancies between the sampling frame and the target population and sub-populations (such as under-coverage, over-coverage and misclassification), the sample frame received from IDBR was subject to stringent checks from BMG Research, which brought to light a number of duplications.

The sample frame was subsequently re-counted and these counts were then used to form the basis of the sample structure, rather than the original counts which included duplications.

### Questionnaire design

The quality control process in BMG’s fieldwork began at the questionnaire and sample design stages. Field teams were fully consulted over these issues to ensure that the questionnaire and sample design were unambiguous and as far as possible interviewer friendly.

### CATI method

CATI (computer aided telephone interviewing) was used to deliver the fieldwork. Conformat software was used, building the survey directly into the CATI operating system. This system has the advantage of ensuring that the code frames, open-ended structures and logic checks were built in from the outset. CATI also ensures that data are only input once, at source of collection, increasing the integrity of the processed data. It also ensures that mandatory data is provided and recorded.

The telephone script was then validated by the Project Manager, Account Manager and a Team Leader from the telephone contact centre. The CATI system had pre-set inbuilt logic checks that ensure respondents’ answers are justified and are checked as the

survey progresses. The logic checks were again repeated when the data were processed in Merlin.

### **Interviewing team**

BMG Research employs a fully trained team of interviewers, most of whom are permanently employed on a full time basis and have extensive experience of labour market surveys amongst employers. They are experienced in persuading people to participate and were provided with a survey introduction which stressed the long term significance of the project and the importance of employers' contributions to informing developments in training policy.

BMG Research also provided a helpline service for the purpose of the survey, using a dedicated and experienced team who were fully briefed to handle respondents' questions.

A key stage in the field quality assurance process is the interviewer briefing. In terms of briefing, all interviewers worked from BMG's contact centre in Birmingham, where all briefings were undertaken.

BMG conducted a briefing for all interviewers prior to starting fieldwork. Each briefing session lasted for approximately two hours and as part of our quality control procedures, all interviewers who are briefed according to procedure signed a briefing record form.

As a minimum, the verbal briefing covered:

- The project objectives, client profile and uses for the data collected.
- A profile and introduction to the field in which they are working, and any issues of note.
- A review of the questionnaire, interviewing and routing instructions, and issues to look for when recording verbatim or 'other' responses.
- Specific reference to the terminology and definitions used in the survey.
- A full explanation of the sampling methodology being adopted, including sample design, and quotas.
- The timetable for the project and fieldwork deadlines.
- The field monitoring and QC procedures adopted by BMG.

During the fieldwork stage, all interviewers were supervised by BMG's team leaders, with a ratio of 10 interviewers to one team leader. The outcomes of all field supervision were recorded on the Supervisor Report form which is audited under the industry accredited (IQCS) scheme.

### **Remote interviewer monitoring**

BMG team leaders listen in remotely and watch inputting on master terminals, to at least 5% of all telephone interviews, and the outcomes of these checks are again recorded on the Batch Control Sheet. 'Listening-in' and live on-screen monitoring is a systematic process whereby 5-10% of all interviews are listened in to on a daily basis, to confirm that;

- The data code input, grammar, accuracy of spelling, etc.
- The interview was conducted with the appropriate level of respondent.
- That the interviewer conducted themselves in a polite and professional manner, and that the questionnaire was fully adhered to.

- The information is being recorded accurately on the questionnaire.

## **Data processing**

### ***Processing system***

After the data collection stage, cleaned and merged data files were validated by a data processing executive. This process of logic checking the data is highly effective using Merlin software. Merlin is a specialist software product for use in the processing of surveys from data entry stage to production of outputs. One of the strengths of the Merlin system is its powerful validation facility, which is used to check and report any data inconsistencies, prior to the main report being run.

### ***Data processing quality checks***

At the end of the validation stage any errors encountered in CATI entry were recorded on a Data Entry Evaluation form. The telephone supervisor provided necessary feedback to interviewers, or took other appropriate action. This could initially include instigating a higher level of monitoring on individual telephone interviewers.

The data processing executive, followed by researchers in the account team then carried out a thorough check of the data, checking specifically that;

- Survey weights were applied properly and produced accurate data.
- All required sector/size breakdowns were evident within the data.
- That all labels and table specifications were accurate.
- That the data map specification was properly adhered to and that all sample bases in the data were accurate.
- That there were no logic issues evident in the data - subsequent logic checks involved checking that the responses provided were broadly comparable across respondents in the same size and sector cell. Within these, any responses lying outside of the normal distribution were checked at a micro level, with the result that some call backs were made where verification of outlying responses was required.

## Appendix 4: Standard Industrial Classification 2007 (SIC 2007)

SECTION	DIVISION	DESCRIPTION
A	01	Crop and animal production, hunting and related service activities
A	02	Forestry and logging
A	03	Fishing and aquaculture
B	05	Mining of coal and lignite
B	06	Extraction of crude petroleum and natural gas
B	07	Mining of metal ores
B	08	Other mining and quarrying
B	09	Mining support service activities
C	10	Manufacture of food products
C	11	Manufacture of beverages
C	12	Manufacture of tobacco products
C	13	Manufacture of textiles
C	14	Manufacture of wearing apparel
C	15	Manufacture of leather and related products
C	16	Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials
C	17	Manufacture of paper and paper products
C	18	Printing and reproduction of recorded media
C	19	Manufacture of coke and refined petroleum products
C	20	Manufacture of chemicals and chemical products
C	21	Manufacture of basic pharmaceutical products and pharmaceutical preparations
C	22	Manufacture of rubber and plastic products
C	23	Manufacture of other non-metallic mineral products
C	24	Manufacture of basic metals
C	25	Manufacture of fabricated metal products, except machinery and equipment
C	26	Manufacture of computer, electronic and optical products
C	27	Manufacture of electrical equipment
C	28	Manufacture of machinery and equipment n.e.c.
C	29	Manufacture of motor vehicles, trailers and semi-trailers
C	30	Manufacture of other transport equipment
C	31	Manufacture of furniture
C	32	Other manufacturing
C	33	Repair and installation of machinery and equipment
E	36	Water collection, treatment and supply
E	37	Sewerage
E	38	Waste collection, treatment and disposal activities; materials recovery
E	39	Remediation activities and other waste management services.
F	41	Construction of buildings
F	42	Civil engineering

Appendix 4: Standard Industrial Classification 2007 (SIC 2007)

SECTION	DIVISION	DESCRIPTION
F	43	Specialised construction activities
G	45	Wholesale and retail trade and repair of motor vehicles and motorcycles
G	46	Wholesale trade, except of motor vehicles and motorcycles
G	47	Retail trade, except of motor vehicles and motorcycles
H	49	Land transport and transport via pipelines
H	50	Water transport
H	51	Air transport
H	52	Warehousing and support activities for transportation
I	55	Accommodation
I	56	Food and beverage service activities
J	58	Publishing activities
J	59	Motion picture, video and television programme production, sound recording and music publishing activities
J	60	Programming and broadcasting activities
J	61	Telecommunications
J	62	Computer programming, consultancy and related activities
J	63	Information service activities
K	64	Financial service activities, except insurance and pension funding
K	65	Insurance, reinsurance and pension funding, except compulsory social security
K	66	Activities auxiliary to financial services and insurance activities
L	68	Real estate activities
M	69	Legal and accounting activities
M	70	Activities of head offices; management consultancy activities
M	71	Architectural and engineering activities; technical testing and analysis
M	72	Scientific research and development
M	73	Advertising and market research
M	74	Other professional, scientific and technical activities
M	75	Veterinary activities
N	77	Rental and leasing activities
N	78	Employment activities
N	79	Travel agency, tour operator and other reservation service and related activities
N	80	Security and investigation activities
N	81	Services to buildings and landscape activities
N	82	Office administrative, office support and other business support activities
O	84	Public administration and defence; compulsory social security
P	85	Education
Q	86	Human health activities
Q	87	Residential care activities
Q	88	Social work activities without accommodation
R	90	Creative, arts and entertainment activities
R	91	Libraries, archives, museums and other cultural activities

Micro and Small Business Engagement in Energy Markets

SECTION	DIVISION	DESCRIPTION
R	92	Gambling and betting activities
R	93	Sports activities and amusement and recreation activities
S	94	Activities of membership organisations
S	95	Repair of computers and personal and household goods
S	96	Other personal service activities

## Appendix 5: Questionnaire employed

### Small Business Engagement in Energy Markets

ASK TO SPEAK TO PERSON AT THAT SITE RESPONSIBLE FOR DEALING WITH ENERGY CONTRACTS/BILLS

ASK ALL

**Good morning/afternoon. My name is XXX and I am calling from BMG Research, an independent research organisation. We are conducting a survey to determine businesses' experiences of choosing energy suppliers and the service they receive with regard to their gas and electricity supply.**

**The survey is being conducted on behalf of the gas and electricity industry regulator, Ofgem. It is an annual survey which aims to provide Ofgem with a clear view of businesses' current energy usage, levels of satisfaction with energy suppliers and brokers and experience of contract renewal and switching.**

**The survey takes the form of a telephone interview lasting approximately 20 minutes. Would you be able to help us?**

**IF NECESSARY: This is not a sales call and no one will try to sell anything to you as a result of this call.**

REASSURANCES TO USE AS NEEDED

- **Any information you provide will be treated in strictest confidence, and answers you give will not be attributed to you or your organisation in the data**
- **We work strictly within the Market Research Society Code of Conduct**
- **The contact at BMG Research is Emma Parry on 0121 333 6006. Emma is a member of the Market Research Society**
- **Your details have been provided from Dun & Bradstreet's commercial database**
- **If you would like to confirm that this research is genuine you can call Adam Knight at Ofgem on 020 7901 7446**
- **We can send you an email link to the final report if you wish**

ASK ALL

- S1. **Firstly, are you the person within your business who is solely or jointly responsible for arranging mains gas and electricity contracts or paying these bills? CODE ONE ONLY**

Yes, solely responsible	1	CONTINUE
Yes, jointly responsible	2	CONTINUE
No – somebody else responsible	3	ASK TO SPEAK TO SOMEONE WHO IS, TAKE NAME AND NUMBER (IF DIFFERENT)
Not applicable – nobody in business arranged energy contracts/pays bills	4	THANK AND CLOSE ( <b>Thank you but we need to speak to businesses that arrange their own gas or electricity contracts</b> )
Not applicable – do not use either main gas or mains electricity	5	

ASK ALL

- S2. **Does your business operate from your own or someone else’s home? CODE ONE ONLY**

Yes	1
No	2

ASK ALL

- S3. **Which of the following descriptions applies to the energy supply contract(s) at your site? READ OUT. CODE ONE ONLY**

<b>It is a domestic (residential) tariff or contract</b>	1	THANK AND CLOSE ( <b>Thank you but the survey is concerned with business contracts only</b> )
<b>It is a business contract arranged by yourselves or an energy broker</b>	2	CONTINUE
<b>It is arranged by a landlord or building management company or included in the rent agreement</b>	3	THANK AND CLOSE ( <b>Thank you but we need to speak to businesses that arrange their own energy contracts</b> )
Don't know	4	THANK AND CLOSE ( <b>Thank you, but we need to know whether you have a business or residential contract for the interview to continue</b> )
Refused	5	

S4 ASK ALL **How many paid employees does your business currently employ across all sites, excluding owners and partners?**

- INCLUDE FULL AND PART TIME
- INCLUDE TEMPORARIES/CASUALS, BUT NOT AGENCY STAFF
- EXCLUDE SELF-EMPLOYED
- EXCLUDE OWNERS/PARTNERS, BUT OTHER DIRECTORS COUNT AS EMPLOYEES
- IF THE BUSINESS IS A FRANCHISE, ONLY INCLUDE EMPLOYEES PAID BY THE FRANCHISE

IF DON'T KNOW, ENCOURAGE BEST ESTIMATE

ENTER NUMBER (RANGE=0-99,999) _____
-------------------------------------

QUOTA BANDS:

None (no employees)	1	CONTINUE
1-4 employees (Very small micro)	2	
5-9 employees (Larger micro)	3	
10-49 Employees (Small)	4	
50+ Employees (Medium/large)	5	<b>THANK AND CLOSE (Thank you but we are only interviewing businesses with fewer than 50 employees)</b>
Refused	6	

S5. ASK ALL **Approximately what proportion of the workforce across all sites is employed on a full time basis? PROMPT FOR AN APPROXIMATION AND WRITE IN PERCENTAGE (%)**

Full time	
Don't know	x

**SECTION A: ABOUT THE BUSINESS**

ASK ALL

- A1. **Before we start to talk about energy suppliers, we would like to ask a few questions about your business in order to help classify your answers. We have [DESCRIPTION OF BUSINESS ACTIVITY FROM SAMPLE] as a broad description of your company’s activity. Does this sound about right to you?**

Yes	1
No	2

ASK IF NO AT A1 (A1/2)

- A2. **What is the main business activity that you undertake?** PROBE AS NECESSARY
- **What is the main product or service?**
  - **What exactly is made or done?**

WRITE IN. (CODE TO 2 DIGIT SIC 2007)

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- A3 **Can I just confirm with you that the postcode of your present location is [READ OUT POSTCODE FROM DATABASE]? SINGLE-CODE**

Yes	1	
No	2	RECORD CORRECT POSTCODE

ASK ALL

- A4 **Is your business a franchise?**

Yes	1
No	2
Don't know	3

ASK ALL

- A5 **How many sites in Great Britain does your business operate from, including the site where you are now? ADD IF A FRANCHISE (A4/1) Please only include the sites that you or the franchisee manage directly. CODE ONE ONLY.**

One	1
More than one (SPECIFY NUMBER)	2
Don't know	3

- A4/1) ASK IF MORE THAN ONE SITE AT A5 BUT NOT A FRANCHISE (A5/2, BUT NOT

A6. **Is this site your head office in Great Britain or a branch? SINGLE CODE ONLY**

Head office	1
Branch	2
Other (SPECIFY)	3

A7. **ASK IF MORE THAN ONE BRANCH (A5/2)**  
**Do you have responsibility for arranging energy contracts or paying bills for your entire organisation across Great Britain, or just the site where you are now? SINGLE CODE ONLY**

Entire organisation	1
More than one branch, but not entire organisation	2
Just the single branch	3
Other (SPECIFY)	4
Don't know	5

A8. **ASK IF HAVE RESPONSIBILITY FOR MORE THAN ONE BRANCH, BUT NOT ENTIRE ORGANISATION (A7/2)**  
**How many branches across Great Britain do you have responsibility for? SINGLE CODE ONLY**

One	1
More than one (SPECIFY NUMBER)	2
Don't know	3

A9. **ASK ALL**  
**Which of these forms of energy do you use? READ OUT. MULTICODE OK**

<b>Mains electricity</b>	1
<b>Mains gas</b>	2
<b>Other forms of energy (SPECIFY)</b>	3
Don't know	4

- ASK ALL
- A10. TEXT SUBSTITUTION:  
WHERE A9/1 AND A9/2: **And for which do you have responsibility, e.g. arranging contracts or paying bills?** READ OUT. MULTICODE OK  
WHERE A9/1 AND NOT A9/2: **And do you have responsibility for arranging contracts or paying bills for your mains electricity?** READ OUT. CODE ONE ONLY  
WHERE A9/2 AND NOT A9/1: **And do you have responsibility for arranging contracts or paying bills for your mains gas?** READ OUT. CODE ONE ONLY

Mains electricity	1
Mains gas	2

**SECTION B: GAS AND ELECTRICITY EXPENDITURE**

ASK IF DEAL WITH MAINS ELECTRICITY (A10/1)

- B1. **What is the name of your (IF A7/1-2) organisation's (IF A7/3) site's current electricity supplier? DO NOT READ OUT. CODE ONE ONLY.**

Axis Telecom	1
BES Commercial	2
Better Energy	3
British Gas	4
DONG Energy	5
E.ON	6
Ecotricity	7
EDF Energy	8
Extra Energy	9
First Utility	10
Gazprom	11
GDF Suez	12
Good Energy	13
Manweb	14
Norweb	15
npower	16
Nwy Prydain	17
Opus Energy	18
Scottish and Southern Electricity (SSE)	19
Scottish Gas	20
Scottish Power	21
SEEBoard Energy	22
SWALEC	23
Total Gas and Power	24
Utility Warehouse	25
Other (SPECIFY – INTERVIEWER: USE LIST TO CHECK THAT IT IS GENUINELY AN 'OTHER' RESPONSE)	26
Don't know	27
Refused	28

B2a ASK IF DEAL WITH MAINS ELECTRICITY (A10/1)  
 (IF RESPONSIBLE FOR WHOLE ORGANISATION - A7/1) **To the best of your knowledge, approximately how much has the organisation as a whole spent on electricity in the last 12 months? This should include VAT** PROMPT FOR AN APPROXIMATION. WRITE IN

(IF RESPONSIBLE FOR PART OF THE ORGANISATION – A7/2) **To the best of your knowledge, approximately how much has the organisation spent on electricity in the last 12 months for the branches you have responsibility for? This should include VAT** PROMPT FOR AN APPROXIMATION. WRITE IN

(IF RESPONSIBLE FOR JUST ONE BRANCH – A7/3) **To the best of your knowledge, approximately how much have you spent on electricity in the last 12 months for the site you have responsibility for? This should include VAT** PROMPT FOR AN APPROXIMATION. WRITE IN

£ \_\_\_\_\_

X Don't know            Y Refused

B2b WHERE DON'T KNOW AT B2a:  
**Which of the following ranges does your yearly electricity expenditure fit into?**  
 READ OUT AND CODE ONE ONLY

<b>Less than £500</b>	1
<b>Between £500 and £1,000</b>	2
<b>Between £1,001 and £2,500</b>	3
<b>Between £2,501 and £5,000</b>	4
<b>Between £5,001 and £10,000</b>	5
<b>Between £10,001 and £15,000</b>	6
<b>Between £15,001 and £25,000</b>	7
<b>Between £25,001 and £50,000</b>	8
<b>Between £50,001 and £100,000</b>	9
<b>More than £100,000</b>	10
Don't know	11
Refused	12

ASK IF DEAL WITH MAINS ELECTRICITY (A10/1)

- B3. **To the best of your knowledge, what percentage of your total (IF A7/1-2) organisation's (IF A7/3) site's costs is spent on electricity?** PROMPT FOR AN APPROXIMATION USING RANGES PROVIDED

<b>10% or less</b>	1
<b>Between 10% and 19%</b>	2
<b>Between 20% and 29%</b>	3
<b>Between 30% and 39%</b>	4
<b>Between 40% and 49%</b>	5
<b>50% or more</b>	6
Don't know	7
Refused	8

ASK ALL THAT DEAL WITH MAINS GAS AND MAINS ELECTRICITY (A10/1 AND 2).  
OTHERS GO TO NEXT SECTION

- B4. **Is your mains gas supplier the same as your electricity supplier?**

Yes	1
No	2
Unsure	3

ASK IF DEALS WITH MAINS GAS ONLY (A10/2 BUT A10/NOT 1) OR IF HAVE MAINS GAS SUPPLIER DIFFERENT FROM MAINS ELECTRICITY SUPPLIER (A10/2 BUT NOT B4/1)

**B5 What is the name of your (IF A7/1-2) organisation's (IF A7/3) site's current gas supplier? DO NOT READ OUT. CODE ONE ONLY.**

Axis Telecom	1
BES Commercial	2
Better Energy	3
British Gas	4
DONG Energy	5
E.ON	6
Ecotricity	7
EDF Energy	8
Extra Energy	9
First Utility	10
Gazprom	11
GDF Suez	12
Good Energy	13
Manweb	14
Norweb	15
npower	16
Nwy Prydain	17
Opus Energy	18
Scottish and Southern Electricity (SSE)	19
Scottish Gas	20
Scottish Power	21
SEEBoard Energy	22
SWALEC	23
Total Gas and Power	24
Utility Warehouse	25
Other (SPECIFY)	26
Don't know	27
Refused	28

ASK ALL THAT DEAL WITH MAINS GAS (A10/2)  
 B6a (IF RESPONSIBLE FOR WHOLE ORGANISATION - A7/1) **To the best of your knowledge, approximately how much has the organisation as a whole spent on mains gas in the last 12 months? This should include VAT** PROMPT FOR AN APPROXIMATION. WRITE IN

(IF RESPONSIBLE FOR PART OF THE ORGANISATION – A7/2) **To the best of your knowledge, approximately how much has the organisation spent on mains gas in the last 12 months for the branches you have responsibility for? This should include VAT** PROMPT FOR AN APPROXIMATION. WRITE IN

(IF RESPONSIBLE FOR JUST ONE BRANCH – A7/3) **To the best of your knowledge, approximately how much have you spent on mains gas in the last 12 months for the site you have responsibility for? This should include VAT** PROMPT FOR AN APPROXIMATION. WRITE IN

£ \_\_\_\_\_

X Don't know            Y Refused

WHERE DON'T KNOW AT B6a:  
 B6b **Which of the following ranges does your yearly mains gas expenditure fit into?**  
 READ OUT AND CODE ONE ONLY

<b>Less than £500</b>	1
<b>Between £500 and £1,000</b>	2
<b>Between £1,001 and £2,500</b>	3
<b>Between £2,501 and £5,000</b>	4
<b>Between £5,001 and £10,000</b>	5
<b>Between £10,001 and £15,000</b>	6
<b>Between £15,001 and £25,000</b>	7
<b>Between £25,001 and £50,000</b>	8
<b>Between £50,001 and £100,000</b>	9
<b>More than £100,000</b>	10
Don't know	11
Refused	12

ASK ALL THAT DEAL WITH MAINS GAS (A10/2)

- B7. **To the best of your knowledge, what percentage of your total (IF A7/1-2) organisation's (IF A7/3) site's costs is spent on gas?** PROMPT FOR AN APPROXIMATION USING RANGES PROVIDED

<b>10% or less</b>	1
<b>Between 10% and 19%</b>	2
<b>Between 20% and 29%</b>	3
<b>Between 30% and 39%</b>	4
<b>Between 40% and 49%</b>	5
<b>50% or more</b>	6
Don't know	7
Refused	8

### **SECTION C: CHOOSING CONTRACTS/TARIFFS**

SECTION TO BE ASKED ABOUT ELECTRICITY OR GAS

- IF ONLY RESPONSIBLE FOR ARRANGING ELECTRICITY (A10/1 BUT NOT A10/2), ASK ABOUT ELECTRICITY
- IF ONLY RESPONSIBLE FOR ARRANGING GAS (A10/2 BUT NOT A10/1), ASK ABOUT GAS
- IF RESPONSIBLE FOR ARRANGING BOTH GAS AND ELECTRICITY (A10/1 AND A10/2) HALF TO BE ASKED ABOUT ELECTRICITY, HALF ABOUT GAS

**Thank you. For the remainder of the survey I will only be asking about your <GAS>/<ELECTRICITY> contract**

ASK ALL

- C1. **How does your organisation pay for <GAS>/<ELECTRICITY>?** PROBE AND CODE ONE ONLY

Direct debit	1
Standing order	2
Pay only on receipt of bill with cash/check/credit card/BACS	3
Prepayment meter	4
Other (SPECIFY)	5
Don't know	6
Refused	7

ASK ALL

- C2. **Do you have a fixed term contract for your <GAS>/<ELECTRICITY> supply? By that I mean, a contract that is for a set period of time and defines when you can change to another supplier? CODE ONE ONLY**

Yes	1
No	2
Unsure	3

ASK IF HAVE A FIXED TERM CONTRACT (C2/1)

- C3. **What is the total term of your <GAS>/<ELECTRICITY> contract? By that I mean the length of your contract in total from beginning to end, not the time remaining? CODE ONE ONLY**

12 months	1
18 months	2
2 years	3
3 years	4
4 years	5
5 or more years	6
Other (SPECIFY)	7
Unsure	8

ASK IF HAVE A FIXED TERM CONTRACT (C2/1)

- C4. **Do you know when your <GAS>/<ELECTRICITY> contract ends? PROBE WHETHER KNOW EXACTLY (I.E. THE MONTH) OR APPROXIMATELY. CODE ONE ONLY**

Yes – exactly (i.e. know month)	1
Yes – knows approximately	2
Don't know when it ends	3

ASK IF HAVE A FIXED TERM CONTRACT (C2/1)

- C5. **Do you know when you can start renegotiating your contract or give notice of termination to your <GAS>/<ELECTRICITY> supplier? PROBE WHETHER KNOW EXACTLY (I.E. THE MONTH) OR APPROXIMATELY. CODE ONE ONLY**

Yes – exactly (i.e. know month)	1
Yes – knows approximately	2
Don't know when it can be renegotiated	3

ASK ALL

- C6. **Have you read or glanced through your <GAS>/<ELECTRICITY> contract document in the last 12 months? CODE ONE ONLY**

Yes	1
No	2

ASK IF READ/GLANCED AT CONTRACT (C6/1)

- C7. **Thinking about your current <GAS>/<ELECTRICITY> contract document, how satisfied or dissatisfied are you with the following? Please answer on a scale of 1 to 5 where 1 is very dissatisfied and 5 is very satisfied RANDOMISE ORDER OF READING. CODE ONE PER STATEMENT ONLY**

	Very dis-satisfied				Very satisfied	Don't know
<b>The length/size of the contract document</b>	1	2	3	4	5	6
<b>The clarity of the information</b>	1	2	3	4	5	6
<b>The usefulness of the information</b>	1	2	3	4	5	6
<b>The transparency of costs and charges</b>	1	2	3	4	5	6
<b>The clarity on the duration of the contract, and renewal dates</b>	1	2	3	4	5	6

ASK ALL

- C8. **Is the <GAS>/<ELECTRICITY> contract you have now, the first contract you have had with [GAS OR ELECTRICITY SUPPLIER AT B1/B5]? CODE ONE ONLY**

Yes	1
No	2
Don't know	3

ASK IF NOT THE FIRST OR DON'T KNOW (C8/2, 3)

- C9. **Did you or a broker negotiate this contract as a new contract, or was it an extension or rollover of the previous contract you had with this supplier? CODE ONE ONLY**

New contract	1
Extension/rollover	2
Don't know	3

- ASK IF HAD EXTENSION/ROLLOVER (C9/2)
- C10. **Was this contract extended or rolled over with or without your knowledge? CODE ONE ONLY**

With our knowledge	1
Without our knowledge	2
Don't know	3

- ASK IF NOT THE FIRST (C8/2)
- C11. **How satisfied or dissatisfied were you with the experience of [TEXT SUB: IF C9/1: renegotiating; IF C9/2: extending or rolling over] the contract with your <GAS>/<ELECTRICITY> supplier? Were you... READ OUT. CODE ONE ONLY**

<b>Very satisfied</b>	1
<b>Quite satisfied</b>	2
<b>Neither satisfied nor dissatisfied</b>	3
<b>Quite dissatisfied</b>	4
<b>Very dissatisfied</b>	5
Don't know	6

- ASK IF DISSATISFIED (C11/4-5)
- C12. **Why were you dissatisfied? DO NOT READ OUT. PROBE FULLY AND CODE ALLTHAT APPLY. ASK: Any other reason?**

The contract was renewed without our knowledge	1
There was a price increase	2
Unreasonable/unfavourable credit or payment terms	3
Contract document was too complex/difficult to understand	4
Correspondence about the renewal was too complex/difficult to understand	5
The renewal process involved too much work	6
The renewal process took too long	7
The notice period required was too long	8
The time given to renew was too short	9
Other (SPECIFY)	10
Don't know	11

ASK ALL  
 C13. **Have you received a <GAS>/<ELECTRICITY> bill since April 2014?**

Yes	1
No	2

ASK ALL  
 C14. **The last time you received a <GAS>/<ELECTRICITY> bill, do you recall seeing the following ... READ OUT. MULTICODE 1-2**

<b>Your contract end date?</b>	1
<b>The date you need to give notice by to renegotiate or terminate your contract?</b>	2
Neither of these	3

ASK ALL  
 C15. **In the past year, have you taken any action to look into other supplier or tariff options for <GAS>/<ELECTRICITY>?**  
 CODE ONE ONLY

Yes – looked at other suppliers	1
Yes – looked at other tariffs	2
Yes – looked at other suppliers and tariffs	3
No – taken no action	4

ASK IF TOOK ACTION AND NOTICED OPTIONS ON BILLS (C15/1-3 AND C14/1-2)  
 C16. **Were you prompted to do this because you noticed your contract end date, or the date you needed to give notice by, on your bill?**  
 CODE ONE ONLY

Yes	1
No	2
Don't know	3

**SECTION D: USE OF BROKERS**

ASK ALL

- D1. **When choosing your current <GAS>/<ELECTRICITY> contract or tariff did you consult or were you approached by, any of the following? ADD IF ROLLOVER/EXTENSION C9/1: By current contract I mean the original contract you set up. CODE ALL THAT APPLY**

<b>A broker</b>	1
<b>A price comparison website or telephone service</b>	2
<b>Your current supplier</b>	3
<b>Your previous supplier</b>	4
<b>Other suppliers</b>	5
Don't know	6

ASK ALL

- D2. **And how did you mainly choose your current <GAS>/<ELECTRICITY> contract or tariff? READ OUT IF NECESSARY. CODE ONE ONLY**

<b>Through a broker</b>	1
<b>Through a price comparison website or telephone service</b>	2
<b>You consulted your current supplier only</b>	3
<b>You consulted a range of suppliers</b>	4
Other (SPECIFY)	5
Don't know	6

ASK IF MAINLY USED A PRICE COMPARISON WEBSITE OR TELEPHONE SERVICE

(D2/2)

- D2B. **How satisfied or dissatisfied were you overall with the service provided by the price comparison website or telephone service when changing to your current gas/electricity contract or tariff? Were you... READ OUT. CODE ONE ONLY**

<b>Very satisfied</b>	1
<b>Quite satisfied</b>	2
<b>Neither satisfied nor dissatisfied</b>	3
<b>Quite dissatisfied</b>	4
<b>Very dissatisfied</b>	5
Don't know	6

ASK ALL

D3. **Approximately how many times, if at all, have you been approached by a broker in the last 12 months?** PROMPT FOR AN ESTIMATE AND WRITE IN

\_\_\_\_\_

0 Not approached in the last 12 months    X Don't know

WHERE APPROACHED BY BROKER (D3/1+)

D4. **Thinking about the last time you were approached by a broker, would you say they...?** READ OUT AND CODE ONE ONLY FOR EACH

	Yes	No	Unsure
<b>Identified themselves clearly as an energy broker</b>	1	2	3
<b>They provided accurate information about the services they offered</b>	1	2	3
<b>Their tone was professional</b>	1	2	3
<b>They were upfront about whether there was a cost to your business for their services</b>	1	2	3

ASK IF USED BROKER (D2/1)

D5. **Did the broker charge you for their services?** CODE ONE ONLY

Yes	1
No	2
Can't recall	3

ASK IF CHARGED FOR SERVICE (D5/1)

D6. **Were you aware of this charge before using the broker's services?** CODE ONE ONLY

Yes	1
No	2
Can't recall	3

ASK IF CHARGED FOR SERVICE (D5/1)

D7. **How did the broker charge you for its services?** DO NOT PROMPT BUT PROBE AS NECESSARY. CODE ONE ONLY

A one off payment	1
A regular fee added to the energy bill	2
Other (SPECIFY)	3
Don't know	4

ASK IF CHARGED FOR SERVICE (D5/1)

D8. **In your opinion, was the fee charged.....?** READ OUT AND CODE ONE ONLY

<b>About right</b>	1
<b>Too much</b>	2
<b>Or did you feel they could've charged more</b>	3
Don't know	4

ASK IF USED A BROKER (D2/1)

D9. **Which of the following services did you receive from your broker?** READ OUT AND CODE ALL THAT APPLY

<b>They compared suppliers/tariffs</b>	1
<b>They arranged the new energy contract</b>	2
<b>Energy management, such as reviewing consumption, suggesting energy efficiency measures, offering carbon reduction advice</b>	3
<b>Accounting, such as receiving invoices, validating invoices, resolving errors</b>	4
Other (SPECIFY)	5
Don't know	6

ASK IF USED A BROKER (D2/1)

D10. **How satisfied were you overall with the service provided by the broker when changing to your current <GAS>/<ELECTRICITY> contract or tariff?** CODE ONE ONLY

Very satisfied	1
Quite satisfied	2
Neither satisfied nor dissatisfied	3
Quite dissatisfied	4
Very dissatisfied	5
Don't know	6

ASK ALL

- D11. **How would you describe your overall view of energy brokers on a scale of 1 to 5, where 1 is very negative and 5 is very positive? CODE ONE ONLY**

Very negative	1
Quite negative	2
Neutral, neither positive nor negative	3
Quite positive	4
Very positive	5
Don't know	6

**SECTION E: SWITCHING EXPERIENCE**

ASK ALL

- E1. **How many times has your organisation switched <GAS>/<ELECTRICITY> supplier in the last 5 years? PROMPT AS NECESSARY. CODE ONE ONLY**

Never	1
Once	2
Twice	3
Three times	4
Four times	5
More than four	6
Don't know	7

ASK IF SWITCHED AT ALL IN LAST 5 YEARS (E1/2-6)

- E2. **Have you switched <GAS>/<ELECTRICITY> supplier in the last 12 months?**

Yes	1
No	2
Don't know	3

ASK ALL THAT HAVE NEVER SWITCHED (E1/1)

- E3. **Have you ever considered switching <GAS>/<ELECTRICITY> supplier?**

Yes	1
No	2
Don't know	3

- (E3/1)  
 E4. ASK IF SWITCHED AT ALL IN LAST 5 YEARS (E1/2-6) OR CONSIDERED DOING SO  
**Thinking about the last time you considered switching <GAS>/<ELECTRICITY> supplier, how many suppliers did you or your broker contact for quotes? WRITE IN NUMBER**

\_\_\_\_\_

Don't know

- ASK IF SWITCHED AT ALL IN LAST 5 YEARS (E1/2-6)  
 E5. **Were any of the following factors in your decision to switch <GAS>/<ELECTRICITY> supplier on the last occasion you switched? READ OUT AND CODE ALL THAT APPLY. RANDOMISE ORDER OF READING**

<b>A price increase from your previous supplier</b>	1
<b>You found or were offered a lower price contract or tariff</b>	3
<b>You were not satisfied with the service provided by your previous supplier</b>	4
<b>The new supplier promised a better service</b>	5
<b>The new supplier offered greater assistance on energy reduction initiatives</b>	6
<b>The new supplier offered a bundle of energy and other services, such as telecommunications</b>	7
<b>You received a renewal notice from your existing supplier</b>	8
<b>Knowing when your contract ended from your bill</b>	9
<b>You moved premises</b>	10
<b>A broker/consultant recommended switching</b>	11
ASK IF USE BOTH GAS AND ELECTRICITY (A9/1 AND A9/2): <b>You were offered savings if you used the same supplier for gas and electricity</b>	12
None of these	13
Don't know	14

ASK IF NOT SWITCHED IN THE LAST 12 MONTHS (E2/2-3 OR E1/1 OR 7)  
 E6. **You say you have not switched suppliers in the last 12 months. Why have you not switched?** READ OUT. CODE ALL THAT APPLY. RANDOMISE ORDER OF READING

READ OUT WHERE E3/2: <b>It didn't occur to you to consider switching</b>	1
<b>You were broadly satisfied with existing supplier</b>	2
<b>You did not believe switching would result in significant savings</b>	3
<b>You were tied to your existing contract</b>	4
<b>You did not receive a renewal notification from your existing supplier</b>	5
<b>You did not start looking to switch in time</b>	6
<b>It was too complex and time consuming to find a new tariff or supplier</b>	7
<b>You had outstanding arrears</b>	8
<b>Your existing supplier prevented switching</b>	9
<b>You were not happy with the broker's recommendations</b>	10
<b>Switching dates/procedures were unclear</b>	11
None of these	12
Don't know	13

ASK IF SWITCHED AT ALL IN LAST 5 YEARS (E1/2-6)  
 E7. **In terms of the switching process, to what extent do you agree or disagree with the following aspects of it?** RANDOMISE ORDER OF READING. CODE ONE PER STATEMENT. FOR EACH PROBE: **Would you say that you (dis) agree strongly, or just (dis) agree?**

	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree	Don't know
<b>It is easy to compare prices between tariffs and suppliers</b>	1	2	3	4	5	6
<b>The process of switching suppliers is easy</b>	1	2	3	4	5	6
<b>The time between choosing a new tariff or supplier and switching to it is too long</b>	1	2	3	4	5	6
<b>The expected savings do not always materialise</b>	1	2	3	4	5	6

**SECTION F: ENERGY BILL**

ASK ALL

- F1. **Approximately how often, if at all, do you review your <GAS>/<ELECTRICITY> supply arrangements?** READ OUT. CODE ALL THAT APPLY

<b>When you receive a bill</b>	1
<b>When your contract comes up for renewal</b>	2
<b>At a set point each year</b>	3
<b>Multiple times a year, regardless of contract or bill date</b>	4
<b>When prompted to do so by a broker</b>	5
<b>Other (SPECIFY)</b>	6
<b>Never</b>	7

ASK ALL

- F2. **In the last 12 months, have you experienced back-billing for your <GAS>/<ELECTRICITY> supply? That is where you are retrospectively charged for <GAS>/<ELECTRICITY> that exceeded your estimated usage**

Yes	1
No	2
Don't know	3

ASK IF BACK-BILLED (F2/1)

- F3. **For what period did the back-billed charges relate to?** READ OUT. CODE ONE ONLY

<b>Up to 12 months before the date of the bill</b>	1
<b>Over 12 months</b>	2
<b>Other (SPECIFY)</b>	3
<b>Don't know</b>	4

ASK ALL

- F4. **Have you contacted your <GAS>/<ELECTRICITY> supplier in the last year?** CODE ONE ONLY

Yes	1
No	2
Don't know	3

- ASK IF CONTACTED SUPPLIER (F4/1)  
 F5. **Thinking about the last time you contacted your supplier, what was the main reason for contacting them?** READ OUT 1-3 AND CODE ONE ONLY

<b>A complaint</b>	1
<b>A query/information</b>	2
Other (SPECIFY)	3
Can't remember	4

- ASK IF CONTACTED SUPPLIER (F4/1)  
 F6. **What was the reason for contacting them?** DO NOT READ OUT AND CODE ALL THAT APPLY

The billing process	1
The accuracy or amount of the bill	2
Current contract or tariff	3
Information on changing supplier	4
Interruption to supply	5
Other (SPECIFY)	6
Can't remember	7

- ASK IF CONTACTED SUPPLIER (F4/1)  
 F7. **Thinking about the last time you contacted your <GAS>/<ELECTRICITY> supplier, how would you rate your level of satisfaction with the following on a scale of 1 to 5, where 1 is very dissatisfied and 5 is very satisfied... RANDOMISE ORDER OF READING. CODE ONE ONLY FOR EACH**

	Very dissatisfied	Quite dissatisfied	Neither dissatisfied nor satisfied	Quite satisfied	Very satisfied	Don't know	Not applicable
<b>The time it took to respond to your query or complaint</b>	1	2	3	4	5	6	7
<b>The solution they offered</b>	1	2	3	4	5	6	7
<b>Their follow up service/communication</b>	1	2	3	4	5	6	7

**SECTION G: SMART METERS**

ASK ALL

- G1. **A smart meter is a unit that is installed by a professional engineer from your gas or electricity company that is able to communicate with energy suppliers to send and receive information about the amount of energy being used. Does your business have one of these? CODE ONE ONLY**

Yes	1
No	2
Don't know	3

**SECTION H: OVERALL EXPERIENCE OF THE MARKET AND SUPPLIERS**

ASK ALL

- H1. **Thinking about your current <GAS>/<ELECTRICITY> supplier, how would you rate your level of satisfaction with the following on a scale of 1 to 5, where 1 is very dissatisfied and 5 is very satisfied... RANDOMISE ORDER OF READING. CODE ONE ONLY FOR EACH**

	Very dissatisfied	Quite dissatisfied	Neither dissatisfied nor satisfied	Quite satisfied	Very satisfied	Don't know	Not applicable
<b>Value for money</b>	1	2	3	4	5	6	7
<b>Information provided on available tariffs and options</b>	1	2	3	4	5	6	7
<b>The degree to which your supplier meets your business' needs</b>	1	2	3	4	5	6	7
<b>The overall service provided</b>	1	2	3	4	5	6	7

ASK ALL  
H2. **How likely is it that you would recommend your current <GAS>/<ELECTRICITY> supplier to someone else or another business? Please indicate how likely on a scale of 0 to 10, where 0 is not at all likely and 10 is extremely likely. CODE ONE ONLY**

(0) Not at all likely	0
	1
	2
	3
	4
	5
	6
	7
	8
	9
(10) Extremely likely	10
Don't know	11
Refused	12

ASK ALL

- H3. **Thinking now about the energy market in general, how would you rate your level of satisfaction with the following on a scale of 1 to 5, where 1 is very dissatisfied and 5 is very satisfied...** RANDOMISE ORDER OF READING. CODE ONE ONLY FOR EACH

	Very dissatisfied	Quite dissatisfied	Neither dissatisfied nor satisfied	Quite satisfied	Very satisfied	Don't know	Not applicable
<b>Competitiveness of prices</b>	1	2	3	4	5	6	7
<b>The variety of options from different suppliers</b>	1	2	3	4	5	6	7
<b>The ease of comparing prices</b>	1	2	3	4	5	6	7
<b>The sales approach by energy suppliers</b>	1	2	3	4	5	6	7
<b>The sales approach by brokers</b>	1	2	3	4	5	6	7
<b>The ease of switching supplier</b>	1	2	3	4	5	6	7
<b>The level of advice available to businesses when they are looking to switch supplier</b>	1	2	3	4	5	6	7

ASK ALL

- H4. **To what extent do you trust or distrust energy suppliers to be fair in the way they deal with business customers?** PROBE FOR COMPLETELY (DIS)TRUST OR TEND TO (DIS) TRUST. SINGLE CODE ONLY

Completely trust	1
Tend to trust	2
Neither trust or distrust	3
Tend to distrust	4
Completely distrust	5
Don't know	6

**SECTION I: CLOSE**

ASK ALL

11A. **Finally, just a couple more questions for classification purposes. Can you please tell me the approximate turnover of your business in the past 12 months?** RECORD EXACT FIGURE BELOW, IF NOT SURE, ASK FOR AN APPROXIMATE FIGURE. ALLOWED RANGE £0-£99,999,999

£									
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Don't know X  
Refused Y

TO COMPLETE IF FIGURE GIVEN AT QE1A.

INTERVIEWERS TO RE-ENTER TURNOVER INTO RANGE. DO NOT ASK. SINGLE CODE ONLY

£0-£9	1
£10-£99	2
£100-£999	3
£1,000-£9,999	4
£10,000-£99,999	5
£100,000-£999,999	6
£1,000,000-£9,999,999	7
£10,000,000-£99,999,999	8
£100,000,000-£999,999,999	9

ASK IF DK/REF AT I1A

I1B. Which of these ranges does your turnover fall into? READ OUT UNTIL ANSWER GIVEN. SINGLE CODE ONLY

Less than £73,000	1
£73,000 - £99,999	2
£100,000 - £249,999	3
£250,000 - £499,999	4
£500,000 - £999,999	5
£1m – £1.49m	6
£1.5m - £2.8m	7
£2.81m - £4.99m	8
£5m - £9.99m	8
£10m - £14.99m	10
£15m - £24.99m	11
£25m or more	12
Don't know	13
Refused	14

ASK ALL

I2 That's the end of the survey, thank you very much for your time. Ofgem may wish to undertake follow-up interviews with businesses to explore some of these issues in more depth. Would you be willing to take part in further research commissioned by Ofgem at a later date? CODE ONE ONLY

Yes	1
No	2

I3 Would you be interested in receiving a copy of the survey findings by email? The report is likely to be published early in 2015. IF YES: Could I take your email address please?

Yes (RECORD EMAIL ADDRESS)	1
No	2

CLOSE

This survey has been commissioned by Ofgem. On behalf of them and BMG, thank you very much for your time.

## Appendix 6: Statement of Terms

### **Compliance with International Standards**

BMG complies with the International Standard for Quality Management Systems requirements (ISO 9001:2008) and the International Standard for Market, opinion and social research service requirements (ISO 20252:2012) and The International Standard for Information Security Management ISO 27001:2005.

### **Interpretation and publication of results**

The interpretation of the results as reported in this document pertain to the research problem and are supported by the empirical findings of this research project and, where applicable, by other data. These interpretations and recommendations are based on empirical findings and are distinguishable from personal views and opinions.

BMG will not publish any part of these results without the written and informed consent of the client.

### **Ethical practice**

BMG promotes ethical practice in research: We conduct our work responsibly and in light of the legal and moral codes of society.

We have a responsibility to maintain high scientific standards in the methods employed in the collection and dissemination of data, in the impartial assessment and dissemination of findings and in the maintenance of standards commensurate with professional integrity.

We recognise we have a duty of care to all those undertaking and participating in research and strive to protect subjects from undue harm arising as a consequence of their participation in research. This requires that subjects' participation should be as fully informed as possible and no group should be disadvantaged by routinely being excluded from consideration. All adequate steps shall be taken by both agency and client to ensure that the identity of each respondent participating in the research is protected.



With more than 25 years' experience, BMG Research has established a strong reputation for delivering high quality research and consultancy.

BMG serves both the public and the private sector, providing market and customer insight which is vital in the development of plans, the support of campaigns and the evaluation of performance.

Innovation and development is very much at the heart of our business, and considerable attention is paid to the utilisation of the most up to date technologies and information systems to ensure that market and customer intelligence is widely shared.

