

Small businesses to slash advertising and travel spend



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Press Release Summary: Nearly 40% of Britain's small businesses are planning to cut their budgets for advertising and business travel (37%) in order to weather the recession, a new survey has found.



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The YouGov survey, commissioned by independent electricity supplier **Opus Energy**, polled over 500 small business owners and managers to discover where they would be cutting back during the current economic downturn. Business travel and advertising spend were top of the list for budget cuts in nearly one in five small businesses (19 and 18% respectively).

The survey also found that the larger the company, the more likely it is that staff will face cuts to their bonuses. Indeed, a third (33%) of the largest companies surveyed (employing up to 50 people) said that employee bonuses would be the first area they would rein in.

Interestingly, when asked which areas cutbacks were the least likely during recession, a quarter of small businesses (25%) were adamant they would not reduce spending on IT. Employees can also rest assured that day to day staff perks were the second least likely area to face cutbacks during difficult times. 16% of managers vowed not to reduce spending on extras for employees such as biscuits, tea and coffee and entertainment, which can help maintain vital staff morale particularly in a gloomy economic climate.

Andy Nash, Operations Director at Opus Energy said, *"While some value can be had from trimming excess spending on business travel and advertising budgets, it is surprising that a review of utility bills does not appear higher up the list. Only 3% of small businesses said they would review their gas or electricity tariffs in order to make business savings. This widely overlooked area can provide vital savings for companies and make more of an impact on their bottom line than other areas. Indeed, Carbon Trust research shows that simply monitoring energy efficiency in the workplace could help companies save over 12% on their bills."*

Notes to Editors

All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 536 adults who are private sector workers in companies of fewer than 50 employees who are senior management level or above, with major decision making input in at least one of the following areas: Advertising/ Direct Marketing / PR, Business Development/ Sales, Company credit/ charge cards, Company mobile phones, Company Pension Scheme, Finance/ Accounting, HR/ Personnel, IT/ Telecoms, Line of Production/ Operations, Procurement/ purchasing, Recruitment, Training & Development. Fieldwork was undertaken between 3rd - 8th December 2008. The survey was carried out online.

About

Opus

Energy

Opus Energy is a leading independent supplier of electricity offering tailor-made solutions for the UK SME and corporate markets. Its market-leading innovations are driven by customer needs and the company is committed to helping businesses become more

environmentally responsible through procurement of energy from cleaner sources.

Opus Energy has over 40,000 customers across all sectors. Large customers include: Yell Group, Thorntons, Farmfoods, Cumbria County Council and Deloitte & Touche.

Over the last two years (between April 2006 and March 2008), 62% of the energy supplied by Opus Energy to its customers came from cleaner, low-carbon sources – 54% from renewable generators and 8% from cleaner Combined Heat and Power (CHP) produced by CHP generators. These CHP generators have been awarded accreditation by the regulator, Ofgem, for producing cleaner, more environmentally friendly power.

Opus Energy's management team has a 50 percent stake in the business, while International Power Plc (LSE:IPR.L) holds 30 percent and Telecom Plus Plc (LSE: TEP.L) has 20 percent. With offices in Northampton and Oxford, it employs 200 people.

For further information, please see www.opusenergy.com

Carbon Trust, Smart metering

The Carbon Trust recently undertook smart metering trials and the results showed that smart metering, when combined with consumption data and energy-saving advice, could give potential average savings of 12%. http://www.carbontrust.co.uk/technology/technologyaccelerator/advanced_metering.htm

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