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FINAL REPORT

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IFF RESEARCH

Small Business Survey

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Executive summary

Introduction and Method

Consumer Scotland is looking to understand the issues that small businesses in Scotland face as consumers. IFF conducted this research to aid Consumer Scotland's understanding of these issues and provide them with a robust evidence base. This research aimed to understand the key problems and challenges that small businesses in Scotland experience in relation to products which are supplied to them or used by them and identify the markets or products which are most likely to give rise to problems or challenges for small businesses in Scotland. The research aimed to understand the extent to which small businesses experience detriment in different markets and how small businesses resolve issues and problems that arise, and the extent to which they can secure appropriate redress.

The Small Business Survey was a quantitative survey carried out using Computer Assisted Telephone Interviewing (CATI). IFF Research conducted the Small Business Survey pilot survey between the 20th - 24th January 2025, with 19 respondents. The survey was then refined to improve respondent experience and to keep the length of the survey to time.

The mainstage survey was then conducted with 700 small businesses based in Scotland. The interviews were conducted via telephone by IFF Research in-house specialist business interviewers.

Findings

Experience of purchasing goods or services - For most small businesses, there was a strong relationship between agreement that products met the small businesses' needs and overall satisfaction with the market.

Overall satisfaction with experience - Small businesses were most satisfied with their experience of any goods other than vehicles (88% satisfied), and least satisfied with their experience of the energy market (59% satisfied).

Issues and challenges – The most commonly experienced issues varied by market.

- The product being poor quality was the number one issue amongst those that had reported issues in telecommunications (16%), vehicle (11%), and legal and accountancy (5%) markets. The issue of misleading prices was most common in the energy market (17%).

- Whilst problems with delivery were most common in the postal services (31%), any goods other than vehicles (16%) and building services (8%), unfair or unclear terms and conditions were an issue in water services (12%), property rental (11%) and financial services (10%).
- **Impact of problems** - The markets where issues had the greatest negative impact were energy and financial services, with 63% and 62% of small businesses respectively feeling that they affected performance somewhat or to a great extent. Issues with financial services were the most likely to impact a small business to a great extent (41%).
- On the other hand, issues with the least impact were experienced in postal services, where 71% of small businesses report very little or no impact on their business performance as a result.
- **Resolution of problems** – Small businesses were asked what actions they took to resolve the issue. The most common response across all markets was contacting the seller directly (energy: 97%, water services: 74%, postal services: 83%, vehicles: 81%, any goods other than vehicles: 91%, digital services, IT and software: 94%, financial: 69%, legal and accountancy: 80%, property rental: 93%, building services: 77%, telecommunications: 91%)
- **Satisfaction with resolution** - Small businesses were most often satisfied with the resolution of problems in the any goods other than vehicles market (72% said yes), with many issues left unresolved in the telecommunications (37% had problems left unresolved) and the energy and water services markets (both had 42% with problems left unresolved). Small businesses were most often dissatisfied with resolution of problems in the financial market (36% said no), and water services market (28% said no).
- **Access** – Most small businesses (80%) found that there were no particular markets that were problematic to access, but the most commonly reported were the energy market and the telecommunications market.

Use of brokers - About a quarter of small businesses (28%) used brokers to purchase products in the last 12 months, and usage was higher for a rural small business (35%) than an urban small business (25%), and for those purchasing in more markets (42% of those purchasing in more than eight markets used a broker). Generally, satisfaction with brokers was high but small businesses were most dissatisfied with their experience of using a broker in the energy market (16% were dissatisfied).

Comparison of business and domestic consumer experiences – Across all comparative measures, small businesses often reported having similar experiences as a business consumer, to being a domestic consumer. Across all comparative measures, responses were distributed fairly evenly between finding it easier and finding it difficult, where differences were reported. Ending or changing a contract was the issue that was most frequently cited as being more difficult for business consumers.

Conclusions

The findings did not suggest that there are markets where small businesses find it problematic to access goods or services. However, the findings reflect a varied experience of small businesses, some with markets being reported as less satisfactory, particularly the energy market.

It has given insight into which markets are more likely to be used by different types of small businesses, and who is more likely to experience issues, for example small businesses with 1-4 employees were more likely to have issues with warranty whilst small businesses with 10-24 employees were less likely to have issues with unfair or unclear terms and conditions.

Some markets have been identified as being more problematic than others, such as energy and financial services and problems in these markets were more likely to impact a business to a greater extent.

The challenges are different in different markets, for example telecommunications consumers experiencing poor quality products, consumers of postal services experiencing problems with delivery and energy consumers experiencing misleading pricing the most. This research suggests there are issues in many of the markets and that small businesses' experiences of certain markets could be improved.

Future areas of focus include how price is perceived, and broker services are experienced in the energy market. Additionally, there could be focus on reducing the number of issues in the energy, postal services and telecommunications markets, reducing the impact of issues in the energy, property rental and financial services markets, and considering how to ensure issues are fully resolved for small businesses in the future.

1 Introduction

Background

Consumer Scotland is looking to understand the issues that small businesses in Scotland face as consumers. IFF conducted this research to aid Consumer Scotland's understanding of these issues and provide them with a robust evidence base.

Additionally, Consumer Scotland are interested in any difference between individual consumers, and small businesses as consumers. While it is thought that these two groups experience similar challenges, small businesses have less legal protection, rights and routes to redress. Small businesses do not have as much regulatory protection, although there are signs that this is changing in some markets, such as the energy market.

There is a lack of robust evidence of the challenges that small businesses face as consumers, and how these differ across different types of small businesses, and in different markets. There is also a lack of evidence on how the consumer issues faced by small businesses differ from those faced by domestic consumers.

The aim of this research is to develop a clear understanding of the specific issues that small businesses in Scotland face as consumers, and the impact those issues have on small businesses, through the commissioning of a survey of small businesses in Scotland. The results of the survey will help Consumer Scotland to identify the extent to which small businesses experience the same or similar issues as individual consumers and how they may differ.

Research themes

This research aims to:

1. Understand the key problems and challenges that small businesses in Scotland experience in relation to products which are supplied to them or used by them;
2. Identify the markets or products which are most likely to give rise to problems or challenges for small businesses in Scotland;
3. Understand how the characteristics of a small business (e.g. size, sector, legal structure, geographical location) are related to small business' ability to engage in markets to secure appropriate goods and services;
4. Quantify the extent to which small businesses experience detriment in different markets, and the nature and cause of that detriment; and

5. Understand how small businesses resolve issues and problems that arise, and the extent to which they can secure appropriate redress.

This report

This report shares the results of the Small Business Survey which took place from the 4th of February to the 7th of March 2025. The survey was conducted amongst small businesses (fewer than 50 employees), specifically with the person responsible for purchasing goods and services for the business.

This report includes details of the methodology, including sampling, as well as findings in response to the research aims.

2 Methodology

Design and materials

The Small Business Survey was a quantitative survey carried out using Computer Assisted Telephone Interviewing (CATI). This approach was used in order to provide a ‘fresh’ sample (rather than use a panel provider), in a timely and cost-efficient manner, with the ability to set quotas by size and sector. Additionally, telephone interviews allowed us to ensure that we were speaking to the correct individual at a small business, and for a higher quality data output (the presence of an interviewer limits non-response/don’t knows, particularly on open-ended questions).

An initial version of the survey was piloted before the survey was finalised for the mainstage of fieldwork. The results of the pilot were combined with mainstage results for the purpose of this report.

The survey covered demographic information, the markets small businesses have purchased from in the last 12 months, and any challenges or issues the small business has experienced. The survey also asked about small businesses’ use of brokers, satisfaction overall and the comparative experience of being a business vs a domestic consumer. The respondent was asked to answer detailed questions relating to up to four of the markets that they have purchased from in the last 12 months. Each iteration of these questions is referred to as a ‘loop’.

Process

IFF Research conducted the Small Business Survey pilot survey between the 20th - 24th of January 2025, with 19 respondents. The aims of the pilot were to assess respondent’s comprehension of the proposed survey questions, measure survey length, and enhance the quality of the mainstage questionnaire.

The mainstage survey was then conducted with 700 small businesses based in Scotland. The interviews were conducted via telephone by IFF Research in-house specialist business interviewers.

Sample: Profile of small businesses

The sample was drawn from Market Location (the same source used for the pilot survey), which is a B2B data service and email marketing provider. They maintain a comprehensive database of actively trading businesses which is regularly verified and stored in compliance with GDPR and legal requirements.

Sample was drawn using a modified Probability Proportionate to Size (PPS) approach. This is a two-stage approach, whereby:

- At sector level, we drew half the sample equally across 7 high-level sectors, with the remainder distributed in proportion to the population (using figures from the Business Population Estimates 2024);¹
- This process is then repeated within sector, so that half the sample is distributed equally by size, and the other in proportion to the size distribution within that sector.

This provides a balance between overall representation and enabling a good amount of potential for subgroup analysis, by size and sector using the bands below. We then set quotas to ensure that we achieved the desired profile of interviews which were relaxed during fieldwork to compensate for the groups that were harder to achieve. Relaxing the quotas meant that there were sufficient numbers in all groups and that analysis could be undertaken between/within size bands and sectors. The achieved spread of small businesses² interviewed is shown in Table 2.1 and the progress against quotas is shown in Table 2.2.

Table 2.1 Size, sector, legal form, years of operation of small businesses that took part in the mainstage survey.

Establishment size (number of employees)	Completed interviews	Percentage	Overall percentage of small businesses ³
Establishment size (number of employees)			
0	104	14.8%	73.9%
1-4	191	27.3%	16.3%
5-9	163	23.3%	5.4%
10-49	242	34.6%	4.5%

¹ [Business population estimates 2024 - GOV.UK](#)

² These can be split into micro businesses (0-9 employees) and small businesses, (10-49 employees), but for simplicity we will refer to all of these firms as “small businesses”.

³ Uses figures from the Business Population Estimates 2024

Sector⁴				
Agriculture /Mining /Energy/ Manufacturing/ Water (A B C D E)	100	14.3%	[C] ⁵	
Construction (F)	74	10.6%	14.3%	
Retail /Distribution (G)	108	15.4%	79.6%	
Transport and Storage (H)	83	11.9%	7.4%	
Hotel/Catering (I)	54	7.7%	6%	
Property/Finance/Management/ Business Services (J K L M)	166	23.7%	[C]	
Public administration /Other (N P Q R S)	115	16.4%	[C]	
Legal Form				
Partnership	66	9.4%	[C]	
Sole trader	122	17.4%	[C]	
Private Limited Company	408	58.3%	[C]	
Public Limited Company	20	2.9%	[C]	
Limited liability partnership (LLP)	18	2.6%	[C]	
Charity	29	4.1%	23.9%	
Other	12	1.6%	[C]	
Don't know	25	3.6%	[C]	
Years of operation				
Less than a year	5	0.7%	[C]	
1-4 years	39	5.6%	[C]	
5-9 years	80	11.4%	[C]	
10-19 years	150	21.4%	[C]	
20-49 years	311	44.4%	[C]	
50 years or longer	106	15.1%	[C]	
Don't know	9	1.3%	[C]	
Region				
Urban	498	71.1%	[C]	
Rural	202	28.9%	[C]	

⁴ The types of businesses included in these sectors can be found at: [UK Standard Industrial Classification \(SIC\) Hierarchy](#)

⁵ [C] is used where data is not available.

Table 2.2 Proportion of quotas met per sector and business size.

	0-9	10-49	TOTAL
Agriculture/Mining/Energy/Manufacturing (A B C D E)	63	24	87
	67	36	103
	106%	150%	118%
Construction (F)	76	28	104
	44	30	74
	58%	107%	71%
Retail/Distribution (G)	56	24	80
	65	30	95
	116%	125%	119%
Transport and Storage (H)	58	20	78
	65	25	90
	112%	125%	115%
Hotel/Catering (I)	49	24	73
	32	21	53
	65%	88%	73%
Property/Finance/Management/Business Services (J K L M)	89	32	121
	105	47	152
	118%	147%	126%
Public administration/Other (N P Q R S)	115	42	157
	80	53	133
	70%	126%	85%
TOTAL	506	194	700
	458	242	700

Data reduction and analysis

The data has undergone a process of coding, checking and weighting. The data is weighted to the profile of private sector small businesses in Scotland by size and sector, based on the Department for Business & Trade's Business Population Estimates 2024⁶. The weighted profile of small businesses is shown as an Annex to this report.

Data was scrutinised against the research questions to understand the validity of the findings, consistency of themes, new insights and what further analysis may help to better understand the data.

Where comparisons are made between different groups of small businesses, only differences that are statistically significant at the 95% confidence level are reported. Where

⁶ [Business population estimates for the UK and regions 2024: statistical release - GOV.UK](https://www.gov.uk/government/statistics/business-population-estimates-for-the-uk-and-regions-2024)

a group of small businesses is reported as “more/less likely to”, this comparison is with the average of the other sub-groups of small businesses. Full data tables of the results of each question are available separately.

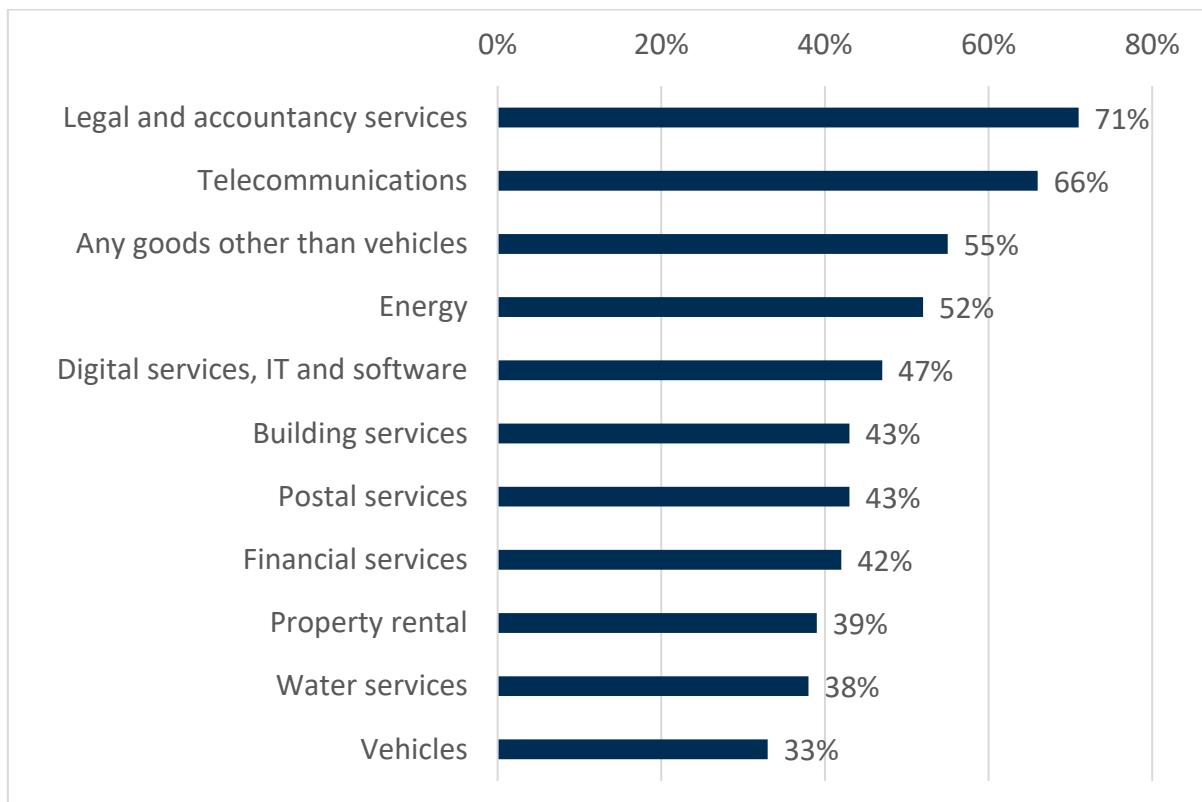
3 Findings

Markets small businesses have made purchases in

Small businesses were asked in which of the 11 markets shown below (Figure 3.1) they had made purchases in the last 12 months. This includes new and existing contracts. The most common market that small businesses purchased goods or services in was legal and accountancy services, with seven in ten (71%) using this service in the last year. This was followed by telecommunications (66%) and any goods other than vehicles (55%).

The least common markets where small businesses entered into new contracts in the last 12 months were vehicles (33%), water services (38%) and property rental (39%).

Figure 3.1: Markets small businesses had purchased from in the last year



B1. In the past 12 months, has your business purchased goods or services in any of the following areas? Base: All (N=700).

Small businesses differed in the number of markets in which they had entered into contracts in the last 12 months, with 11% purchasing from only one, and a quarter (26%) purchasing from eight or more markets. The average number of markets small businesses purchased goods or services from the 11 listed, was 5.3 markets.

Small businesses in the agriculture, mining, energy or manufacturing sectors had purchased from more markets in the last year (average 6.4) than small businesses in property rental,

finance, management, and business services (5.5), construction (5), transport and storage (4.9), or public administration (4.7) sectors.

In line with this, small businesses from the agriculture, mining, energy or manufacturing sectors were also more likely to have made purchases from certain markets, including the legal and accountancy services (82% vs 71%), any goods other than vehicles (66% vs 55%) and energy (70% vs 52%).

Larger companies tended to purchase from more markets than smaller companies. Small businesses with 25-49 staff used 7.3 markets on average compared to those with no staff who used 4.5 markets. Additionally, larger small businesses (with 25-49 employees) were more likely to make purchases from every market, except legal and accountancy and telecommunications, than those with no employees. Conversely, sole traders were less likely to have made purchases from many markets, including:

- Digital services, IT and software (35% vs 47%)⁷
- Building services (25% vs 43%)
- Postal services (31% vs 43%)

The number of years that a small business had been in operation was also a determining factor in the types of markets they had made purchases in, although there was consistency in the number of markets they had made purchases in. Small businesses which had been operating for 20-49 years were less likely to have made purchases in some markets including:

- Telecommunications (60% vs 66%)
- Financial services (36% vs 42%)
- Digital services, IT and software (41% vs 47%)
- Water services (33% vs 38%)

However, small businesses that had been in operation for more than 50 years were more likely to make purchases in:

- Energy (73% vs 52%)

⁷ Comparative percentages throughout this report are for all other business types, unless stated otherwise

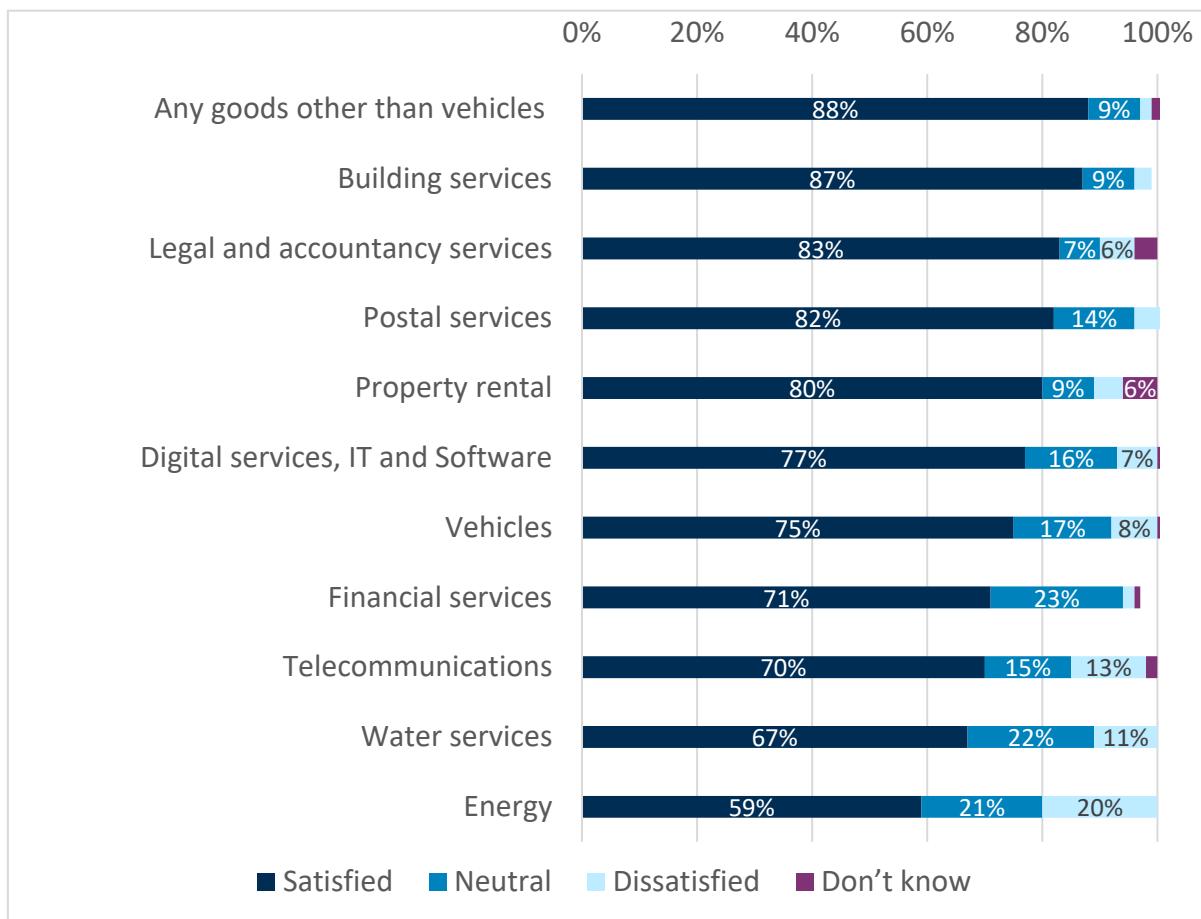
- Water services (58% vs 38%)
- Postal services (58% vs 38%)
- Financial services (55% vs 42%)
- Building services (72% vs 43%)

Small businesses that had used a broker were more likely to have used more markets, 6.3 on average vs 4.9 for those who had not used a broker.

Overall satisfaction with experience

This section outlines the overall satisfaction levels of small businesses with each market when purchasing goods and services in the last 12 months. Figure 3.2 shows the market with the highest levels of overall satisfaction to lowest. Any goods other than vehicles (88%) and building services (87%) ranked highly in terms of satisfaction whilst water services (67%) and the energy market (59%) had the lowest levels of satisfaction. The energy market also had the highest levels of dissatisfaction, with one in five small businesses (20%) feeling dissatisfied with their experience.

We will now look at differences in each market by small business characteristics, from most to least satisfied.

Figure 3.2: Overall satisfaction with market experience.

B3 Overall thinking about your experience of purchasing and using products in the market in the past 12 months how satisfied were you with the product or products? Base: Any goods other than vehicles (N=271); building services, (N=271); legal and accountancy services, (N=298); postal services, (N=169); property rental, (N=185); digital services, IT and software, (N=233); vehicles (N=173); financial services, (N=189); telecommunications, (N=299); water services, (N=175); energy, (N=240).

Any goods other than vehicles

The market with the highest level of satisfaction with products was any goods other than vehicles with 88% of small businesses being satisfied. Only 2% of small businesses who used this market were dissatisfied with their experience, whilst 9% felt neutral. This is shown in comparison to other markets in Figure 3.2.

It should be acknowledged that this is a very broad market, and therefore it is particularly difficult to draw meaningful conclusions about reasons for satisfaction in this market.

Small businesses who used 2-4 markets had higher levels of satisfaction in the any goods other than vehicles market (97% vs 88%).

Building services

There were also high levels of satisfaction with the building services, improvement and maintenance market. This market ranks second for satisfaction with 87% of small businesses satisfied, including 35% being very satisfied. A small portion felt neutral (9%) and even fewer (3%) were dissatisfied with the building services market.

Legal and accountancy services

Satisfaction levels were also high for legal and accountancy services with 83% of small businesses being satisfied, including 46% being very satisfied. When looking at dissatisfaction, 6% of small businesses were dissatisfied with this market and 7% felt neutral.

Small businesses with 1-4 employees were more likely to feel satisfied with legal and accountancy services than those with 5-9 employees (90% vs 72%). Small businesses that purchased in between two and four of the eleven markets were also more likely to feel satisfied (91% vs 83%).

Postal services

More than four in five (82%) small businesses who used postal services were satisfied whilst 5% were dissatisfied and 14% felt neutral.

There were no differences in satisfaction with size, location or years of operation.

Property rental market

Most (80%) of those who used the property rental market were satisfied, whilst 5% were dissatisfied and 15% responded with don't know or felt neutral about their experience.

Small businesses in rural areas were more likely to be satisfied with the rental market, compared to those in urban areas (95% vs 75%).

Digital services, IT and software

More than three quarters (77%) of those who use the digital services, IT and software market were satisfied, whilst 7% were dissatisfied and 16% felt neutral.

There were no differences in satisfaction based on the demographics of small businesses.

Vehicles

Three quarters (75%) of small businesses who use the vehicle market felt satisfied with it, 17% felt neutral and 8% were dissatisfied.

Small businesses who used 5-7 of the markets were less likely to feel satisfied (65% vs 75%).

Financial services

Just over seven in ten (71%) of small businesses were satisfied with the financial services market. There was a relatively high proportion of small businesses that felt neutral with just under a quarter (23%) feeling this way. In line with this, only a small proportion (4%) were dissatisfied with the financial services market, despite its ranking lower in overall satisfaction compared with other markets.

There were no differences in satisfaction from different small business types.

Telecommunications

Satisfaction with the telecommunications market was ranked in the last three out of all eleven markets. There were still good levels of satisfaction with over 70% of small businesses feeling satisfied with the product, whilst only 13% were dissatisfied. More business felt neutral (15%) than dissatisfied.

Urban small businesses were more likely to feel satisfied (74%) than rural small businesses (59%). The research also found that rural small businesses experienced more issues related to telecommunications which may explain this difference.

Water services

Water services ranked second to last in terms of overall satisfaction with around two thirds (67%) of small businesses being satisfied. This market ranks third in terms of dissatisfaction with one in ten (11%) being dissatisfied, and twice this proportion (22%) feeling neutral.

Small businesses that had used more than 8 markets were more likely to feel neutral about the water services market (37% vs 22%) and less likely to feel dissatisfied (2% vs 11%). This could suggest that small businesses find their experience in the water services market to be typical.

Energy

The energy market had the lowest levels of satisfaction (59%) and highest levels of dissatisfaction (20%). There were also a relatively large number of small businesses who felt neutral about the energy market (21%).

Small businesses with between one and four employees were more likely to feel very dissatisfied with the energy market (13% vs 8%).

Experience of purchasing goods or services

This section outlines small businesses' experience of buying in each market. These questions were asked of all businesses that selected each market, regardless of whether issues had been experienced. For most small businesses there was a strong relationship between agreement that products met the small businesses needs and overall satisfaction with the market.

One of the main issues small businesses experienced across markets was a difficulty contacting the supplier when a problem occurred. There were some markets where this was less of an issue such as legal and accountancy services, where 89% of small businesses agreed that this was easy.

Table 3.1 shows a comparison between all markets for each statement. Please note that the statements with the † symbol next to them were phrased negatively, so those who disagreed with the statement are included as positive to facilitate easier comparison with between statements.

Table 3.1 Experience of all markets

	Energy	Water services	Postal	Vehicles	Any goods other than vehicles	Digital	Financial	Legal and accountancy	Property rental	Building services	Telecommunications	Positive Responses %
The products we have procured meet the businesses needs and aspirations	72%	83%	89%	92%	96%	90%	86%	89%	79%	93%	86%	
We pay a fair and reasonable price for the products we receive	37%	60%	71%	79%	80%	72%	72%	82%	77%	80%	73%	
†The products we have used have not been reliable	69%	66%	63%	69%	80%	67%	75%	79%	72%	81%	72%	
It is easy to contact the supplier to resolve issues with the product or contract	51%	49%	55%	70%	77%	74%	77%	89%	79%	77%	63%	
†The terms and conditions are unfair	57%	63%	64%	59%	68%	66%	74%	79%	70%	73%	70%	
Billing arrangements are easy to understand	70%	75%	87%	82%	85%	83%	86%	89%	84%	89%	79%	
When I need to purchase or renew a product in future, I'm confident I know how to secure the best deal	69%	73%	84%	91%	87%	81%	82%	86%	76%	83%	78%	

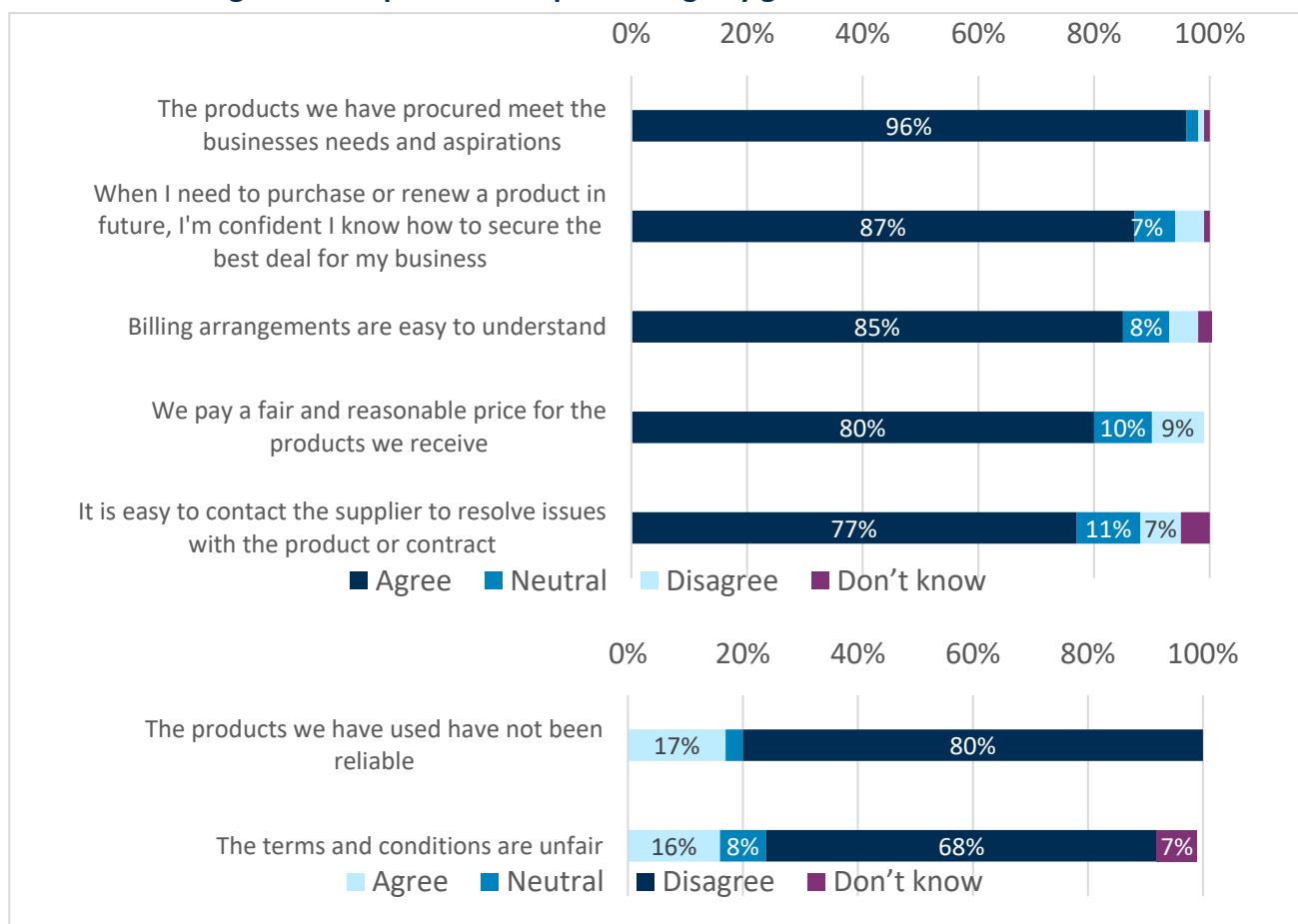
Below is a more detailed breakdown of small businesses experience in each market in turn, in order of overall satisfaction from most to least satisfied.

Any goods other than vehicles

There were strong levels of agreement amongst those who had purchased any goods other than vehicles in the last 12 months with positive statements relating to their experience. Almost all (96%) agreed that the products met the small business' needs. More than three quarters felt positively about securing the best deal (87%), billing arrangements were easy to understand (85%), they paid a reasonable price (80%), reliability of products (80%), and it was easier to contact the supplier (77%).

Small businesses were relatively positive about terms and conditions in the any goods other than vehicles market (68%), although this was thought of less positively than the other aspects of their experience.

Figure 3.3: Experiences of purchasing any goods other than vehicles.



B2 In your experience of purchasing or using goods and services, to what extent do you agree/disagree with following statements? Base: Any goods other than vehicles market (N=271). Data labels <5% are not shown.

There were no differences in levels of agreement based on different types of organisations for example size, urban compared with rural areas, or overall satisfaction with the any goods other than vehicles market.

The goods other than vehicles market received the highest reported satisfaction across all the markets and this is reflected by at least 68% agreement with all the positive statements in **Error! Reference source not found.** Figure 3.3.

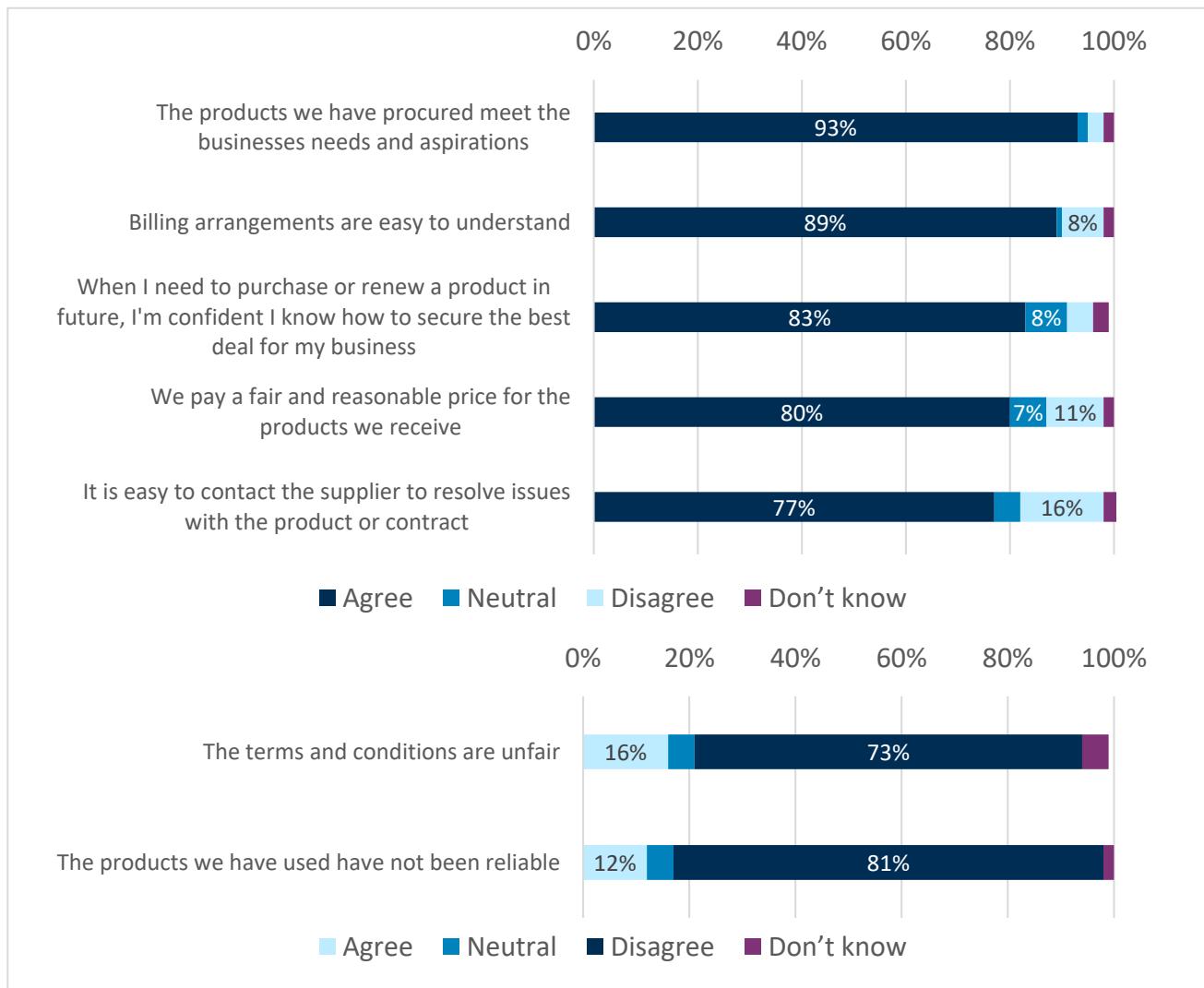
Building services

There were high levels of agreement that products met small business' needs and aspirations (93%). Agreement that billing arrangements were easy (89%), and that they know how to secure the best deal for their small business in the future (83%) was also high.

Most small businesses felt positively about the reliability of products (81%), that they paid a fair price for services (80%), and it was easy to contact the supplier (77%).

In the building services market, the least positively received aspect was terms and conditions (73%), where under a fifth felt that terms and conditions were unfair (16%).

Figure 3.4: Experiences of building services.



B2 In your experience of purchasing or using goods and services, to what extent do you agree/disagree with following statements? Base: Building services (N=217). Data labels <5% are not shown.

Those that were satisfied with the building services market overall were more likely to agree that the products met the small business' needs and aspirations (96% vs 93% of those dissatisfied with the market). This was also the case for agreeing the price was fair (85% vs 80%), ease of contacting the supplier (84% vs 77%), and knowing how to get the best deal in future (97% vs 83%).

Small businesses that had 5-9 employees were more likely to agree that billing arrangements were easy to understand than small businesses overall (95% vs 89%) however they were less likely to agree that the product met the small business' needs and aspirations (88% vs 93%).

Small businesses in the building services market gave the second highest rating of overall satisfaction (87% compared to 88% in any goods other than vehicles market). This is likely

due to the perceptions of products meeting the need of the business and billing arrangements being easy to understand.

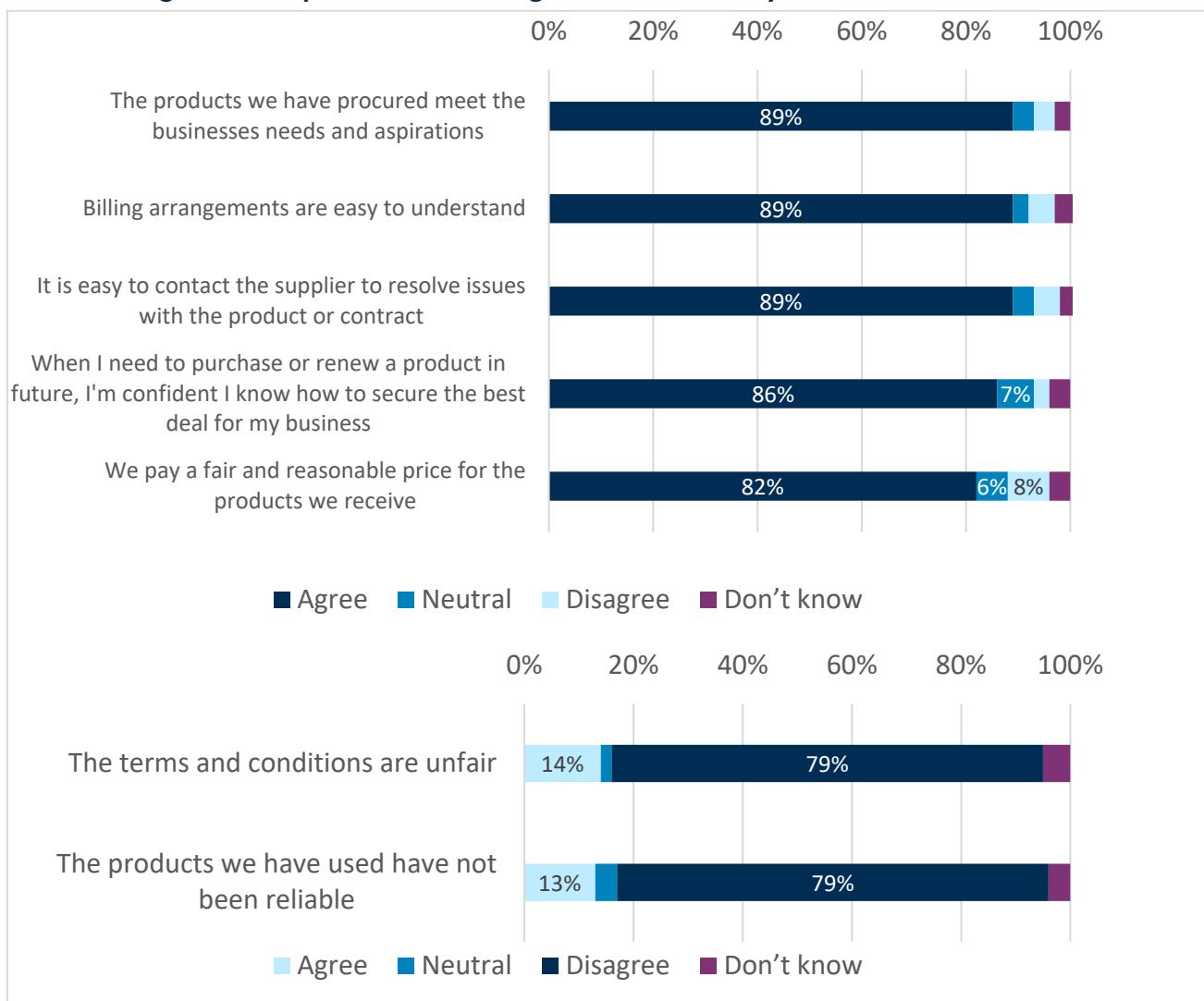
Legal and accountancy services

There were consistently high levels of agreement between the products meeting the small business' needs and aspirations (89%) and billing arrangements being easy to understand (89%). Unlike other markets, there were equally high levels of agreement (89%) that it was easy to contact the supplier to resolve issues. The legal and accountancy market had the highest level of agreement with this statement of all markets. For example, this compares to 49% agreement in the water services market.

More than four in five small businesses agreed that they knew how to secure the best deal in the future (86%), and they paid a fair and reasonable price for the products they received in the legal and accountancy market (82%).

Most small businesses also felt positive about terms and conditions (79%) and reliability of products (79%).

Figure 3.5: Experiences of the legal and accountancy services market.



B2 In your experience of purchasing or using goods and services, to what extent do you agree/disagree with following statements? Base: Legal and accountancy services market (N=298). Data labels <5% are not shown.

Those that were satisfied with the legal and accountancy services market overall were more likely to agree that the products met the small business' needs and aspirations (98% vs 89% of those dissatisfied with the market) and that they paid a fair price for the service (91% vs 82%). They were also more likely to agree that they were easy to contact (94% vs 89%).

Small businesses with 5-9 employees were less likely than small businesses overall to agree that the products met the small business' needs and aspirations (79% vs 89%). Small businesses with 10-24 employees were less likely to agree that they paid a fair and reasonable price (62% vs 82%).

Small businesses that had been operating for 20-49 years were more likely than small businesses overall to agree that they paid a fair price for legal and accountancy services (90% vs 82%).

Those in rural areas were more likely to agree that billing arrangements were easy to understand (96% vs 85% in urban areas). They were also more likely to agree that they knew how to secure the best deal in future (92% vs 83% in urban areas).

Similarly to legal and accountancy, ratings for each statement are fairly similar, making it less clear what is having an impact on satisfaction.

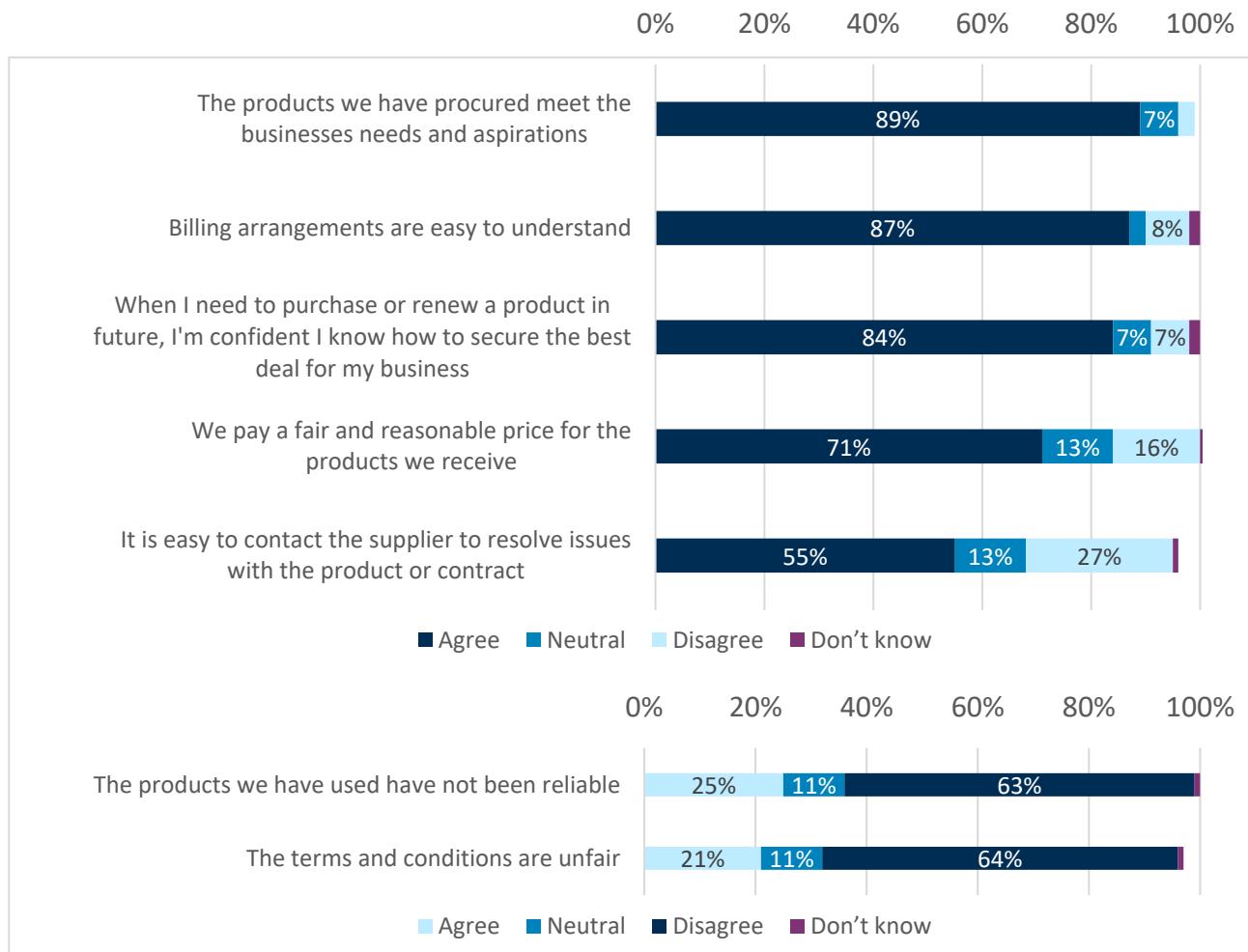
Postal services

Nine out of ten (89%) small businesses who purchased from the postal services market agreed that the products they had procured met business needs. Billing arrangements, securing the best deal in the future, and paying a fair price for the products were all thought of positively, with the majority of small businesses agreeing with these (87%, 84% and 71% respectively).

Additionally, around two-thirds of small businesses felt positively about terms and conditions (64%) and reliability of products (63%).

Over half agreed with the statement 'it is easy to contact the supplier to resolve issues with product or contract (55%).

Figure 3.6: Experiences of the postal services market



B2 In your experience of purchasing or using goods and services, to what extent do you agree/disagree with following statements? Base: Postal services market (N=169). Data labels <5% are not shown.

Those who were satisfied with the postal services market overall were more likely to agree that the products they had procured met the business needs and aspirations (97% vs 89%).

They were also more likely to agree that the price was fair (76% vs 71%), it was easy to contact the supplier (59% vs 55%), and billing arrangements were easy to understand (93% vs 87%). Additionally, they were more likely to disagree that the products were not reliable (70% vs 63%).

Those who were satisfied with the postal services market were more likely to agree that in the future they would know how to secure the best deal for their business (95% vs 84%).

Small businesses based in rural areas were more likely to feel positively about the price of postal services, with 85% agreeing that they paid a fair and reasonable price for the products they received, compared with 64% agreement amongst urban small businesses. However, those in rural areas were more likely to find terms and conditions unfair, with

twice as many small businesses agreeing with this statement compared to those in urban areas (16% vs 31%).

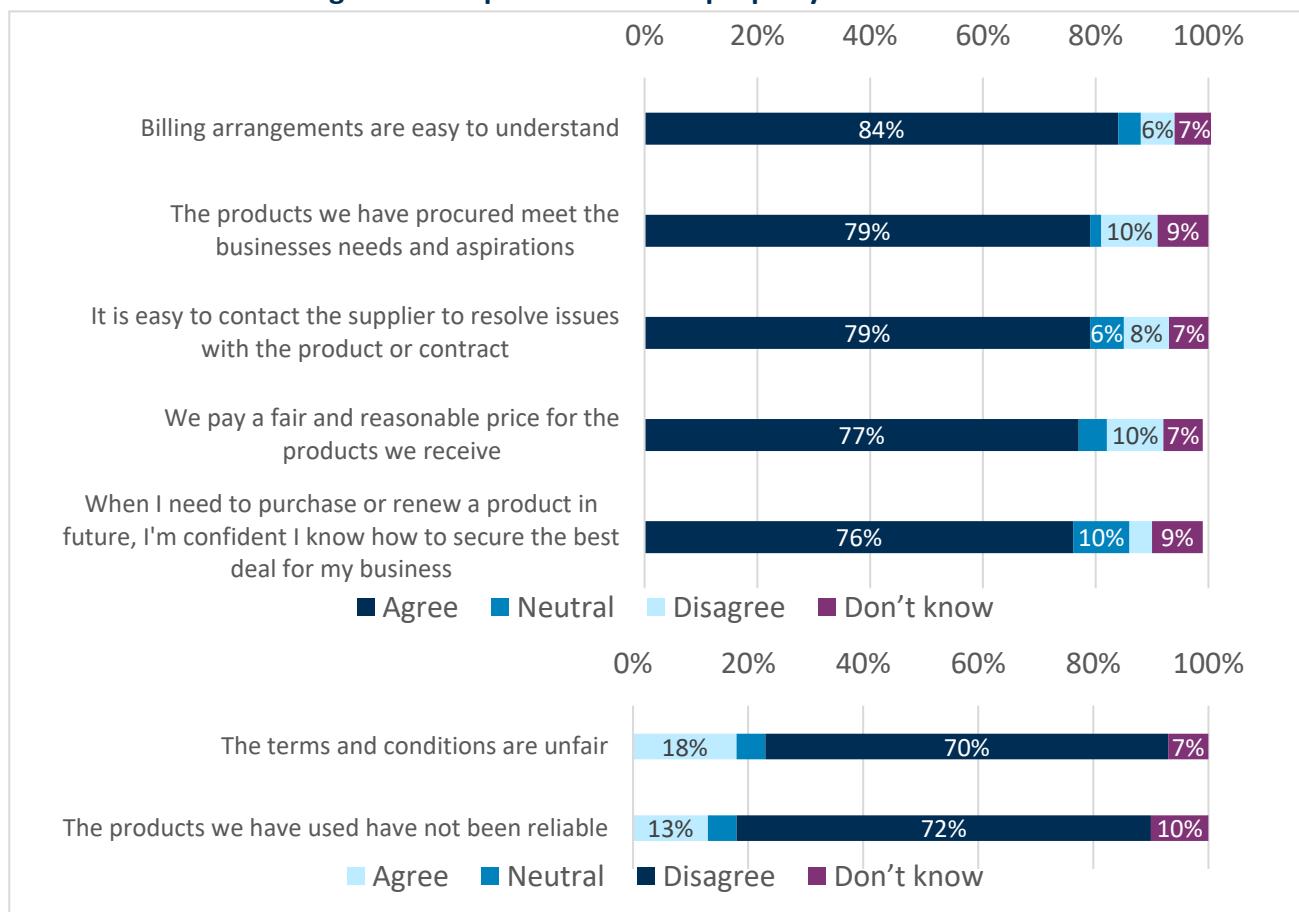
Respondents in the postal services market reported a high level of satisfaction with their experiences of purchasing goods in the last 12 months, which is likely to be related to feeling that the product that they have purchased meets business needs, billing arrangements are easy to understand and knowing how to secure the best deal for their business.

Property rental market

Most small businesses that had used the rental market in the last 12 months agreed that billing arrangements were easy to understand (84%). As with the legal and accountancy market, ease of contact with the supplier ranks relatively high in agreement compared with other markets. Levels of agreement that products meet small business' needs (79%) and ease of contacting the supplier (79%) were high. This was followed by the agreement that they paid a fair price (77%). Agreement that small businesses would know how to secure the best deal for their business in the future was relatively low compared to other markets (76%).

The least positively received aspects of consumer experience were reliability of products (72%) and terms and conditions (70%).

Figure 3.7: Experiences of the property rental market



B2 In your experience of purchasing or using goods and services, to what extent do you agree/disagree with following statements? Base: Property rental market (N=185). Data labels <5% are not shown.

Small businesses that were satisfied with the property rental market overall were more likely to agree that the product met the small business' needs and aspirations (90% vs 79% of those dissatisfied with the market). This was also true of agreement with reasonable price (90% vs 77%), ease of contacting the supplier (89% vs 79%) and billing arrangements being easy to understand (90% vs 84%). Those that were satisfied with the property rental market were also more likely to feel confident securing the best deal in the future (82% vs 76%).

Those small businesses in urban areas felt slightly less confident about the reliability of products in the property rental market compared with those in rural areas. Most (85%) of those in rural areas disagreed that the products they had used were not reliable and a smaller proportion, albeit still a majority disagreed in urban areas (68%).

Digital services, IT and software

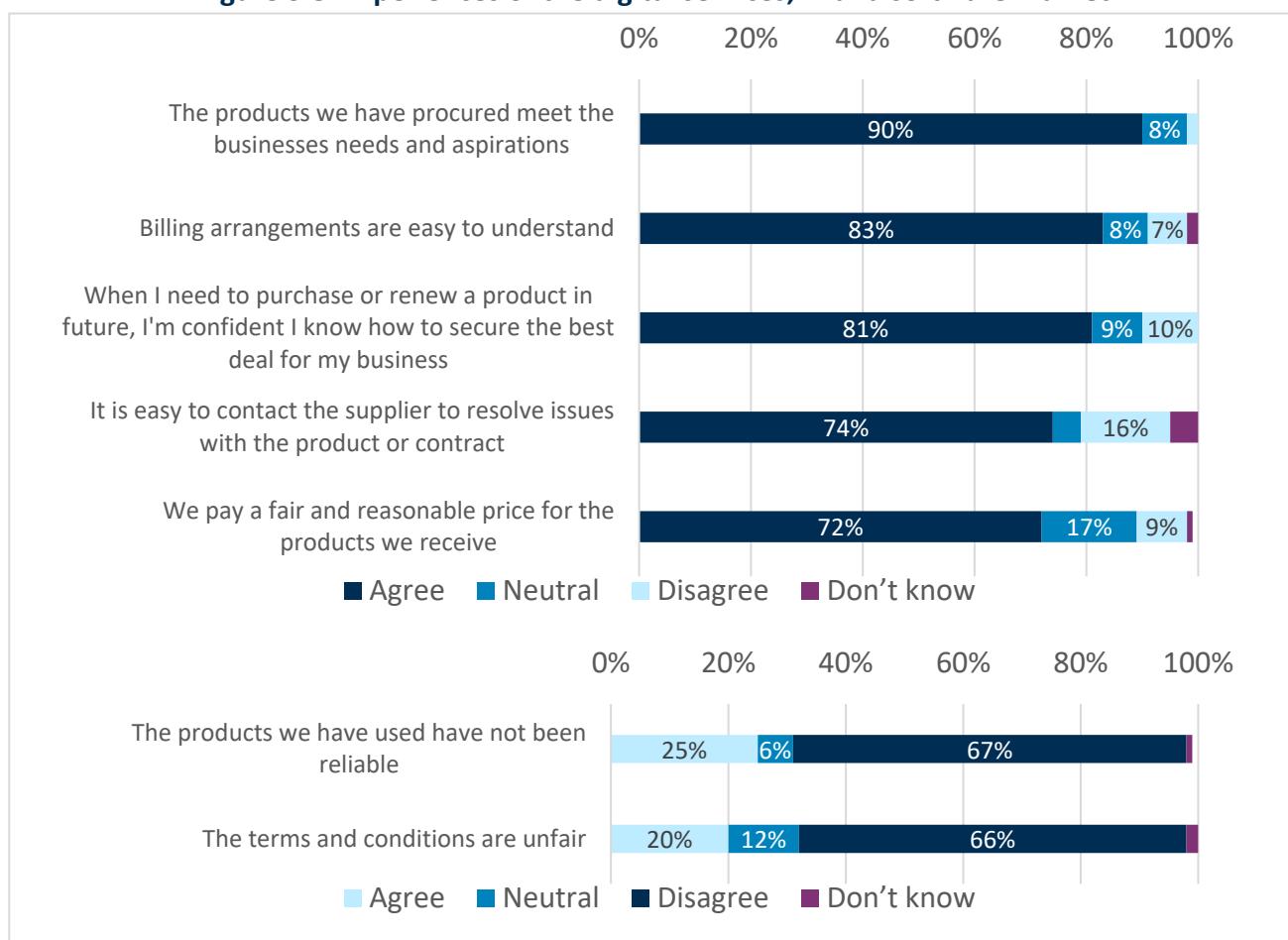
Nine in ten (90%) of those who used the digital market agreed that the products met the small business' needs and aspirations. There were also high levels of agreement that billing

arrangements were easy to understand (83%) and confidence in securing the best deals in the future (81%).

Ease of contacting digital suppliers ranks slightly higher than in other markets, with 74% agreeing that the supplier was easy to contact. Whereas agreement that the price was fair ranks slightly lower, with 72% agreeing that they paid a fair and reasonable price.

The highest proportion of negative responses was with reliability of products (25%) and terms and conditions (20%).

Figure 3.8: Experiences of the digital services, IT and software market



B2 In your experience of purchasing or using goods and services, to what extent do you agree/disagree with following statements? Base: Digital services, IT and software market (N=233). Data labels <5% are not shown.

Those who were satisfied with the digital services, IT and software market overall were more likely to agree that the product met the small businesses' needs and aspirations (94% vs 90% of those who are dissatisfied with the market). They were also more likely to agree that the price was fair (81% vs 72%).

The largest proportion of agreement with negative statements suggest that products being unreliable, terms and conditions being unfair and paying a fair and reasonable price may have contributed to reduced feelings of satisfaction.

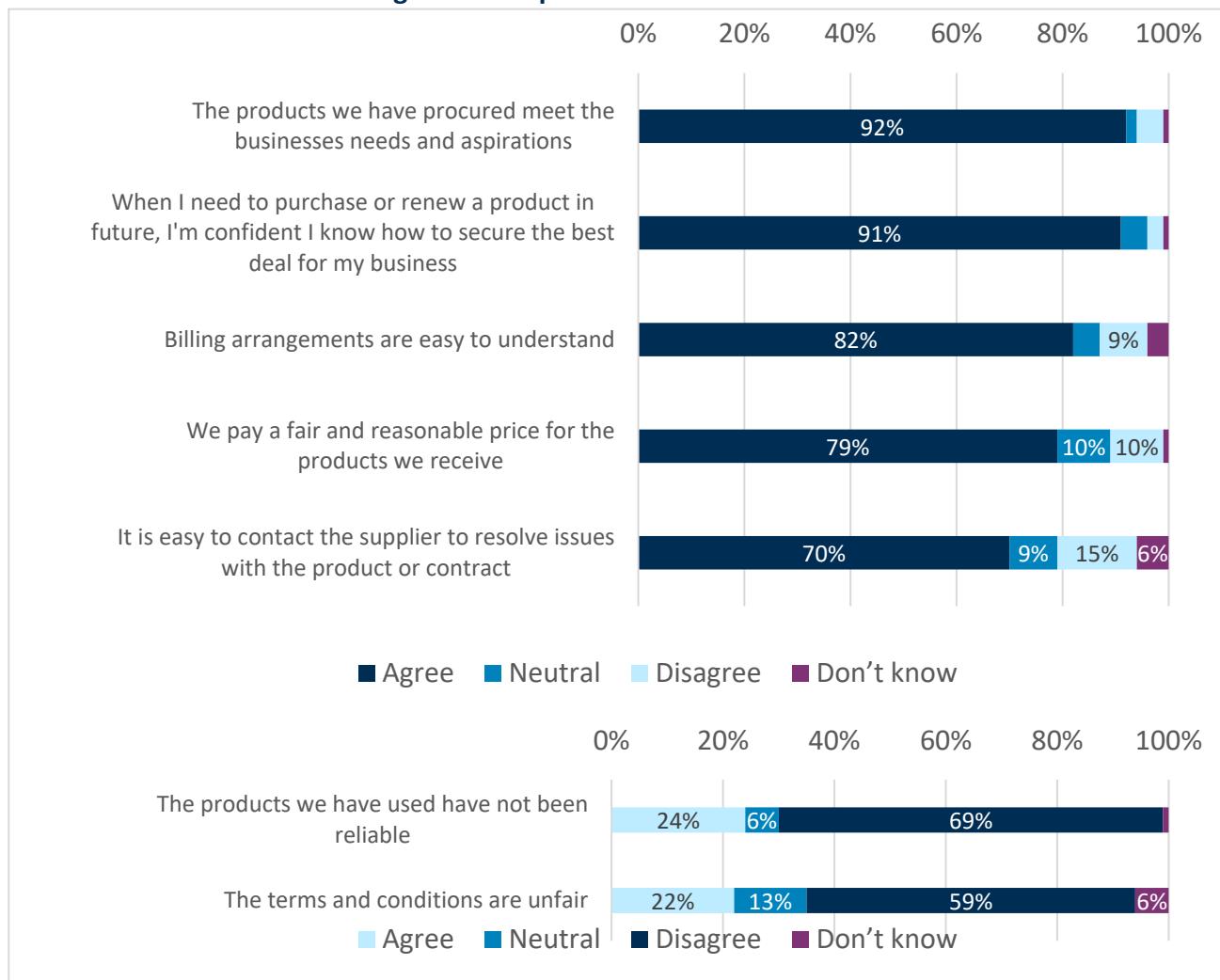
Vehicles

Small businesses that had used the vehicle market in the last 12 months felt quite positively about their experiences. Almost all (92%) agreed that products met the small businesses' needs and aspirations. A similar proportion (91%) agreed that they knew how to secure the best deal in the future.

There were strong levels of agreement that billing arrangements were easy to understand (82%), that a fair price was paid (79%) and that it was easy to contact the supplier to resolve issues (70%).

Where respondents felt more negatively it was around the reliability of products and fairness of terms and conditions, though responses here were in line with other markets with around two in ten feeling negatively. A quarter (24%) agreed that products were not reliable and 22% agreed that terms and conditions were unfair.

Figure 3.9: Experiences of the vehicle market



B2 In your experience of purchasing or using goods and services, to what extent do you agree/disagree with following statements? Base: Vehicles market (N=173). Data labels <5% are not shown. Data labels <5% are not shown.

There was a very strong relationship between satisfaction with the vehicle market and agreement that the products met the small businesses needs and aspirations. Almost all (99%) small businesses who were satisfied with the vehicle market agreed with this statement.

A similar trend was found with other statements with 86% who were satisfied agreeing that they paid a fair price and 86% agreed that billing arrangements were easy to understand.

On the other hand, 80% of those who were satisfied disagreed that the products they had used were not reliable and 70% disagreed that the terms and conditions were not fair.

In terms of location of the small business, those in rural areas were less likely to agree that it was easy to contact the supplier to resolve issues. Just over half (58%) of those in rural areas agreed with this statement compared to 76% in urban areas.

The factors contributing to overall satisfaction include the product that they have purchased meets business needs; billing arrangements are easy to understand and knowing how to secure the best deal for their business.

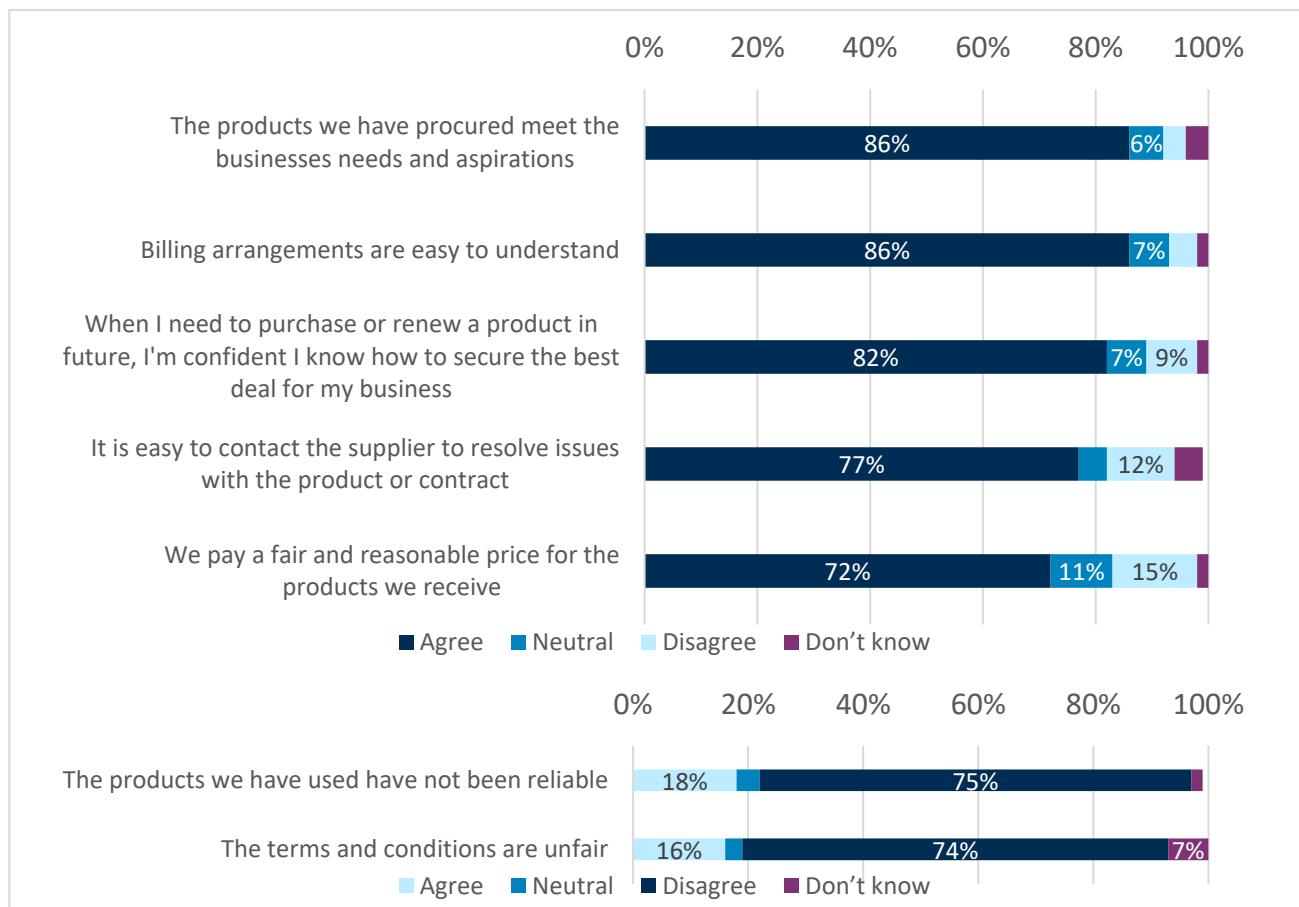
Financial services

There were consistently high levels of agreement between financial services products meeting the small business' needs and aspirations (86%) and billing arrangements being easy to understand (86%). More than three quarters agreed that they knew how to secure the best deal in the future (82%) and that it was easy to contact the supplier to resolve the issue (77%).

Around three quarters of small businesses felt positive about products being reliable (75%) and terms and conditions (74%).

Seven in ten (72%) agree that they paid a fair and reasonable price for the products they received in the financial services market.

Figure 3.10: Experiences of the financial services market



B2 In your experience of purchasing or using goods and services, to what extent do you agree/disagree with following statements? Base: Financial market (N=189). Data labels <5% are not shown.

Most (95%) of those who were satisfied with the financial services market overall agreed that the products met the business' needs and aspirations. Additionally, they were more likely to agree that the price was fair (88% vs 72% of those dissatisfied with the market), and it was easy to contact the supplier (87% vs 77%). They were also more likely to agree that billing arrangements were easy to understand (95% vs 86%), and they knew how to secure the best deal in the future (93% vs 92%).

Small businesses located in rural areas were more likely to disagree that they paid a fair and reasonable price for the products they received (29% vs 10% in the urban areas).

Telecommunications

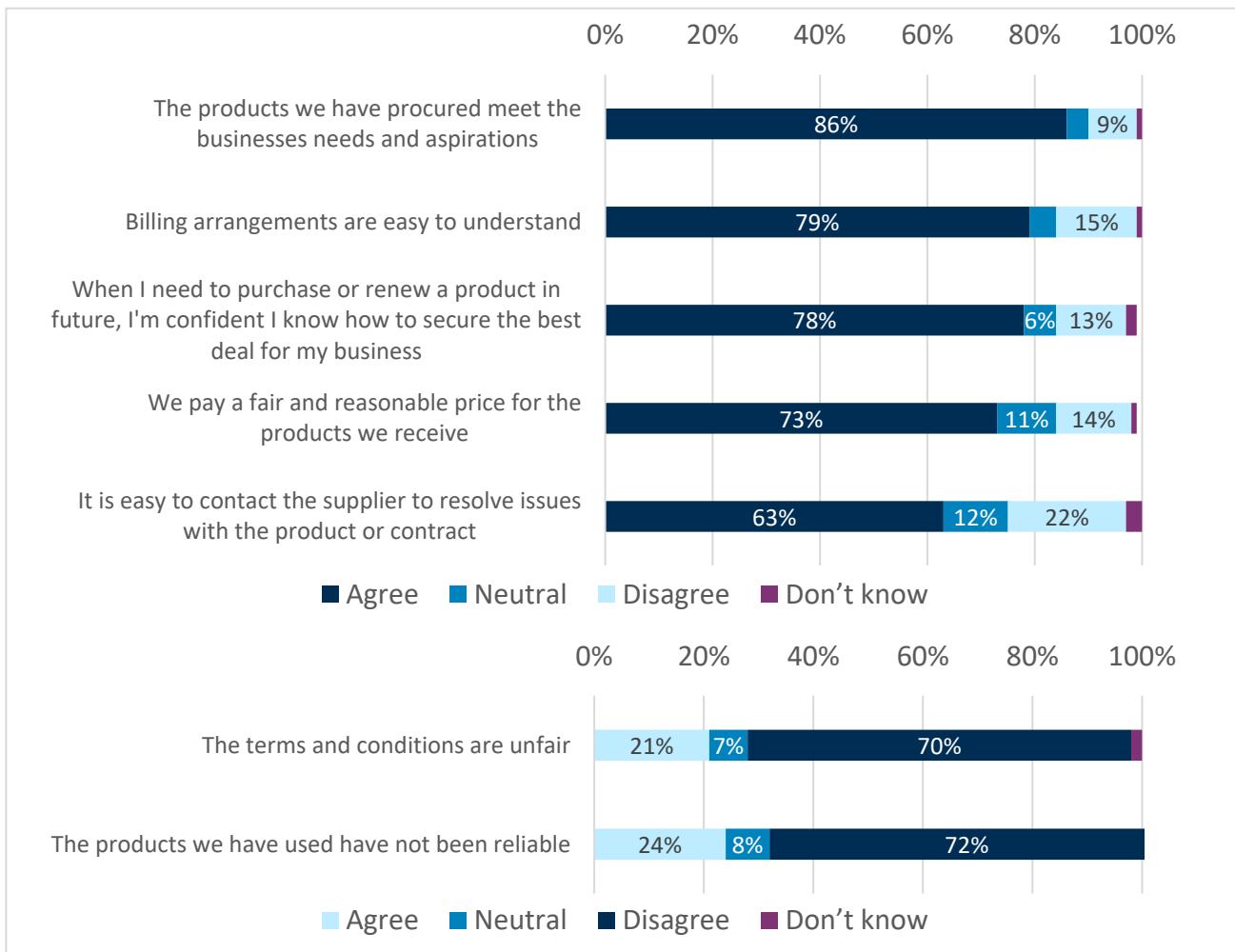
Most small businesses who had purchased from the telecommunications market in the last year felt that the product met their needs (86%), with 41% strongly agreeing.

There were also high levels of agreement that billing was easy (79%), and they were confident they could secure the best deal in the future (78%).

Under three quarters of small businesses felt positively about price (73%), reliability of products (72%) and terms and conditions (70%).

The least positively received area in the telecommunications experience was the ability to contact the seller; just 63% felt that it was easy to contact the supplier.

Figure 3.11: Experiences of the telecommunications market.



B2 In your experience of purchasing or using goods and services, to what extent do you agree/disagree with following statements? Base: Telecommunications market (N=299). Data labels <5% are not shown.

Small businesses that were satisfied with the telecommunications market overall were more likely to agree that the products met small business' needs and aspirations (98% vs 86% of those who are dissatisfied with the market). This was also the case for agreement on reasonable price (91% vs 73%), and ease of contacting supplier (82% vs 63%). Ease of contacting the supplier is rated as a lot lower compared to the average responses and therefore could be driving dissatisfaction in this market.

Small businesses that had been operating for 20-49 years were more likely to agree that the product met their needs (92% vs 86%). However, they were less likely to agree that the supplier was easy to contact to resolve issues (56% vs 63%).

Small businesses in urban areas were more likely to agree that they paid a reasonable price for telecommunication products in comparison to those operating in a rural area (77% vs 62%). They were also more likely to feel that billing arrangements were easy to understand (82% vs 71%).

Small businesses in the telecommunications market provided the third lowest overall rating of satisfaction. Based on the data, this is likely to be due to difficulties contacting the supplier, the reliability of products and terms and conditions being unfair.

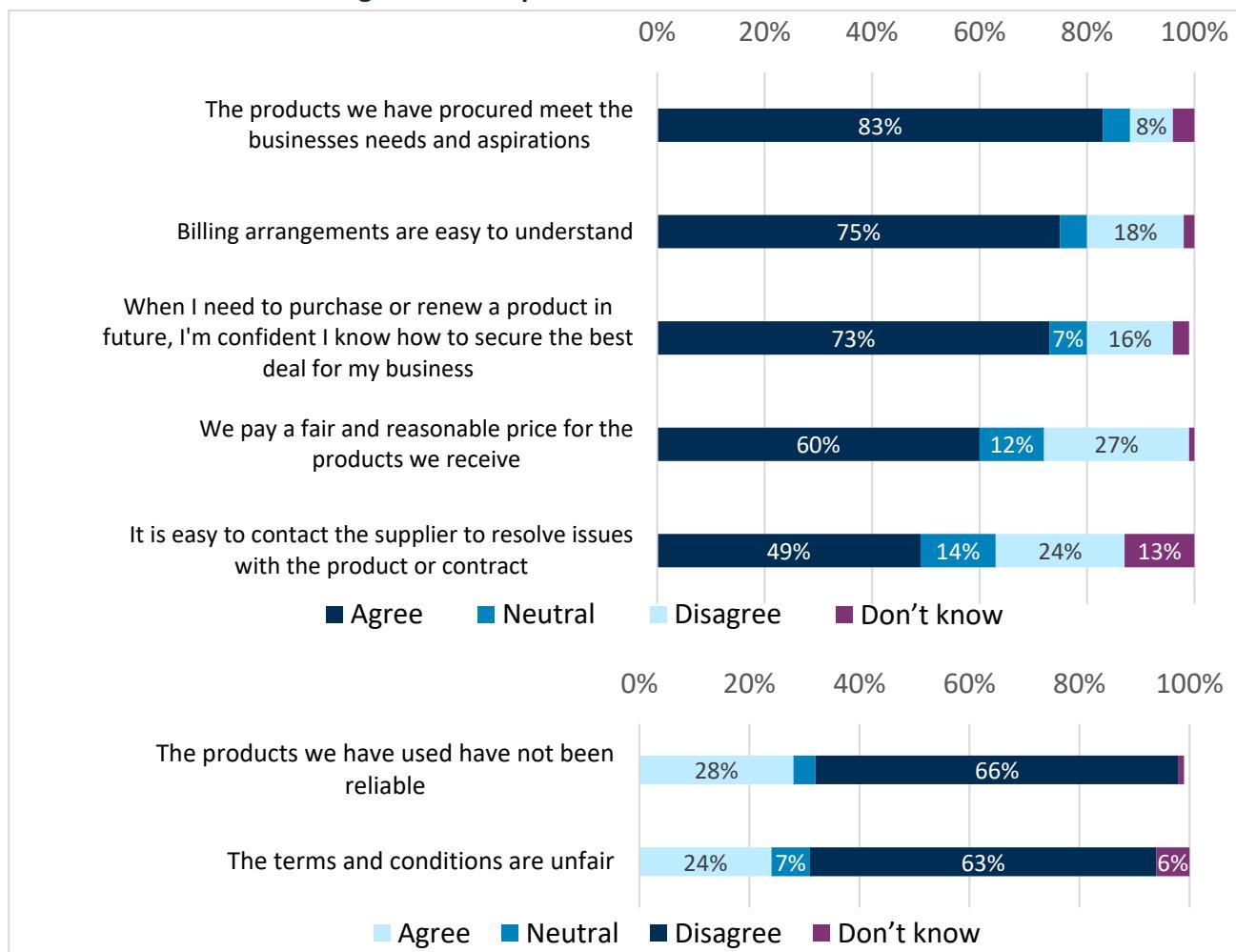
Water services

Small businesses in the water services market were very likely to agree that the products meet their needs and aspirations (83%) as shown in Figure 3.12.

Billing arrangements (75%) and securing a good deal in the future (73%) were also thought of positively. Additionally, around two thirds of small businesses felt positively about reliability (66%), terms and conditions (63%) and pricing (60%).

There were more mixed experiences in terms contacting the supplier to resolve issues, with just under half (49%) agreeing it was easy, 14% feeling neutral and 13% selecting “don’t know”.

Figure 3.12: Experiences of the water services market



B2 In your experience of purchasing or using goods and services, to what extent do you agree/disagree with following statements? Base: Water services (N=173). Data labels <5% are not shown.

Small businesses in urban areas were more likely to strongly disagree that they paid a fair and reasonable price for water services (20% vs 17% overall). As with the energy market, reasons for overall satisfaction of the water services market being lower could be explained by poor experiences with contacting the supplier, as well as perception of not paying a fair and reasonable price, issues with reliability and terms and conditions being unfair.

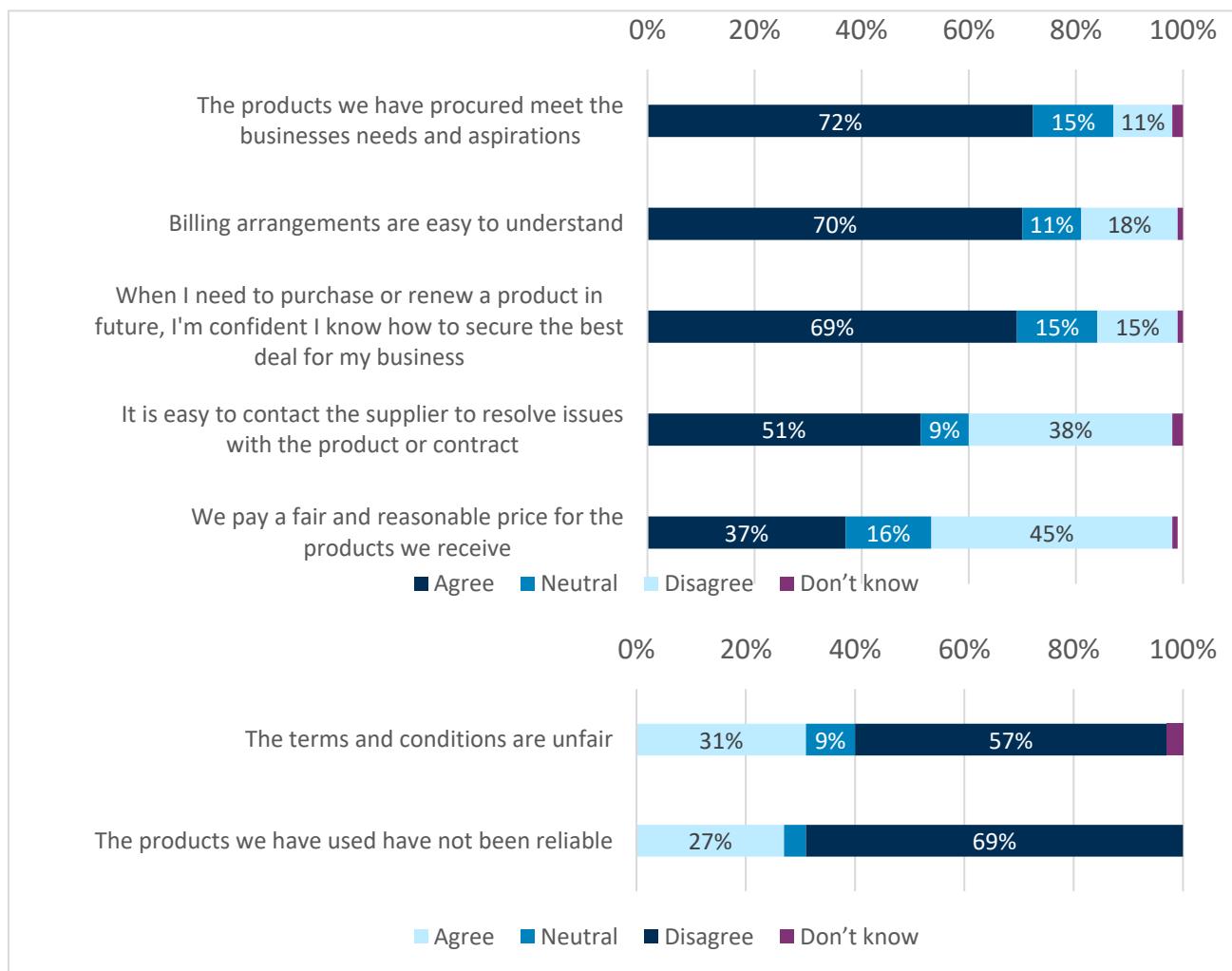
Energy

Most small businesses who had purchased from the energy market in the last year felt that the product met their needs (72%), with 35% strongly agreeing. There were also high levels of agreement that billing was easy (70%). Reliability was regarded positively, as 69% disagreed that the product was not reliable. Additionally, small businesses were generally confident they could secure the best deal in the future (69%).

Small businesses felt less positively about terms and conditions in the energy market, 57% felt that terms and conditions were not unfair.

Small businesses felt least positive about contacting suppliers and the price they had paid, with 38% feeling it was not easy to contact the supplier and 45% feeling they had not paid a fair price.

Figure 3.13: Experiences of the energy market



B2. In your experience of purchasing or using goods and services, to what extent do you agree/disagree with following statements? Base: Energy (N=240). Data labels <5% are not shown.

Those who used between two and four markets in the last year were more likely to disagree that the products purchased in the energy market meets the business needs and aspirations (21% vs 11%).

Those who were satisfied with the energy market were more likely to agree they pay a fair price for the products (51% vs 31%), billing arrangements were easy to understand (81% vs 70%), confidence in securing the best deal (80% vs 69%) and that it was easy to contact the

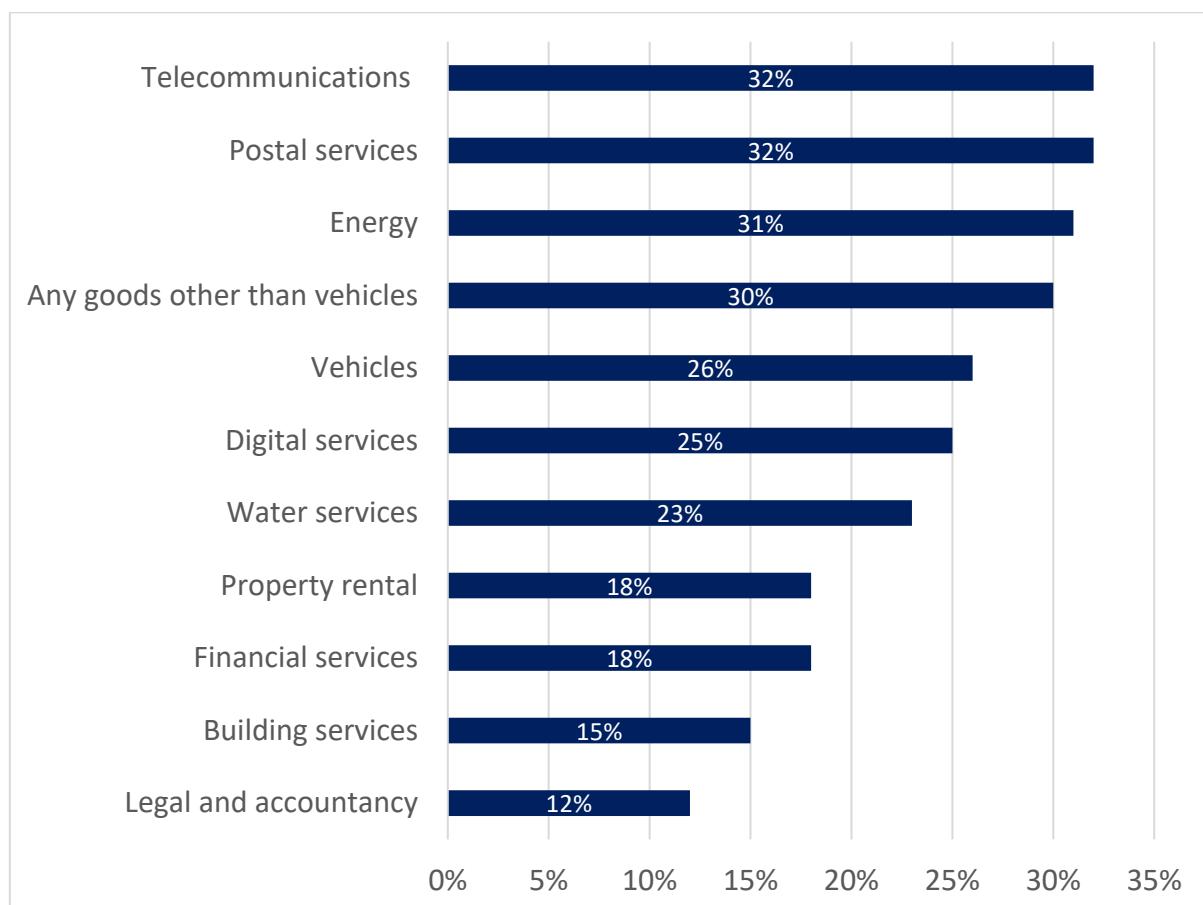
supplier (67% vs 51%). Those that were satisfied with the energy market were also less likely to agree that the terms and conditions were unfair (26% vs 31%).

Small businesses reported the lowest levels of satisfaction with the energy market as a whole. When exploring experience in more detail, this lower satisfaction may be prompted by difficulty contacting the supplier to resolve issues and the perception of paying a fair and reasonable price (Figure 3.13Error! Reference source not found.).

Issues and Challenges

Small businesses were asked if they experienced any problems with the products in each market they used. The markets in which small businesses most commonly experienced problems were telecommunications (32%), postal services (32%) and energy (31%). The markets that were less problematic for small businesses were legal and accountancy services (12%) and building services (15%), as shown in Figure 3.14.

Figure 3.14 Issues experienced by market

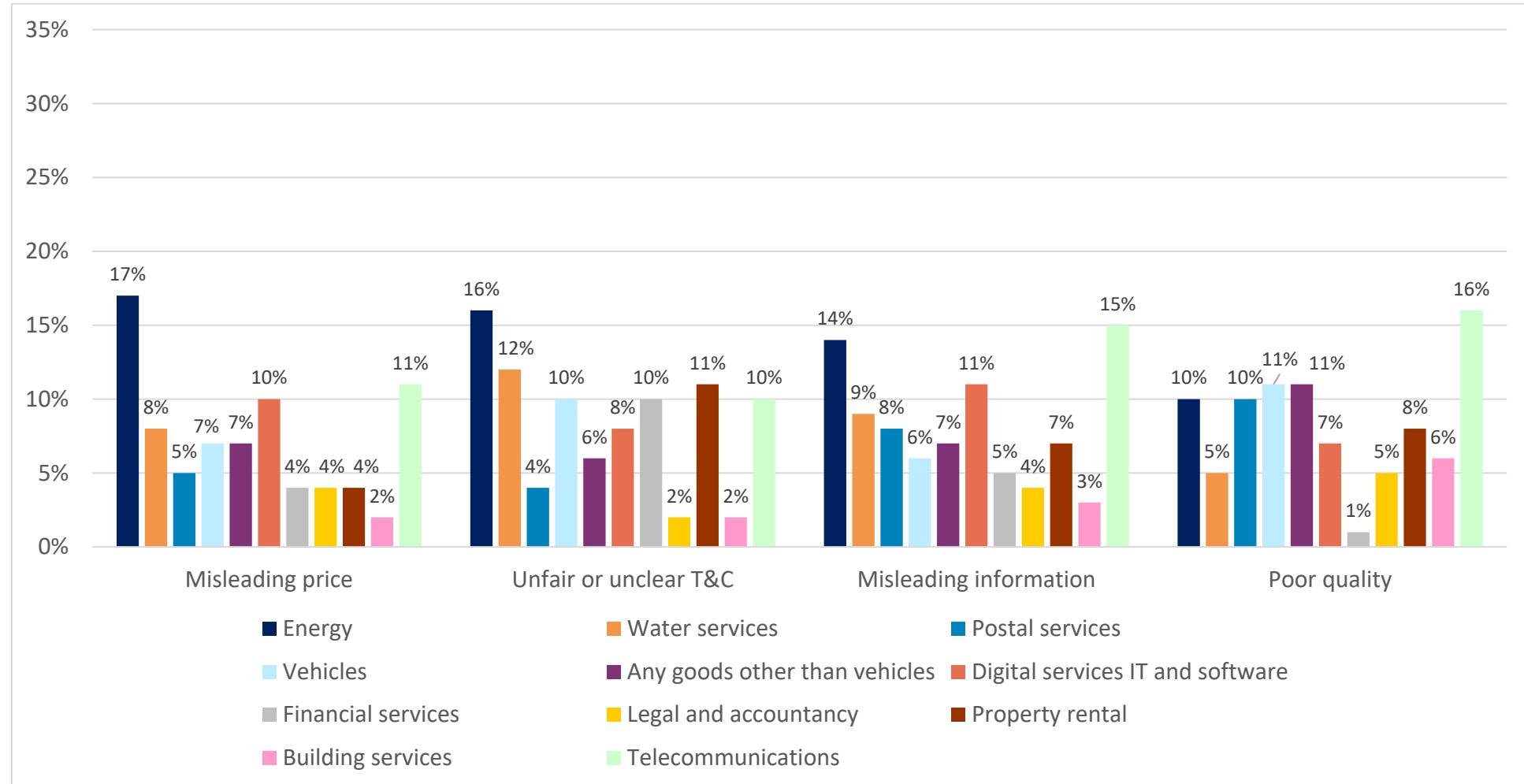


Base: All who had purchased goods or services in the market in the last 12 months: Energy (N=220), water services (N=173), postal services (N=165), vehicles (N=149), any goods other than vehicles (N= 263), digital services and IT software (N=215), financial services (N=183), legal and accountancy services (N=336), property rental (N=181), building services (N= 210), telecommunications (N=314).

The most common issues varied by market as Figure 3.15 and Figure 3.16 show. The most common issue by some margin was problems with delivery in the postal services market.

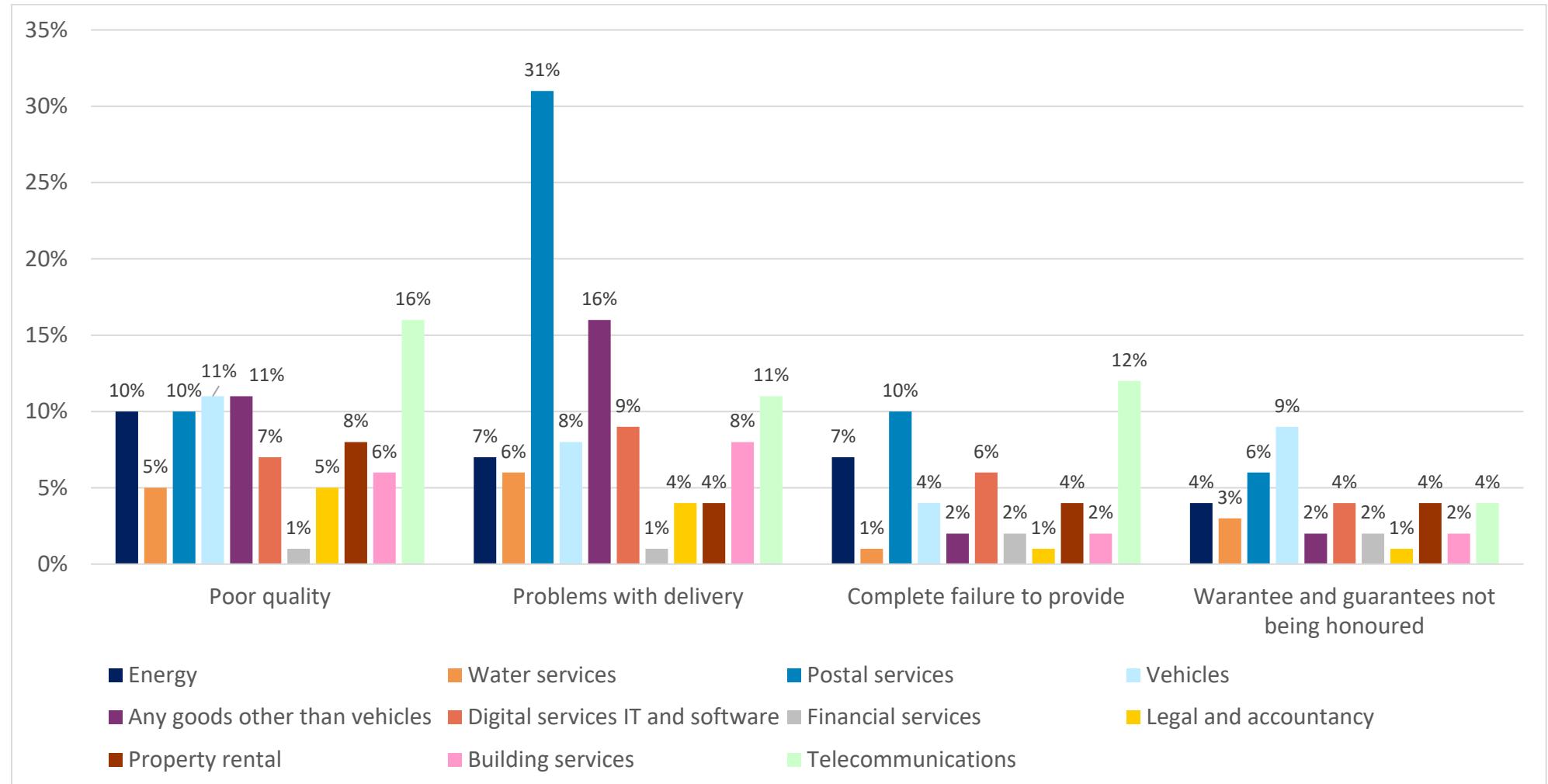
Small businesses experience of problems did not necessarily map directly to overall satisfaction. Although telecommunications and energy both had lower levels of satisfaction (70% and 59% respectively), postal services had relatively high levels of satisfaction (82%). This is shown in Figure 3.17. It is noteworthy that the three markets in which small businesses were most likely to experience issues are all regulated markets. Not all regulated markets were problematic in relation to issues, however, with legal services and accountancy seeing the smallest proportions of small businesses experiencing issues.

Figure 3.15: Issues and challenges – Cross market comparison.

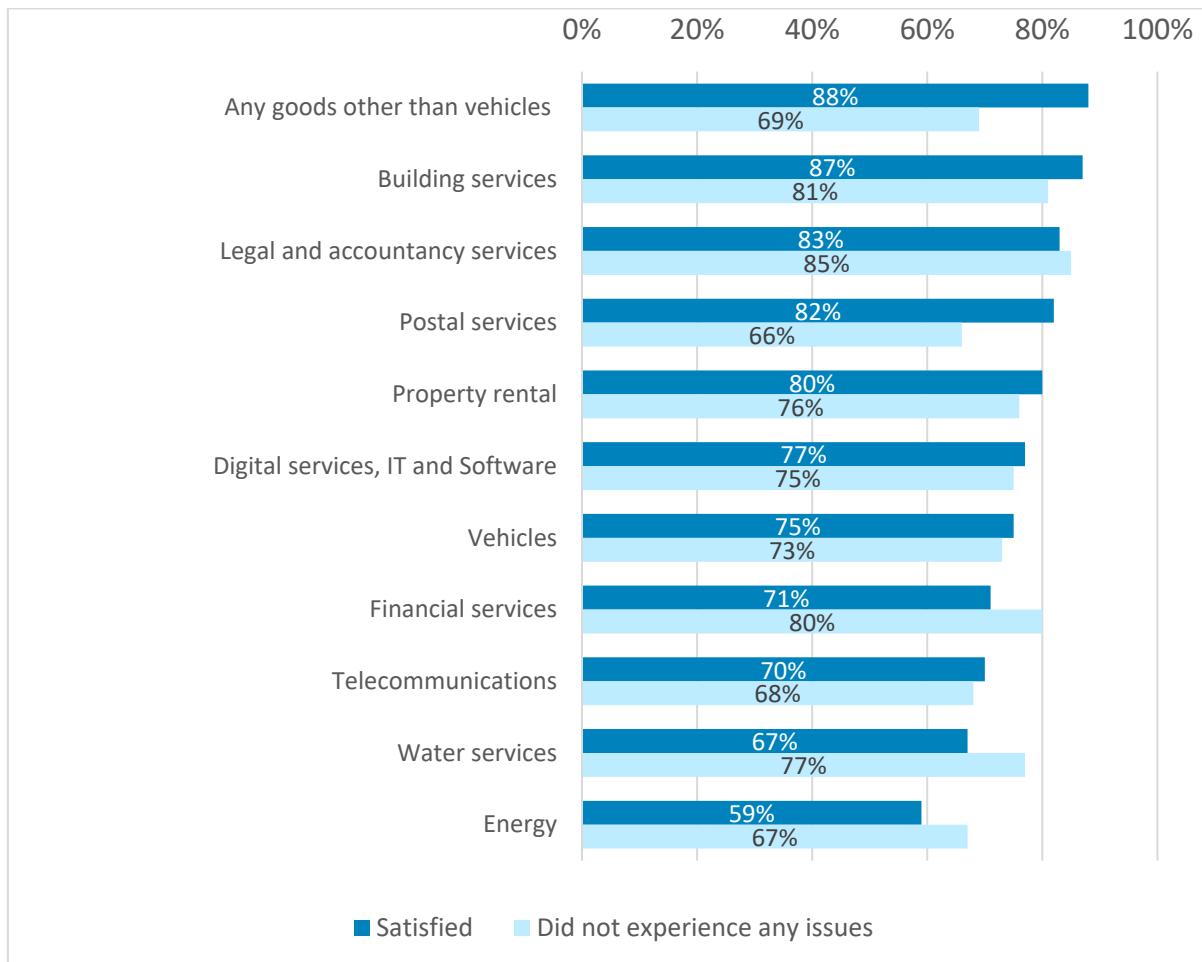


B4 Did you experience any of the following problems when purchasing products? Base: All who had purchased goods or services in the market in the last 12 months: Energy (N=220), water services (N=173), postal services (N=165), vehicles (N=149), any goods other than vehicles (N= 263), digital services and IT software (N=215), financial services (N=183), legal and accountancy services (N=336), property rental (N=181), building services (N= 210), telecommunications (N=314).

Figure 3.16 Issues and challenges – Cross market comparison.



B4 Did you experience any of the following problems when purchasing products? Base: All who had purchased goods or services in the market in the last 12 months Energy (N=220), water services (N=173), postal services (N=165), vehicles (N=149), any goods other than vehicles (N= 263), digital services and IT software (N=215), financial services (N=183), legal and accountancy services (N=336), property rental (N=181), building services (N= 210), telecommunications (N=314).

Figure 3.17: Satisfaction and not experiencing an issue by market.

B3 Overall thinking about your experience of purchasing and using products in the market in the past 12 months how satisfied were you with the product or products? B4 Did you experience any of the following problems when purchasing products
Base: Any goods other than vehicles (N=271); building services, (N=271); legal and accountancy services, (N=298); postal services, (N=169); property rental, (N=185); digital services, IT and software, (N=233); vehicles (N=173); financial services, (N=189); telecommunications, (N=299); water services, (N= 175); energy, (N=240).

The most common issue varies based on market. The product being poor quality was the number one issue amongst those that had reported issues in telecommunications (16%), vehicle (11%), legal and accountancy (5%) markets. The issue of misleading prices was most common in the energy market (17%).

Problems with delivery were most common in the postal services (31%), any goods other than vehicles (16%) and building services (8%). Whilst unfair or unclear terms and conditions were an issue in water services (12%), property rental (11%) and financial services (10%).

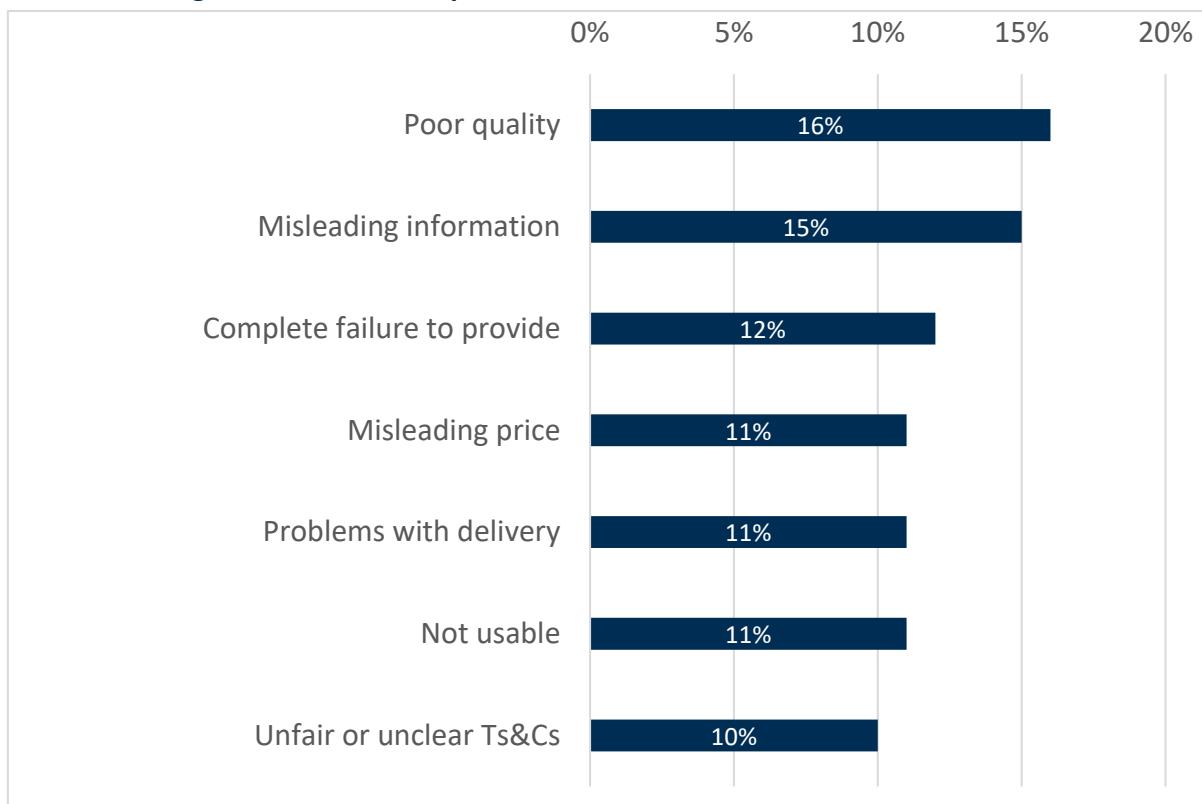
We will now look at differences in the issues and challenges faced in each market by different types of small businesses in more detail.

Telecommunications

Around a third (32%) of small businesses who used the telecommunications market in the last 12 months experienced a problem, whilst two thirds (68%) did not experience a problem.

Of those that had experienced an issue, the most common issues were poor quality (16%) and misleading information (15%).

Figure 3.18: Issues experienced in the telecommunications market



B4. Did you experience any of the following problems when purchasing products in market: Telecommunications? Base: Small businesses that have used the telecommunications market (N=299)

Sole traders were more likely to experience some issues, including the product not being usable (17% vs 11%), unfair terms and conditions (16% vs 10%) and warranties not being honoured (11% vs 4%). However, they were no more likely to experience issues with telecommunications overall.

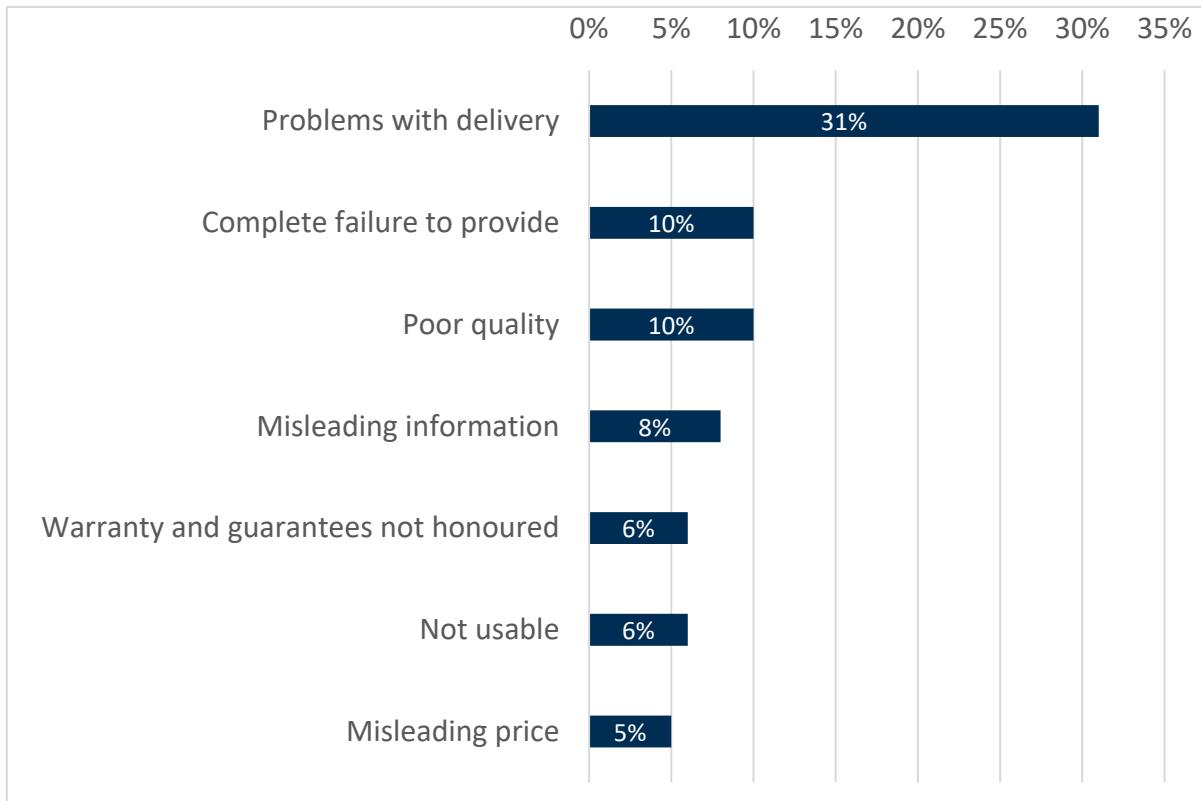
Small businesses that had been operating for between ten and nineteen years were less likely to have experienced a problem (21% vs 32% overall).

Postal services

Around a third (32%) of those who purchased from the postal services market in the last year experienced a problem, whilst around two thirds (68%) did not.

Of those that have experienced an issue, the most common issue with the postal services market by a significant degree is problems with delivery (31%). The postal market is the market with the highest level of this issue. Other common issues were complete failure to provide (10%) and poor quality (10%).

Figure 3.19 : Issues experienced in the postal services market



B4. Did you experience any of the following problems when purchasing products in market: Postal? Base: Small businesses that have used the postal services market; (N=169)

Companies with 1-4 employees were more likely to have an issue with the postal services market (42% vs 32% overall), specifically problems with delivery (42% vs 31% overall).

There were also differences between urban and rural areas. Those in urban areas were more likely to have experienced an issue with the postal services market compared to those in rural areas (80% vs 58%). Again, this difference was mostly related to problems in delivery, with those in urban areas being twice as likely to experience this issue compared to those in rural areas (37% vs 18%).

Energy

Around a third (31%) of small businesses who used the energy market in the last year experienced an issue, whilst two thirds (67%) did not experience any issues.

Of those that had experienced an issue, the leading issue in the energy market was misleading price (17%) followed by issues with terms and conditions (16%) and misleading information (14%). Respondents were able to report more than one of the issues (Figure 3.20).

Figure 3.20: Issues experienced in the energy market



B4. Did you experience any of the following problems when purchasing products in market: Energy? Base: Businesses that have used the energy market (N=240)

Small businesses in the property rental, finance, management or business services sector were more likely to experience issues with unfair terms and conditions, a quarter (25%) experienced this.

There is also a relationship between size of business and the type of issue experienced, although there was no difference in likelihood of experiencing an issue. Small businesses with 1-4 employees were more likely to have issues with warranty (9% vs 4% overall) whilst small businesses with 10-24 employees were less likely to have issues with unfair or unclear terms and conditions (0% vs 16% overall).

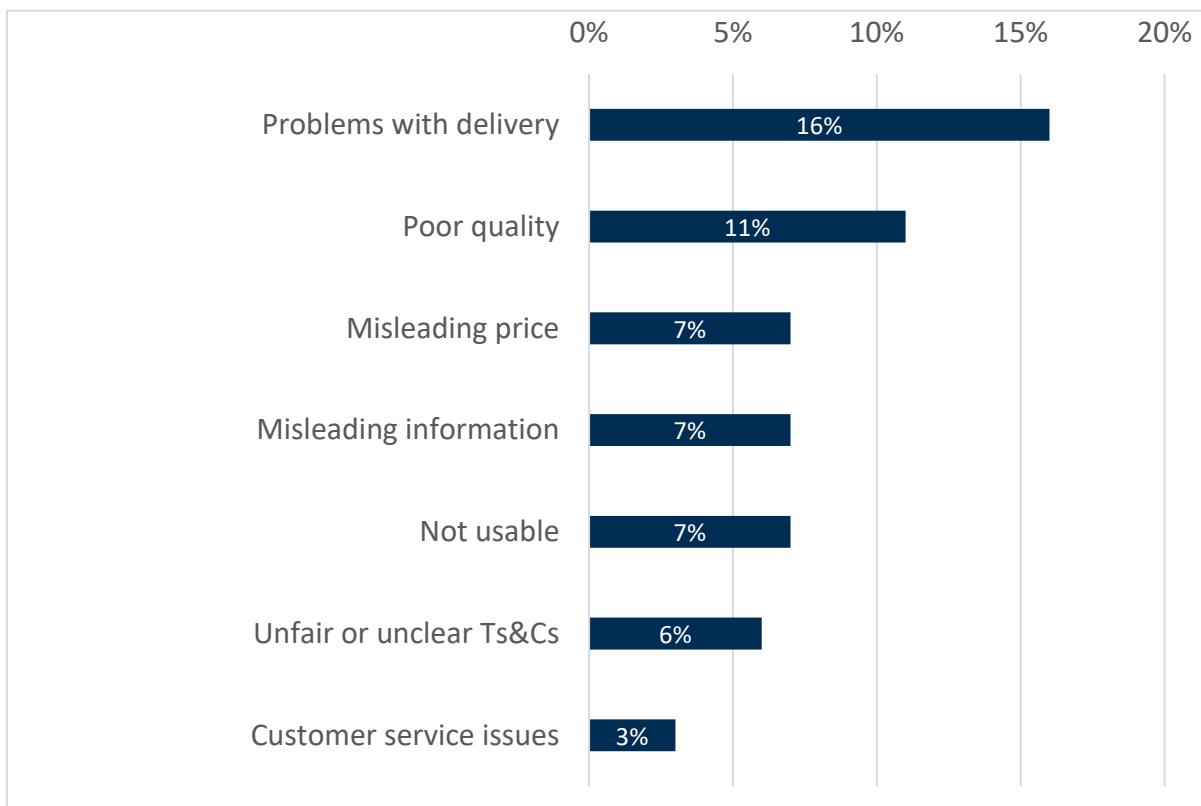
Small businesses operating in rural areas were more likely to have issues with billing than those in urban areas (6% vs 1%).

Those who were satisfied with the energy market overall were less likely to have experienced a problem (19% vs 31% of those dissatisfied).

Any goods other than vehicles

Just under a third (30%) of small businesses that purchased any goods other than vehicles in the last 12 months experienced a problem. Around seven in ten (69%) experienced no issues with their purchase. Of those that had experienced an issue, the most common issue was problems with delivery, 16% of small businesses experienced this. Poor quality was also a notable issue with one in ten small businesses (11%) reporting this.

Figure 3.21: Issues experienced in any goods other than vehicles market



B4. Did you experience any of the following problems when purchasing products in market: Any goods other than vehicles? Base: Small businesses that have used any goods other than vehicle market; (N=271)

Small businesses that operate in the retail and distribution sector were more likely to experience issues with delivery (29% vs 16% overall), poor quality (32% vs 11%) and warranties not being honoured (14%). In line with this, they are also more likely to have experienced a problem with their purchase. Over half (53%) of small businesses in the retail sector had experienced an issue compared to 30% overall.

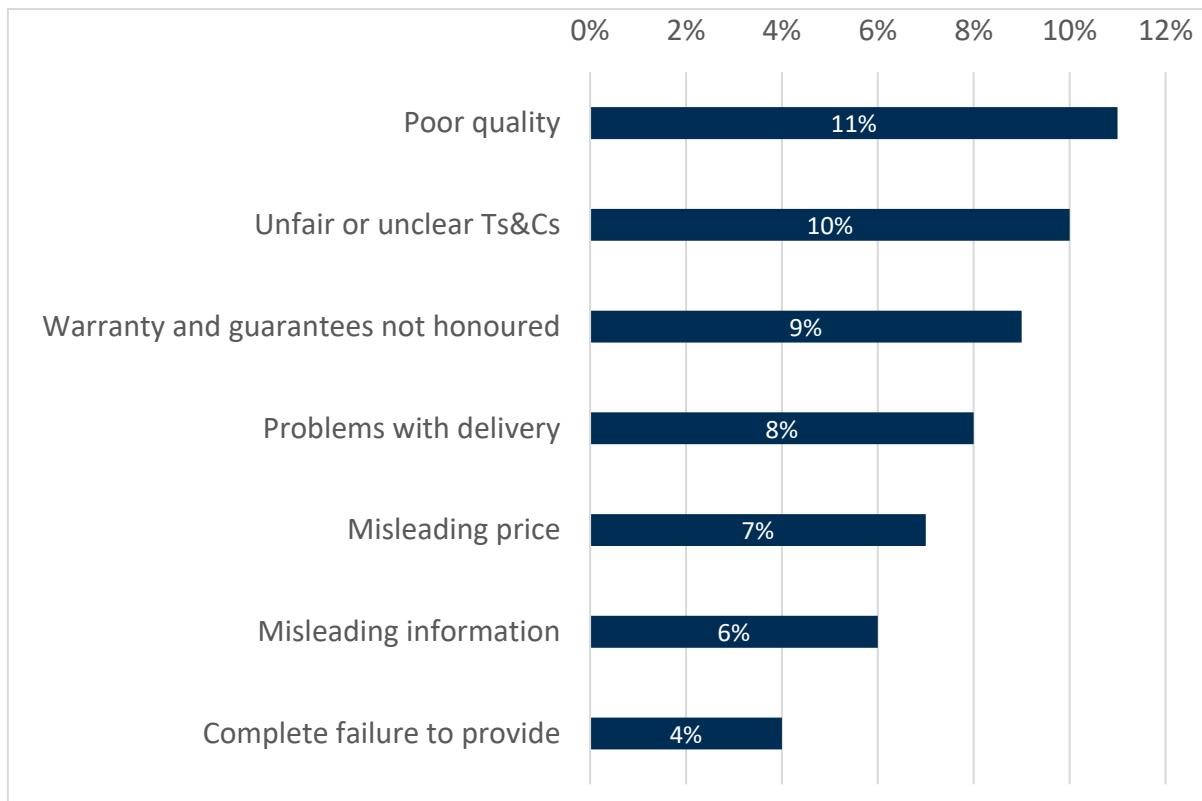
Small businesses based in urban areas were more likely to have experienced a problem with misleading information compared with those in rural areas (10% vs 1%).

Vehicles

Around a quarter of those who used the vehicle market experienced a problem (26%), whilst 73% did not experience any issues.

Of those that had experienced an issue, the most common issues that around one in ten small businesses experienced were poor quality (11%), unfair or unclear terms (10%) and warranties not being honoured (9%).

Figure 3.22: Issues experienced in the vehicle market.



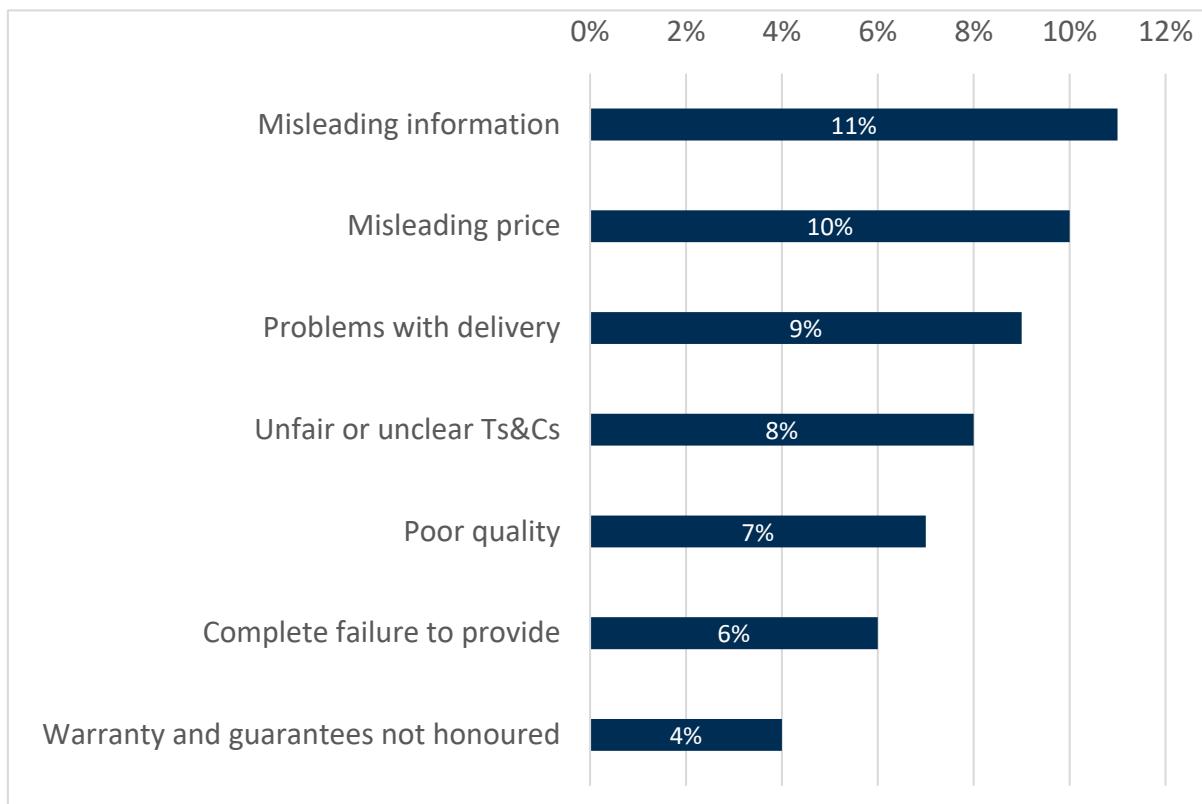
B4. Did you experience any of the following problems when purchasing products in market: Vehicles? Base: Small businesses that have used the vehicles market; (N=173)

Small businesses that had been in operation 20-49 years were more likely to have not experienced any problems in the vehicle market than small businesses overall (81% vs 73%).

Digital services, IT and software

A quarter (25%) of small businesses who use the digital services, IT and software market experienced a problem whilst three quarters (75%) did not experience any problems.

Of those that had experienced an issue, the most common issues in the digital market, experienced by around one in ten small businesses, were misleading information (11%), misleading price (10%) and problems with delivery (9%).

Figure 3.23: Issues experiences in the digital services, IT and software market

B4. Did you experience any of the following problems when purchasing products in market: Digital services, IT and software? Base: Small businesses that have used the digital services, IT and software market (N=23)

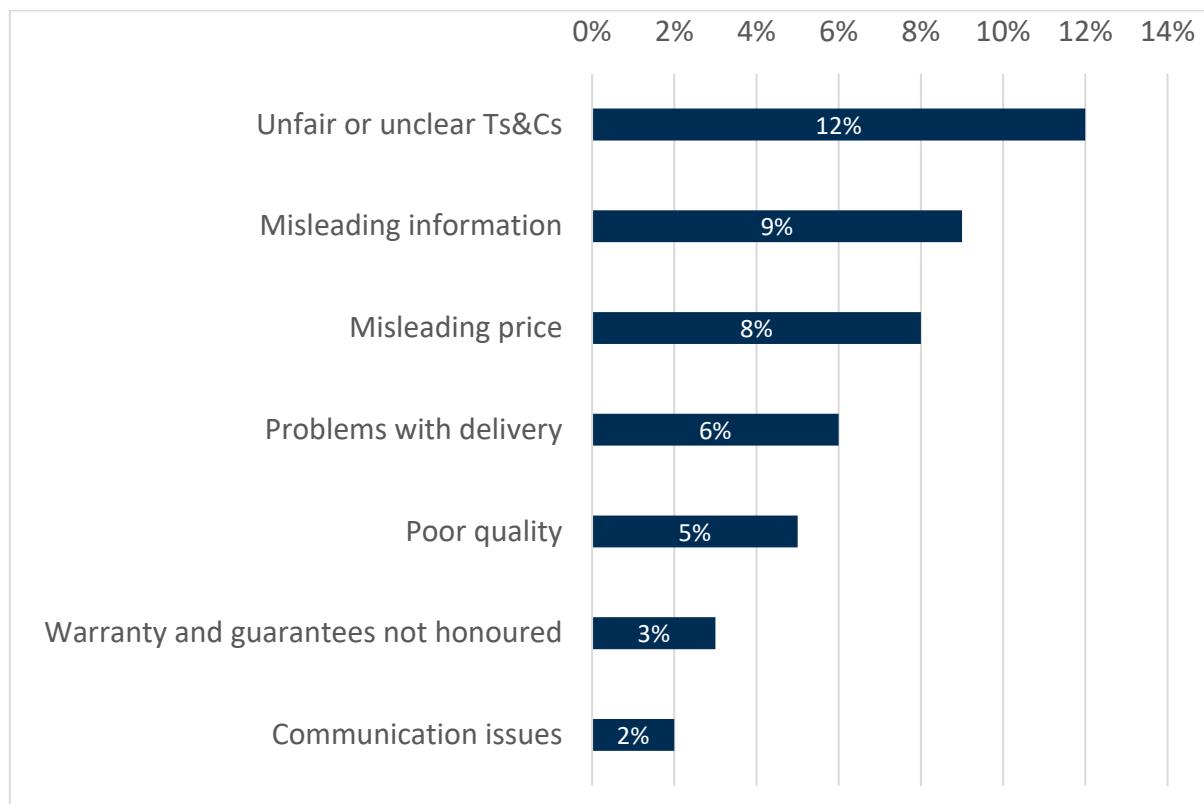
In the digital services, IT and software market, small businesses that had been running for 20-49 years were more likely to have experienced a problem (34% vs 25%). Issues they were more likely to face in this market were specific to being misled. They were more likely to experience misleading information (20% vs 11%) and misleading price (17% vs 10%).

This difference can be seen in contrast to small businesses which have been running 10-19 years, which were less likely to feel misled in these ways in the digital market (2% vs 20% for information and 4% vs 17% for price). It should be noted that small businesses that have been operating more than 50 years experienced issues in line with the overall levels for this market.

Water services

Around a quarter (23%) of small businesses who used the water services market in the last year experienced an issue, whilst 77% of small businesses did not.

Of those that had experienced an issue, the leading reported issue in the water services market was unfair or unclear terms and conditions (12%) followed by misleading information (9%) and price (8%). Other reported issues are shown in Figure 3.24.

Figure 3.24: Issues experienced in the water services market.

B4. Did you experience any of the following problems when purchasing products in market: Water services? Base: Small businesses that have used the water services market; (N=175)

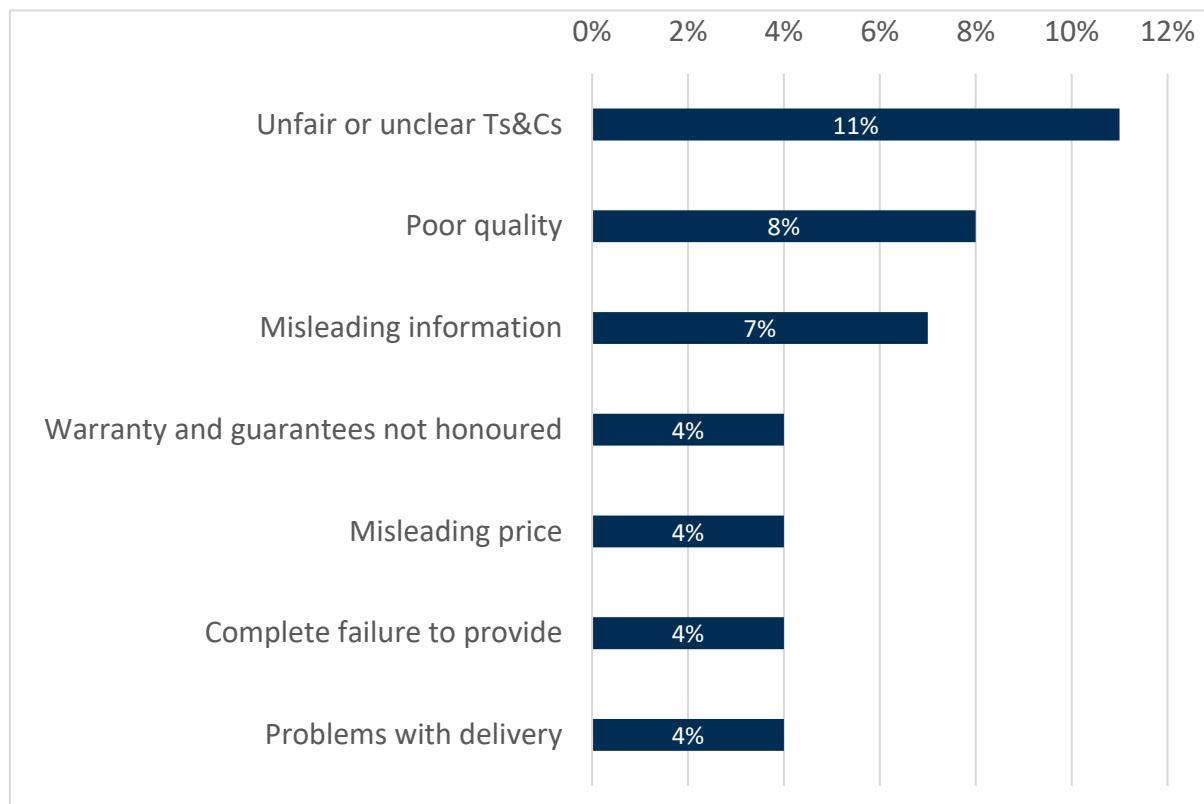
Small businesses located in rural areas were more likely to have issues with delivery in the water services market than those in urban areas (20% vs 1%), although their overall experience of problems in the water services market was consistent (22% vs 27%).

Most (95%) of those who were satisfied overall with the water services market did not experience any issues.

Property rental market

Around one in five (18%) small businesses who used the property rental market had experienced an issue, whilst 76% of small businesses did not experience any issues.

Of those that had experienced an issue, the most common issue with the property rental or leasing property market was unfair or unclear terms and conditions, with one in ten (11%) experiencing this. This was followed by poor quality (8%) and misleading information (7%).

Figure 3.25: Issues experienced in the property rental market

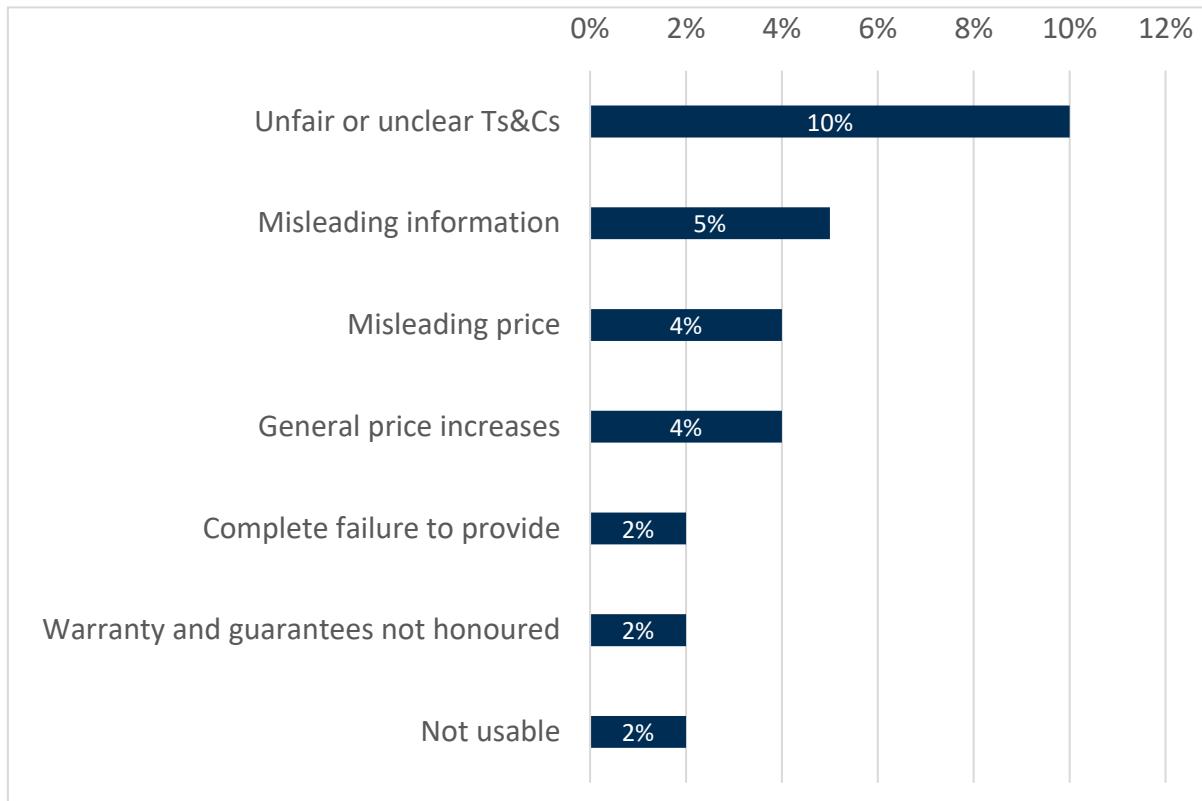
B4. Did you experience any of the following problems when purchasing products in market: Property rental? Base: Small businesses that have used the property rental market (N=185)

Smaller businesses with 1-4 employees were less likely to experience issues in the property rental market, perhaps because office space was less of a concern for fewer personnel. Whereas those small businesses that had been in operation 20-49 years were more likely to have an issue with this market (27% vs 18%) particularly with quality (15% vs 8%).

Financial services

Four in five small businesses who used the financial services market did not experience any issues, whilst 18% of small businesses did.

Of those that had experienced an issue, the most common issue was unfair or unclear terms and conditions, with one in ten (10%) small businesses experiencing this. Other issues were more minimal such as misleading information (5%), misleading price (4%) and general price increases (4%). An example from one small business was that banking charges for business sending money to contractors is too high.

Figure 3.26: Issues experienced in the financial services market

B4. Did you experience any of the following problems when purchasing products in market: Financial services? Base: Small businesses that have used the financial services market (N=189)

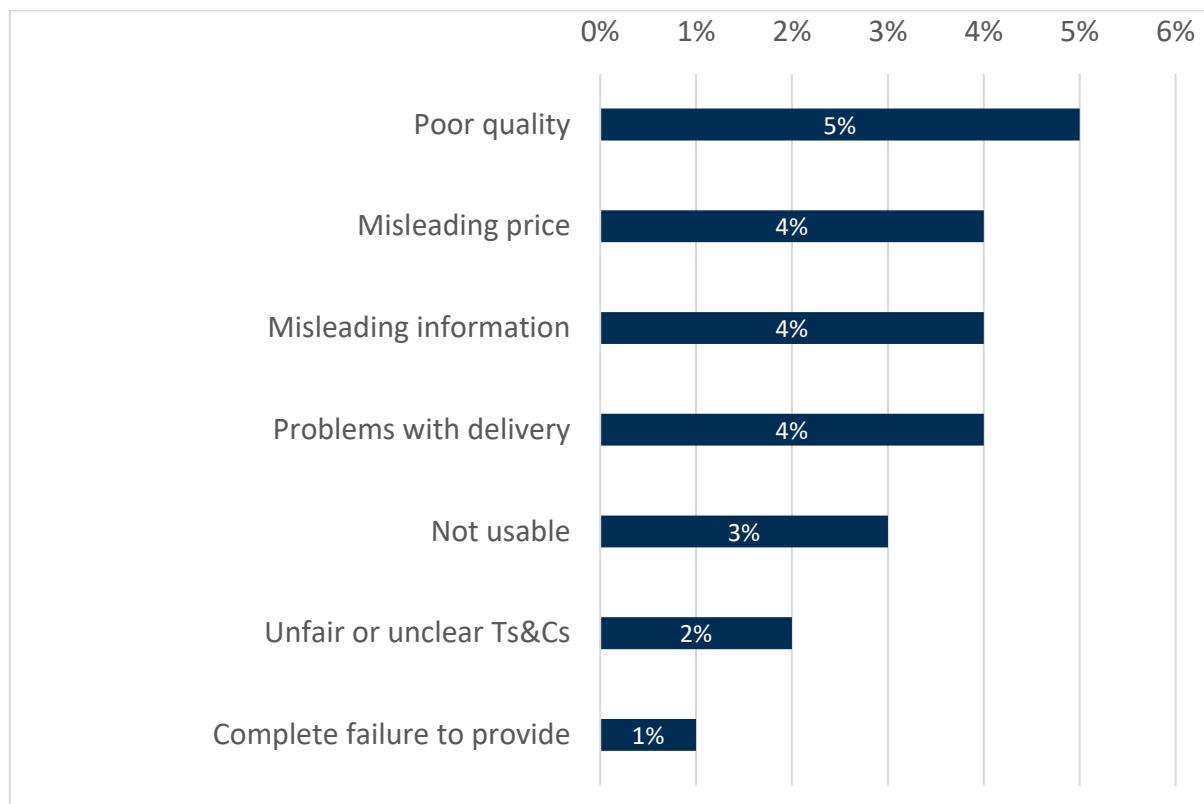
Small businesses in rural areas were more likely to have experienced a problem in the financial services market (28%) compared with those in urban areas (14%). However, there were no differences in level of each issue between urban and rural areas.

Legal and accountancy services

Around one in ten (12%) of those who used legal and accountancy services had experienced an issue, whilst 85% had no issue, making legal and accountancy services the sector in which small businesses were least likely to report experiencing a problem

Of those that had experienced an issue, issues were less commonly reported than in other markets, reflecting the fact that this sector had fewer issues overall than others. The leading problem in the legal and accountancy market was poor quality, however only 5% of small businesses experienced this. Misleading price (4%), misleading information (4%) and problems with delivery (4%) were the next most common issues.

Figure 3.27: Issues experienced in legal and accountancy services.



B4. Did you experience any of the following problems when purchasing products in market: Legal and accountancy?
 Base: Small businesses that have used the legal and accountancy market (N=298)

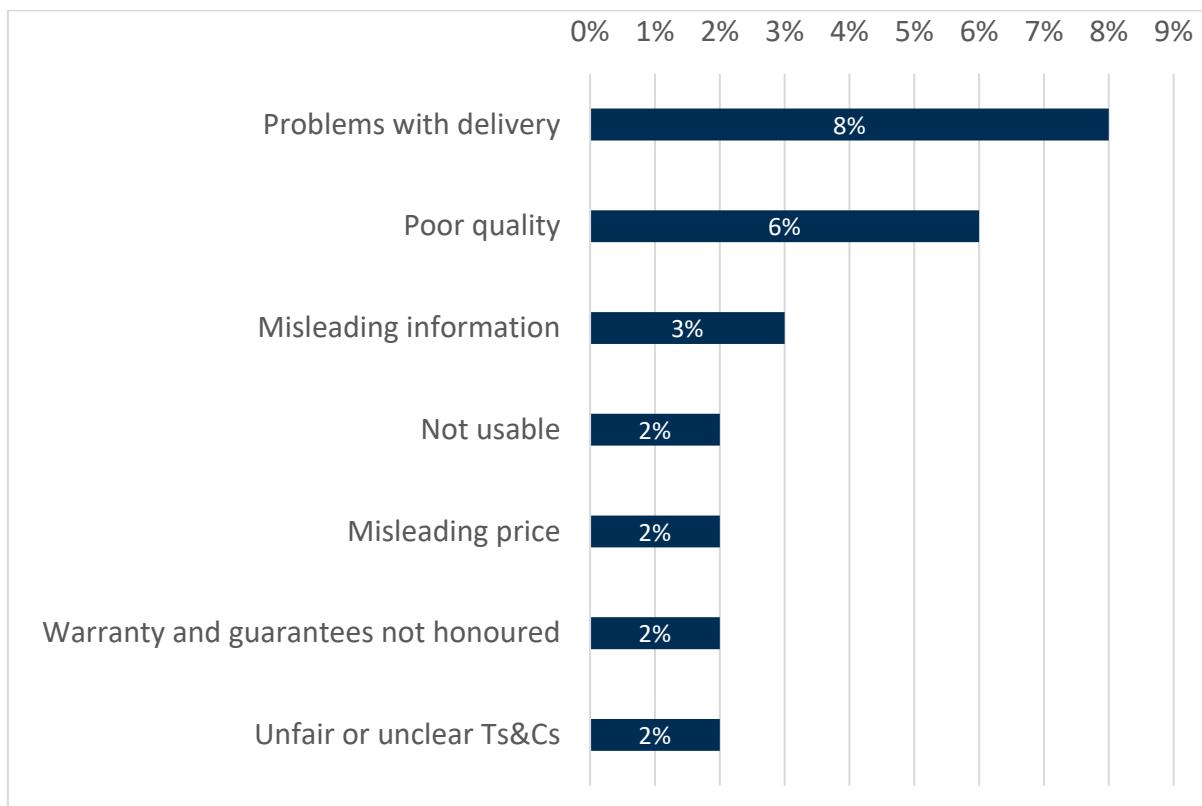
Small businesses with 1-4 employees were more likely to not experience any issues with the legal and accountancy market (92% vs 85%) whilst those with 5-9 employees were more likely to experience a problem (19% vs 12%).

Small businesses who were satisfied overall with legal and accountancy services were less likely to have experienced a problem (5% vs 12% of those dissatisfied with the market).

Building services market

Four in five (81%) small businesses did not experience any issues in the building repairs or improvements market, whilst 15% experienced a problem.

Of those that had experienced an issue, the most commonly reported issues with the building services market were problems with delivery (8%), poor quality (6%) and misleading information (3%).

Figure 3.28: Issues experienced in the building services market.

B4. Did you experience any of the following problems when purchasing products in market: Building services Base: Small businesses that have used the building services market (N=217)

Private limited companies were more likely to have experienced an issue with the building services market (22% vs 15% overall).

Impact of problems

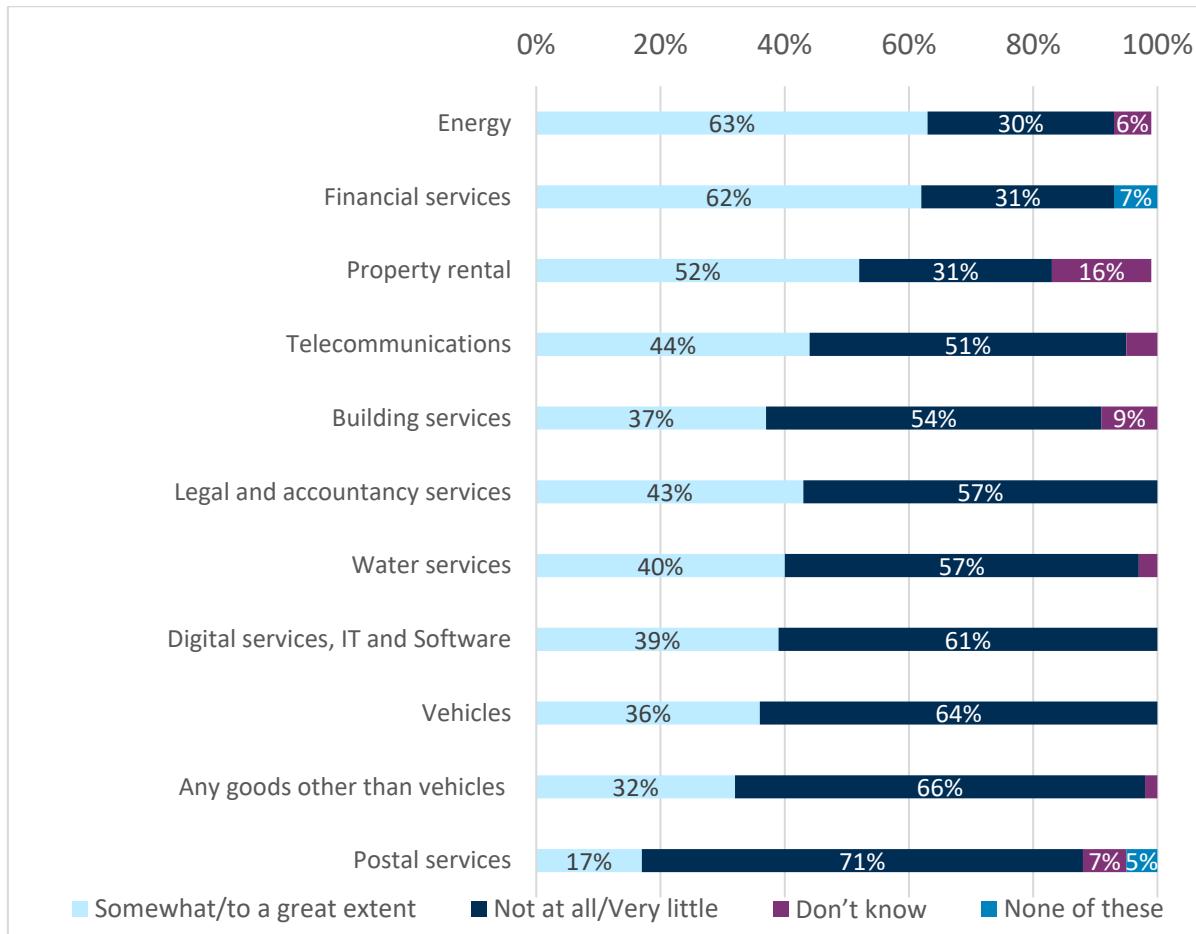
This section explores to what extent issues with purchasing goods and services had an impact on a small business. Issues in the energy market had the greatest impact on small businesses, while issues in the postal services market were least impactful.

We asked small businesses who had experienced issues in a market whether this had impacted their business' performance, such as profit or turnover. The market issues with the greatest negative impact were in energy and financial services, with 63% and 62% respectively feeling that it affected performance somewhat or to a great extent. Overall issues in financial services were the most likely to impact a small business to a great extent (41%).

On the other hand, issues with the least impact were experienced in postal services, where 71% of small businesses report very little or no impact on their performance as a result of these issues. The market with the largest proportion of small businesses reporting the

issues did not impact performance at all was vehicles, with a quarter (25%) of small businesses unaffected.

Figure 3.29: Impact of problems on markets



B5 To what extent did the issues you encountered impact on your business' performance such as turnover or profit?

Base: All those who had an issue with their purchase in the market: Postal services, (N=57); any goods other than vehicles, (N=92); vehicles, (N=40); digital services, IT and software, (N=53); water services, (N=39); legal and accountancy services, (N=30); building repairs, (N=36); telecommunications, (N=89); property rental, (N=32); financial services, (N=31); energy, (N=67). Data labels <5% are not shown.

There was not a strong relationship between overall satisfaction of each market and the impact of issues within them. There were small base sizes in each market for those who had an issue – as such, there are no observable significant differences by different types of business.

Resolution of problems

Small businesses were asked what actions they took to resolve the issue. The most common response across all markets was contacting the seller directly. This was followed by contacting an external organisation to get some advice and switching provider, as shown in Figure 3.30.

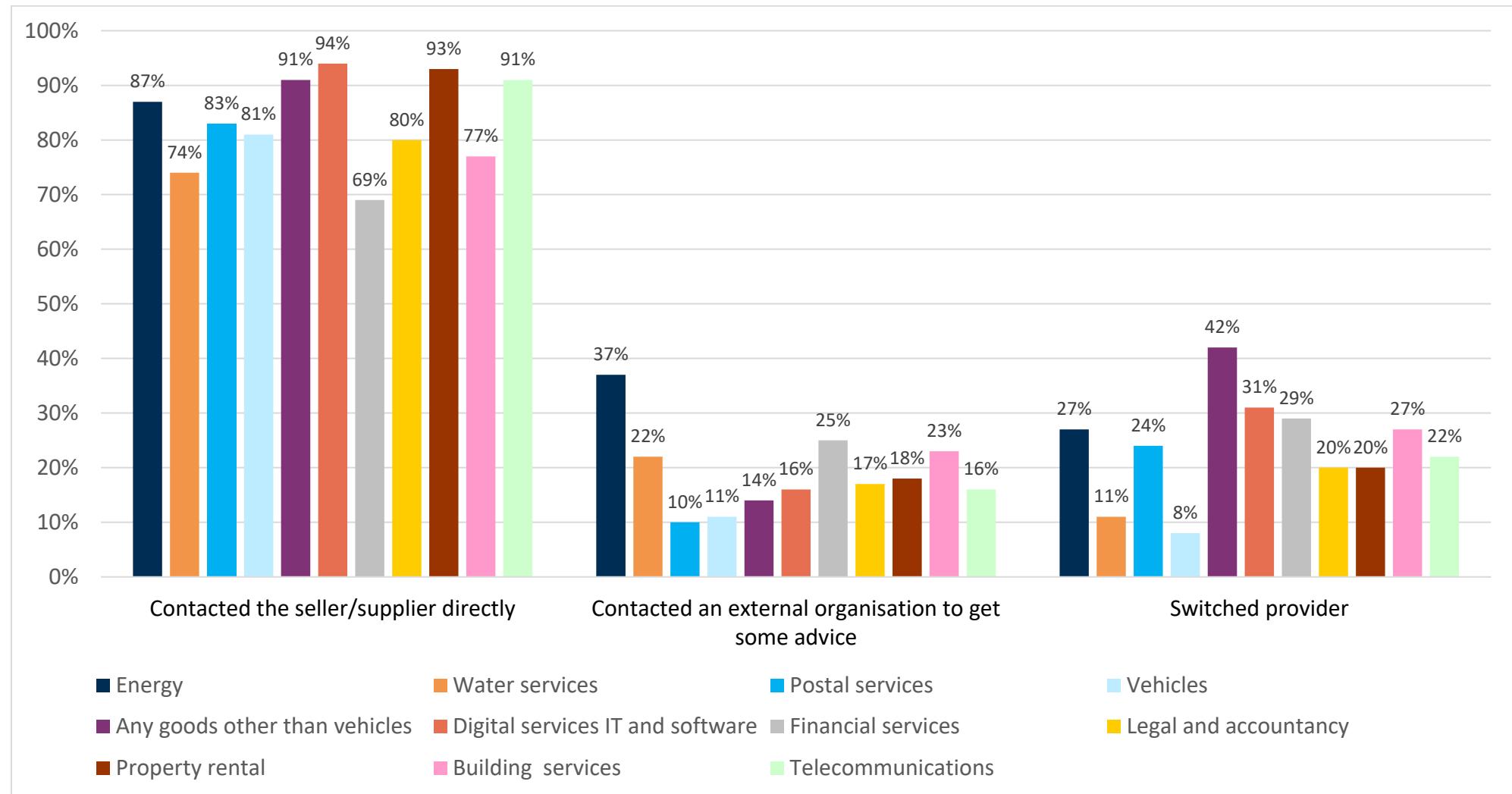
Other common responses were trying to claim under a guarantee, particularly for those who had issues with their purchases through the vehicles (34%) or digital (25%) markets.

Around one in five (22%) of those who had a problem with their purchase in the energy market used a dispute resolution service, although this was less common in other markets and some markets may not have a dispute resolution service.

A quarter (24%) of those who had issues in the building services market withheld payment, and a similar proportion of (20%) of small businesses took this approach in the energy market. Many small businesses took no action at all, particularly those who had a problem with the water services market (26%) or financial market (22%).

There were small base sizes in each market for those who had an issue – as such, there are no observable significant differences by different types of small business.

Figure 3.30: Most common actions small businesses took to resolve problems in different markets.



B6 Summary. Which of the following approaches did you take to resolve the issue? All those who had an issue with their purchase in the market: Energy, (N=67); water services, (N=39); postal services, (N=57); vehicles, (N=40); any goods other than vehicles, (N=92); digital services, IT and software, (N=53); financial services, (N=31); legal and accountancy services, (N=30); property rental (N=32); building services, (N=36); telecommunications, (N=89).

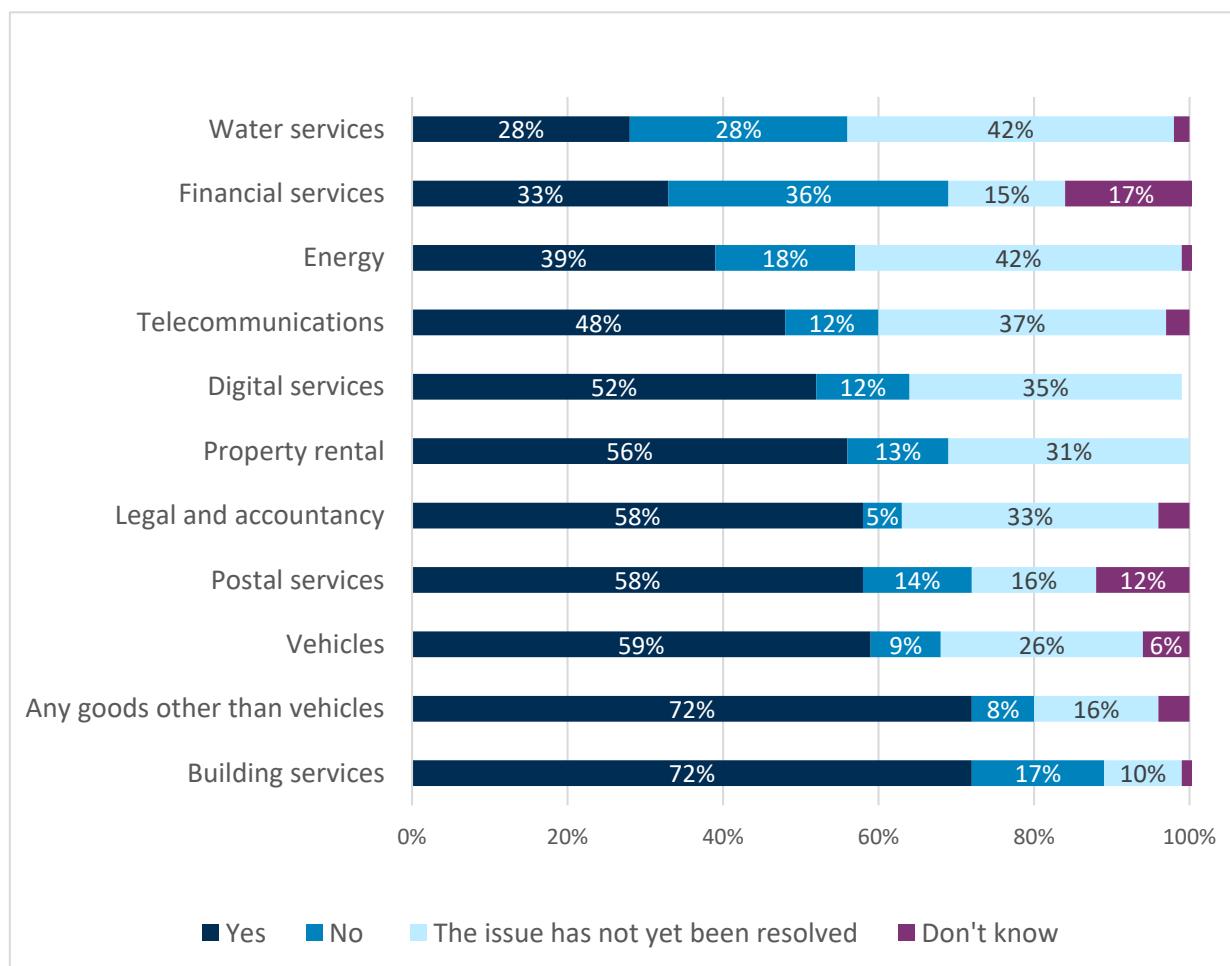
Satisfaction with resolution

This section explores how satisfied small businesses were with the resolution of issues experienced in each market. Small businesses were most often satisfied with the resolution of problems in any goods other than vehicles market (72% satisfied), with many issues left unresolved in the telecommunications, water service and energy markets.

Of small businesses that reported an issue, issues had been not resolved to satisfaction for approximately half of small businesses across all markets, with some exceptions such as water service (42% of issues outstanding), energy (42% of issues outstanding), telecommunications (37% of issues outstanding), financial services (15% of issues outstanding). In many markets, small businesses are still waiting for resolutions to their issues, as shown in Figure 3.31. Of the issues that had been resolved, there was a mixture of satisfaction with how the issue had been resolved.

Small businesses were least likely to be satisfied with the resolution of a problem in the financial services market (36% not satisfied), and the water services market (28%).

Figure 3.31: Satisfaction with resolution.



B7 Summary. Was the issue resolved to your satisfaction? Base: All who had a problem: Any goods other than vehicles (N=78); telecommunications (N=101); postal services (N=53); digital services, IT and software (N=53); energy (N=69); building services (N=32); vehicles (N=38); legal and accountancy services (N=39); property rental (N=34); financial services (N=33); water services (N=40). Data labels <5% are not shown.

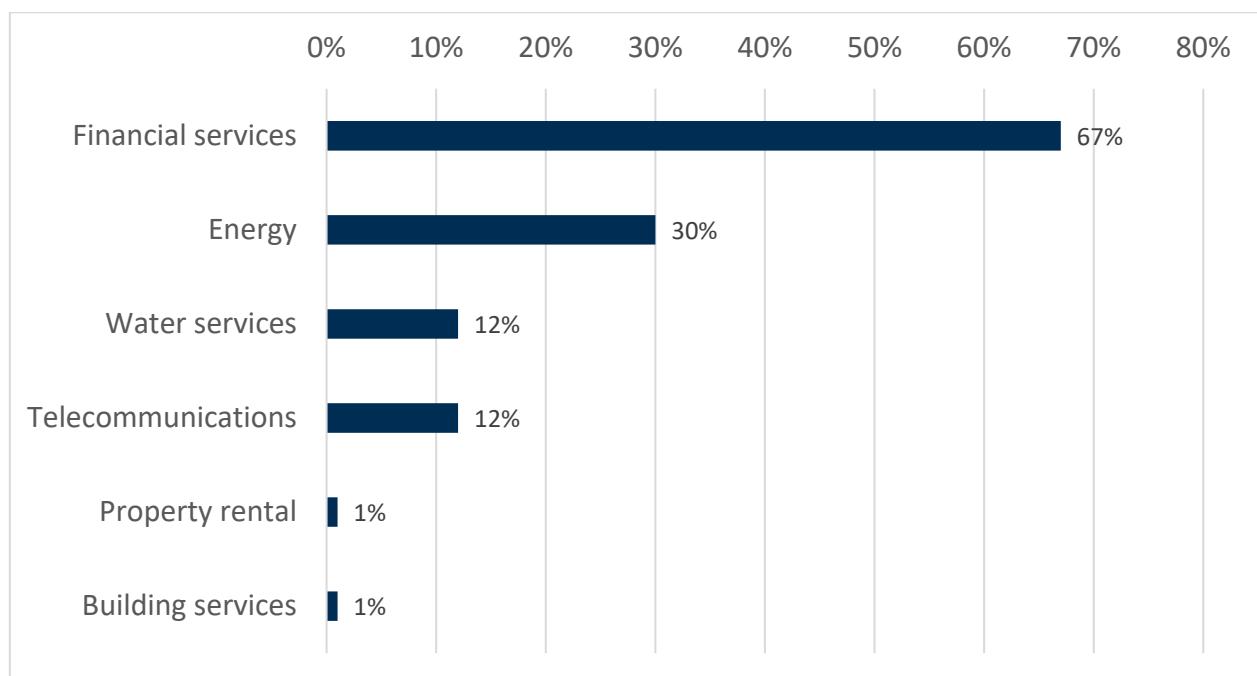
Access

When asked “Are there any goods and services that you find particularly problematic to access or to secure what your business needs?”, 80% of small businesses reported that there were no particular services that were problematic. A small number of respondents experienced issues within the energy market (4%), telecommunications market (4%), financial services (3%) and other (2%). All other markets were reported to be problematic by only 1% of respondents, apart from building services, which was only reported by 2 respondents.

Use of brokers

Approximately a quarter of small businesses (28%) used a broker or Third-Party Intermediary (TPI) to purchase products in the last 12 months. Small businesses reported using brokers in financial services, energy, water services, telecommunications, property rental and building services markets (Figure 3.32). The market where brokers are most often used by small businesses was financial services, followed by the energy market.

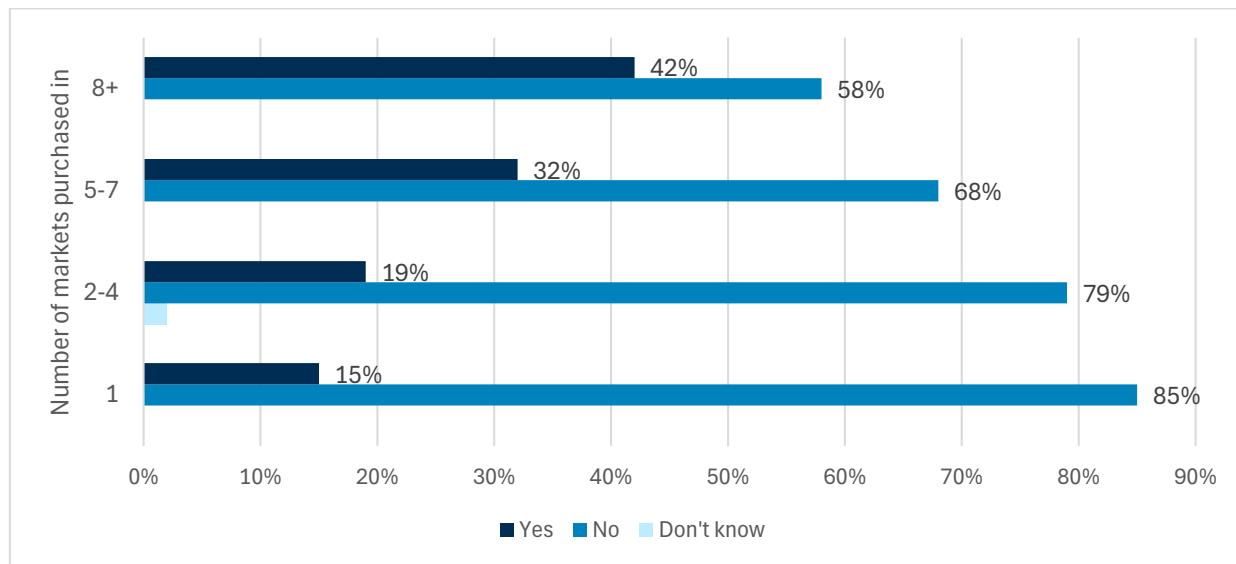
Figure 3.32: Use of a broker by market



C2. For which of the following markets did you use a broker? Base: Have used a broker or TPI (N=198)

Across all markets, small businesses operating in a rural area were significantly more likely to use a broker (35%) than an urban small business (25%). Additionally, the more markets a small business reported purchasing in in the last 12 months, the more likely they were to have used a broker (Figure 3.33).

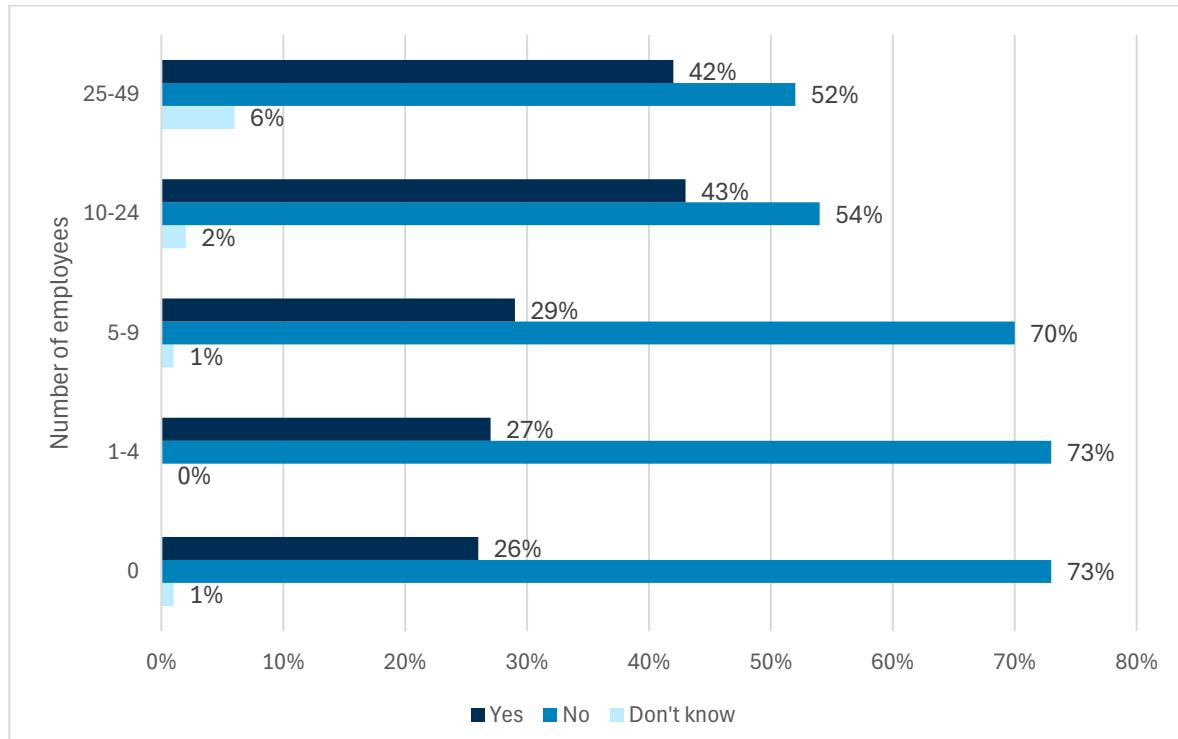
Figure 3.33: Use of a broker by market count



C1. Have you used a broker or Third-Party Intermediary (TPI) to facilitate product purchases in any market? Base: All (N=700)

Across all markets, small businesses with fewer employees were less likely to use a broker or TPI to facilitate product purchases (0 employees: 26%, 1-4 employees: 27%, 5-9 employees: 29%). Small businesses with more than 10 employees were significantly more likely to have used a TPI (10-24 employees: 43% and 25-49 employees: 42%) compared to those with fewer employees and the overall average (28%).

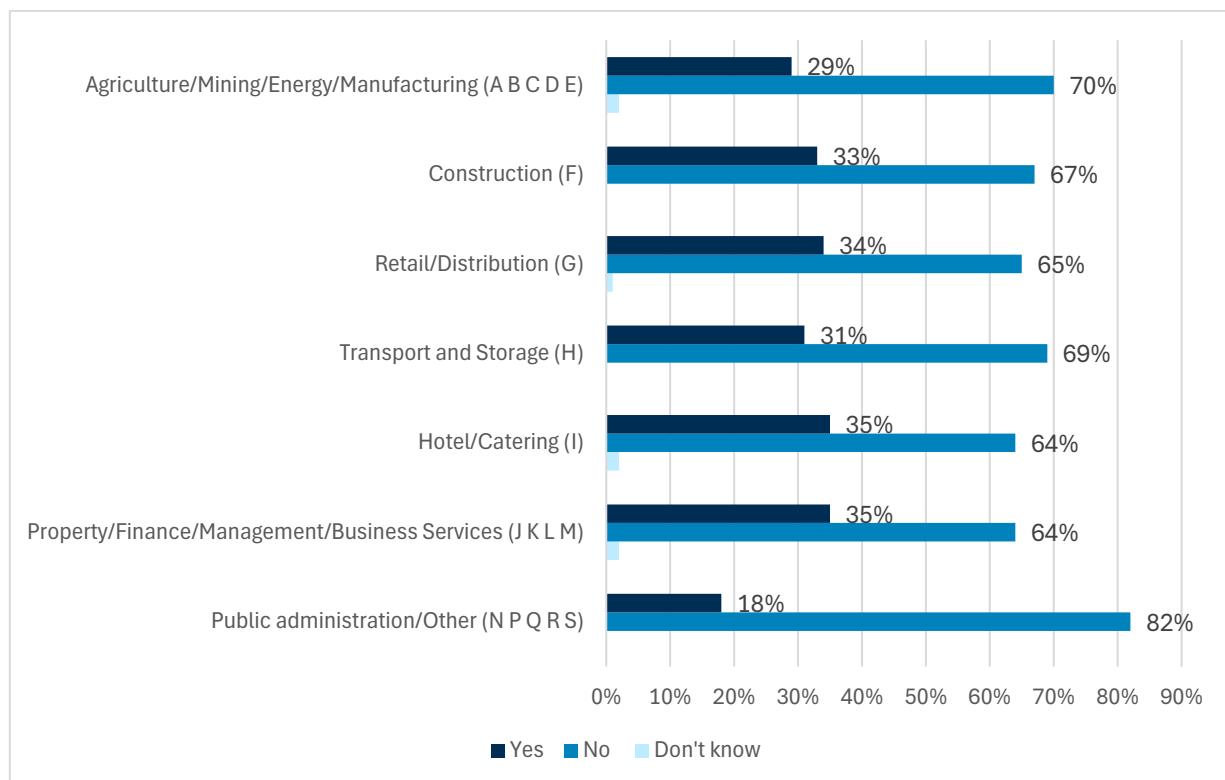
Figure 3.34: Use of a broker or TPI by business size



C1. Have you used a broker or Third-Party Intermediary (TPI) to facilitate product purchases in any market? Base: All (N=700).

Having established which small businesses are using a broker or TPI, the survey gathered detail on which markets brokers were being used for. Small businesses are using brokers most frequently for financial services, with the percentage of small businesses selecting this (67%) being more than double the next most frequently selected market (Energy: 30%). Small businesses did not use brokers to facilitate product purchases for digital services, IT and software (excluding telecommunications).

Figure 3.35: Use of a broker or TPI shown by sector.



C1. Have you used a broker or Third-Party Intermediary (TPI) to facilitate product purchases in any market? Base: All (N=700)

When looking at the sector in which a small business operates (Figure 3.35), small businesses in the Property/Finance/Management/Business Services sector were more likely to use a broker compared to the overall average (35% vs 28% overall). Small businesses in the Public administration sector were less likely to use a broker compared to the overall average (18% vs 28% overall).

The pattern of brokers being used in different markets was similar across sectors. There were some significant differences, including small businesses in the agriculture, mining, energy and manufacturing sector being less likely to use a broker for financial services (33%) compared to the overall average (67%). This sector was also more likely to use a broker for energy (47% compared to 30%), water services (28% compared to 12%) and building

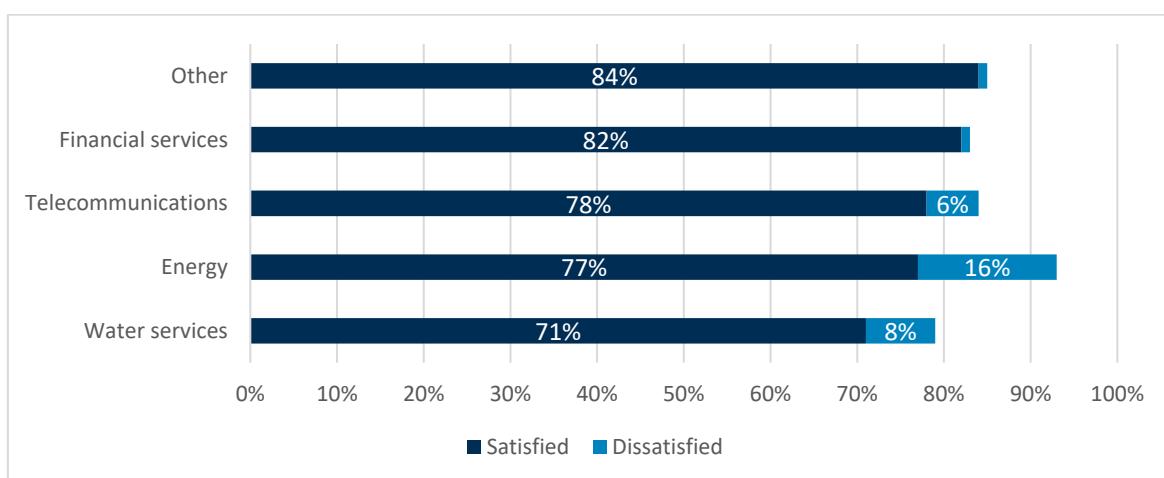
services (5% compared to 1%) than the overall averages. Small businesses in the retail and distribution sector used a broker for telecommunications (24% compared to 12%) and digital services, IT and software (excluding telecommunications) more than average (4% compared to 1%). This sector tended to use a broker less than the average for water services (50% compared to 67%). Small businesses in the hotel/catering sector used brokers less than average for purchasing goods/materials/equipment (2% compared to 6%).

Small businesses with 1-4 employees were most likely to use a broker for financial services (78% compared to 67%) and other markets (41% compared to 32%). Small businesses with 5-9 employees were more likely to use a broker for energy (49% compared to 30%), and less likely to use a broker for financial services (53% compared to 67%). Small businesses with 10-24 and 25-49 employees were more likely to use a broker for energy (67% compared to 30%), and less likely to use a broker for financial services (41% compared to 67%)

Satisfaction with brokers

In the interest of time and respondent experience, a further question on the experience of working with a broker was limited to energy, water services, telecommunications, financial services and 'other' markets. However, it was not appropriate to report any subgroup differences due to small sample sizes. Small businesses were most satisfied with their experience of using a broker for other markets, and most dissatisfied with using brokers in the energy market. The levels of satisfaction are shown in more detail in Figure 3.36.

Figure 3.36: Satisfaction with services provided by a broker



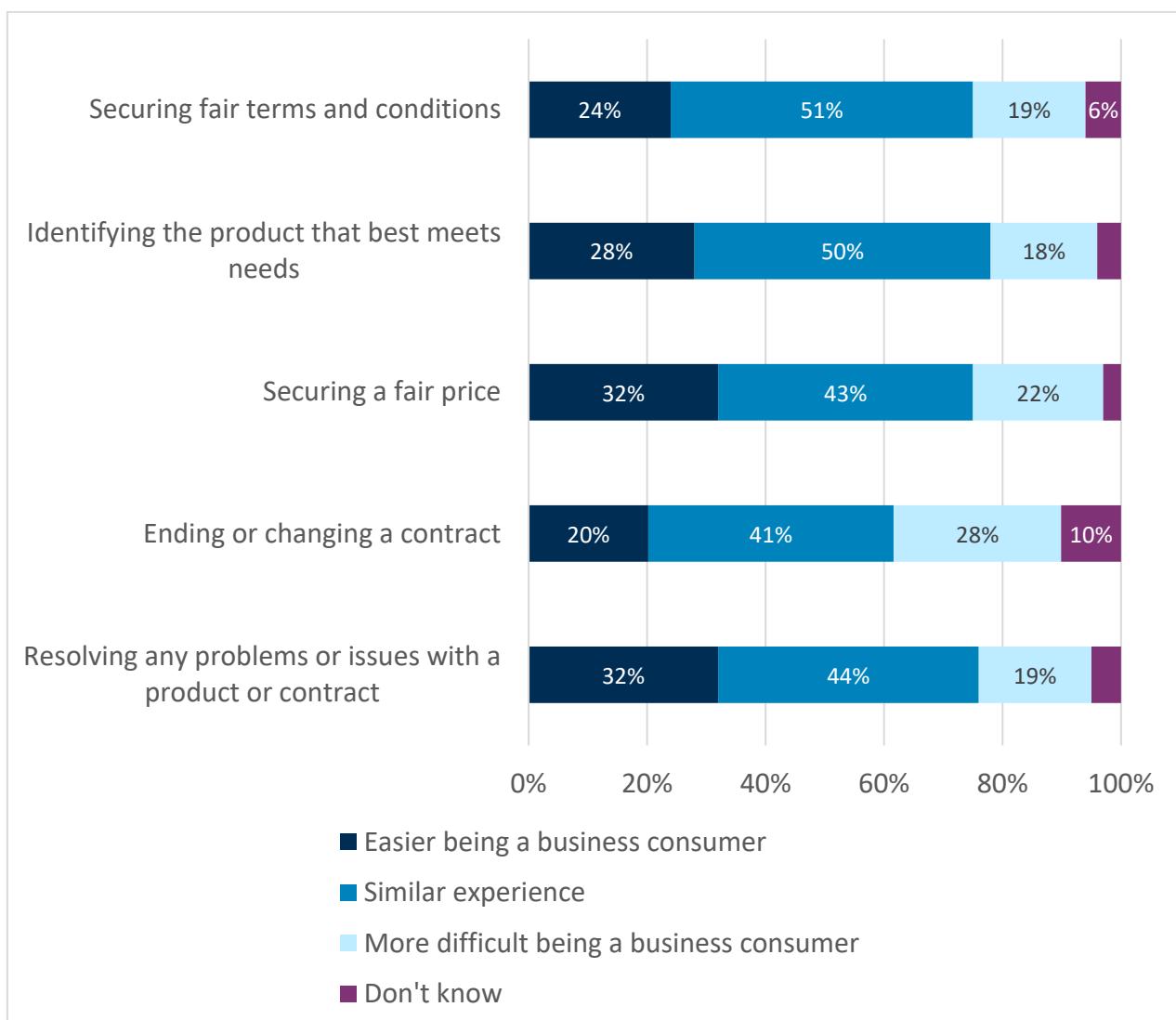
C3_Summary. Overall, how satisfied were you with the services provided by the broker? Base: All who have used a broker or TPI (N=198). Other (N=63); telecommunications (N=24); financial services (N=95); water services (N=24); energy (N=57). Data labels <5% are not shown.

How does being a business consumer compare to being a domestic consumer?

A secondary aim of the project was to understand how the small business experience of being a consumer compared to that of a domestic individual. The following section provides a self-reported comparison of experiences, for the following: securing fair terms and conditions, identifying the product that best meets needs, securing a fair price, ending a contract and resolving issues.

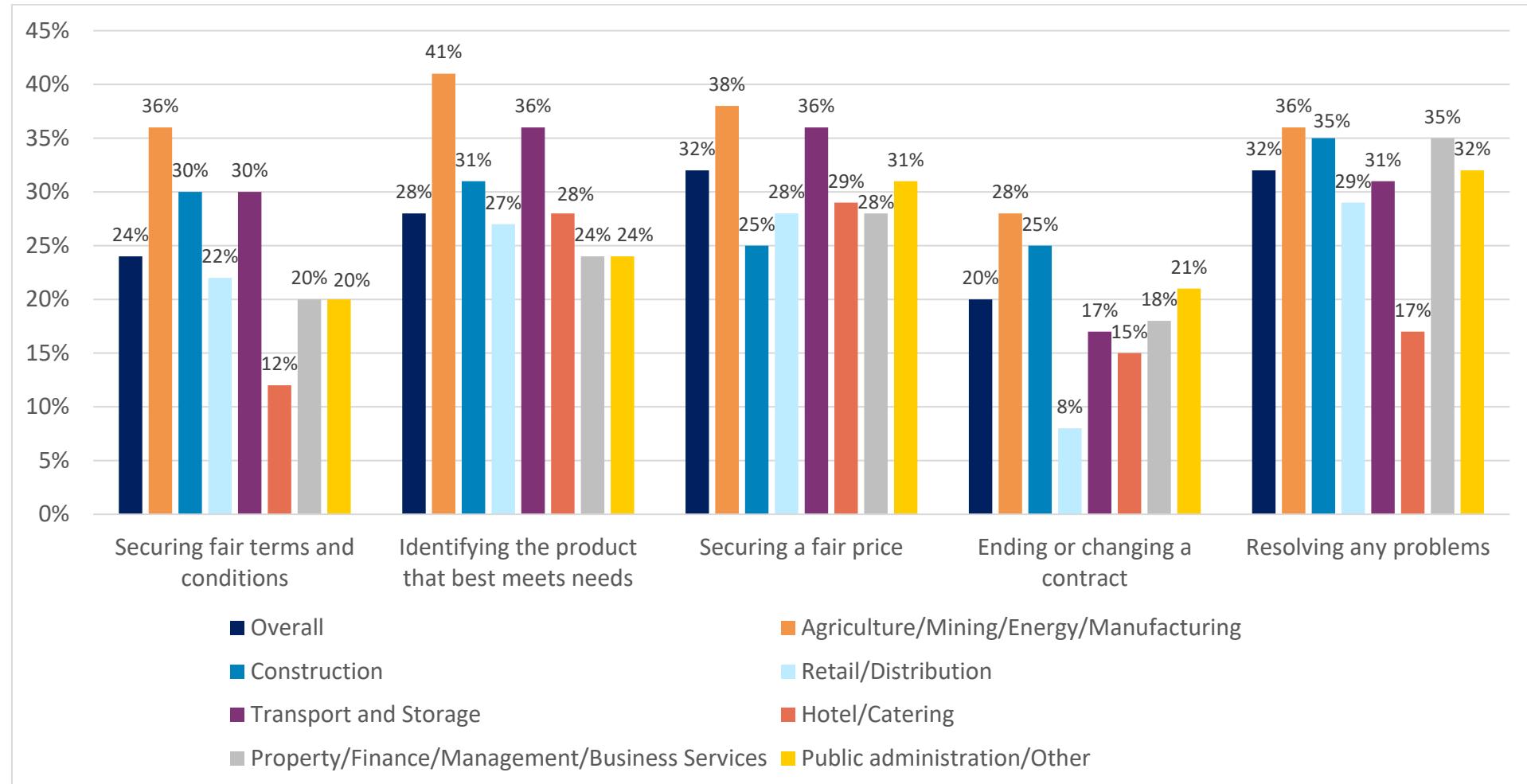
Small businesses often reported having similar experiences as a business consumer, to being a domestic consumer, and where differences were reported, the responses were distributed fairly evenly between finding it easier and finding it more difficult (Figure 3.37).

Figure 3.37: Comparison of being a business consumer vs domestic consumer (Summary)



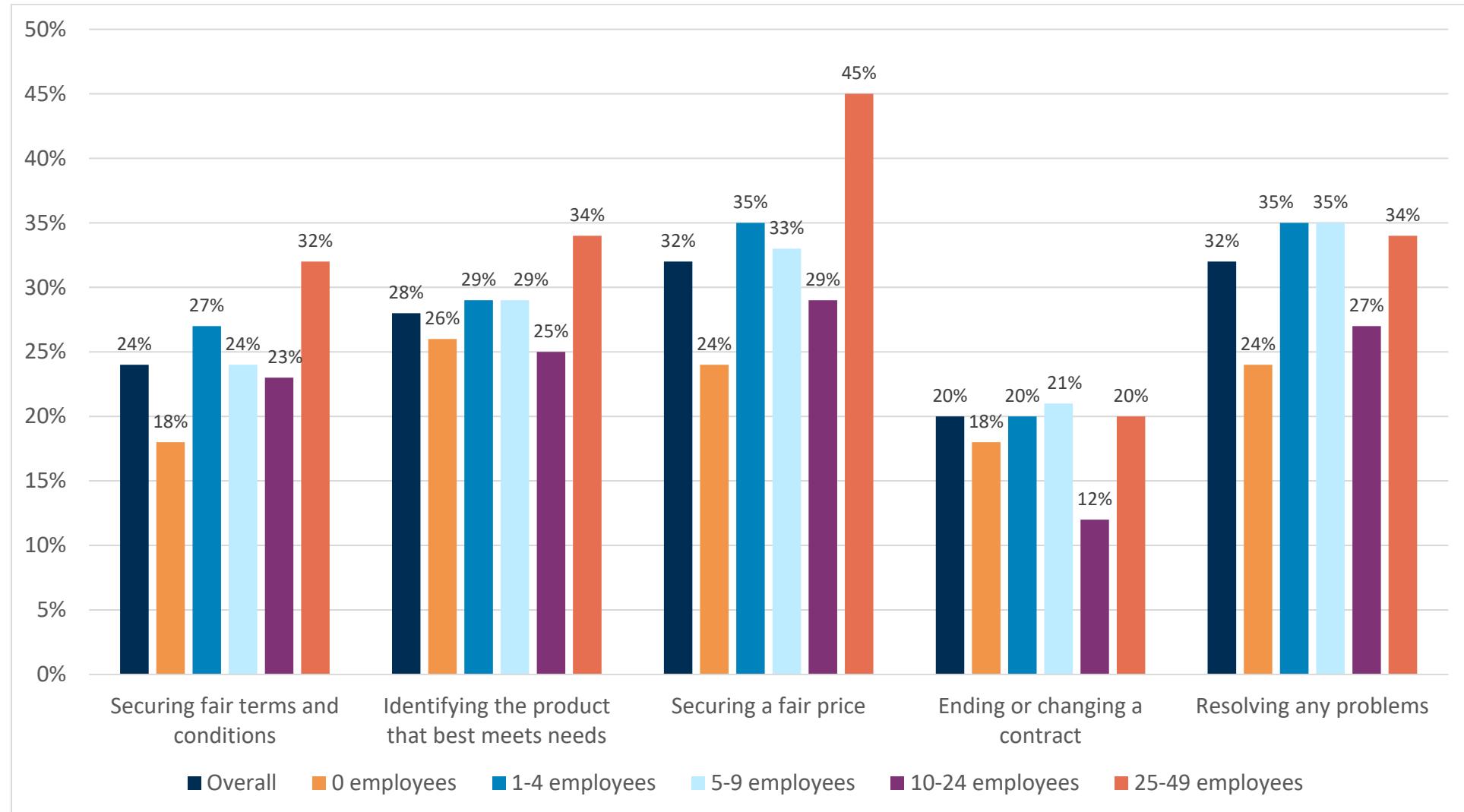
C5-1. For each of the following statements, please say to what extent it is easier or more difficult being a business consumer than being an individual domestic consumer. Base: All (N=700). Data labels <5% are not shown.

Figure 3.38: Comparison of experience by sector (Summary: Easier to be a business consumer)



C5-1. For each of the following statements, please say to what extent it is easier or more difficult being a business consumer than being an individual domestic consumer: Base: All (N=700). Agriculture/Mining/Energy/Manufacturing (N=74); construction (N=108); retail/distribution (N=60); transport and storage (N=56); hotel/catering (N=45); property/finance/management/business services (N=143); public administration (N=214).

Figure 3.39: Comparison of experience of being a business consumer by business size



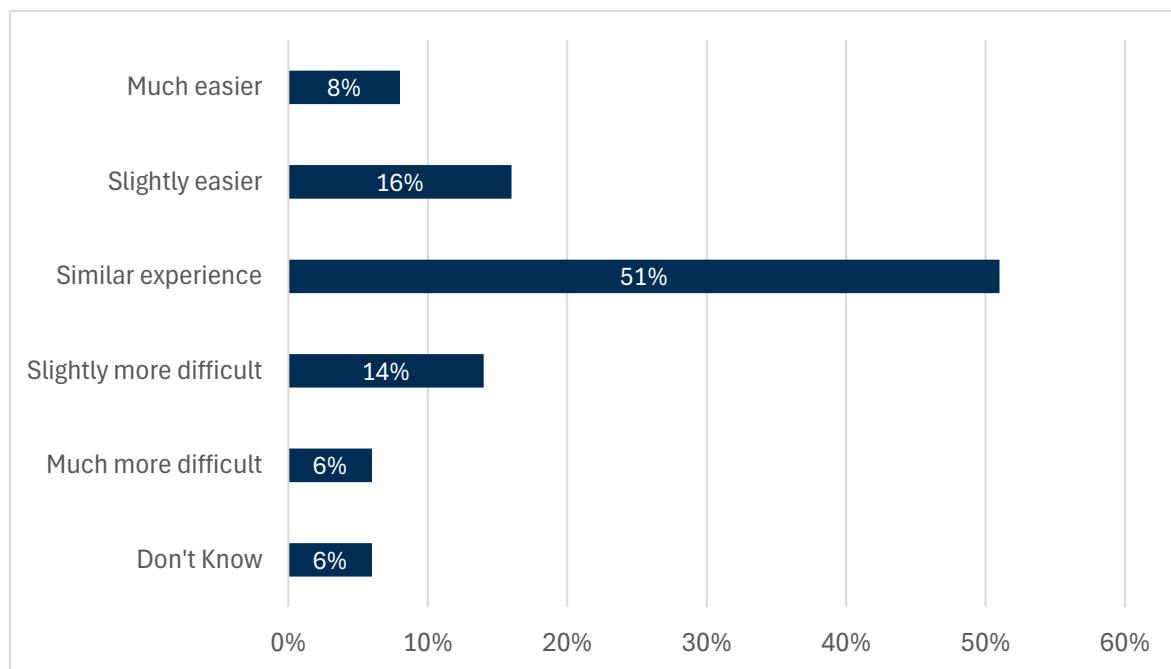
C5-1. For each of the following statements, please say to what extent it is easier or more difficult being a business consumer than being an individual domestic consumer: Base: All (N=700). 0 employees (N=157); 1-4 employees (N=267); 5-9 employees (N=242); 10-24 employees (N=25); 25-49 employees (N=9).

The following section gives more detail into the findings of each statement, including the different findings by business size and sector.

Securing fair terms and conditions

When securing fair terms and conditions, half of small businesses (51%) reported having a similar experience as a business consumer as a domestic consumer. Around a quarter found it easier to be a business consumer (24%) and a fifth found it more difficult (19%). This is shown in more detail in Figure 3.40.

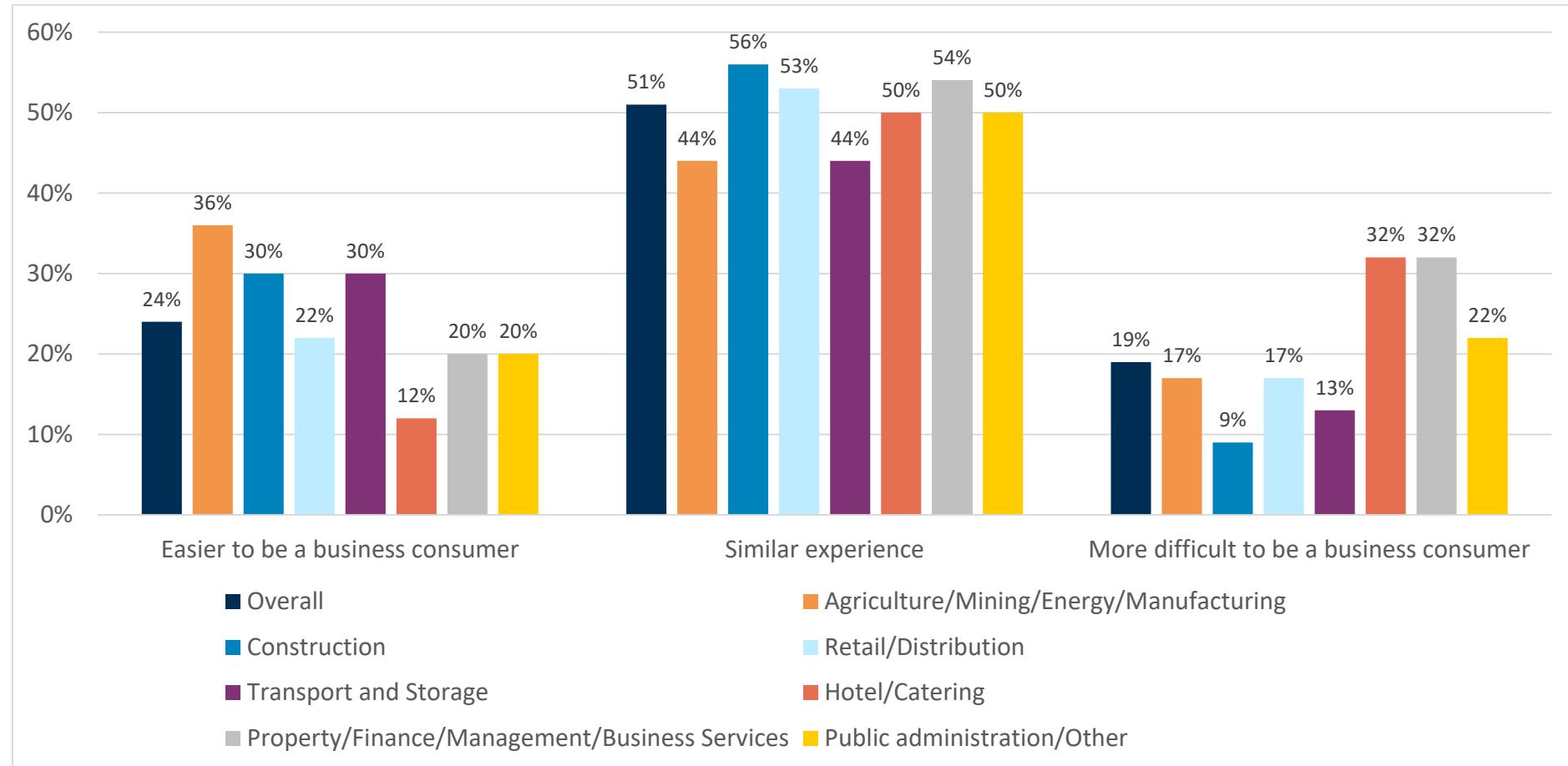
Figure 3.40: Comparison of business vs. domestic consumer (Securing fair terms and conditions)



C5-1. For each of the following statements, please say to what extent it is easier or more difficult being a business consumer than being an individual domestic consumer: Securing fair terms and conditions. Base: All (700)

Small businesses in the agriculture/mining/energy/manufacturing business sector were more likely to say that they found it easier to be a business consumer when securing fair terms and conditions than a domestic consumer (36% vs 24% overall). Those in the construction sector were less likely to say they found it difficult (9% vs 19% overall). Conversely, those in the hotel/catering sector were less likely to say it was easier (12% vs 24% overall). The hotel/catering sector respondents found being a business consumer more difficult (32% vs 20% overall).

Figure 3.41: Comparison of business vs. domestic consumer by business sector (Securing fair terms and conditions)



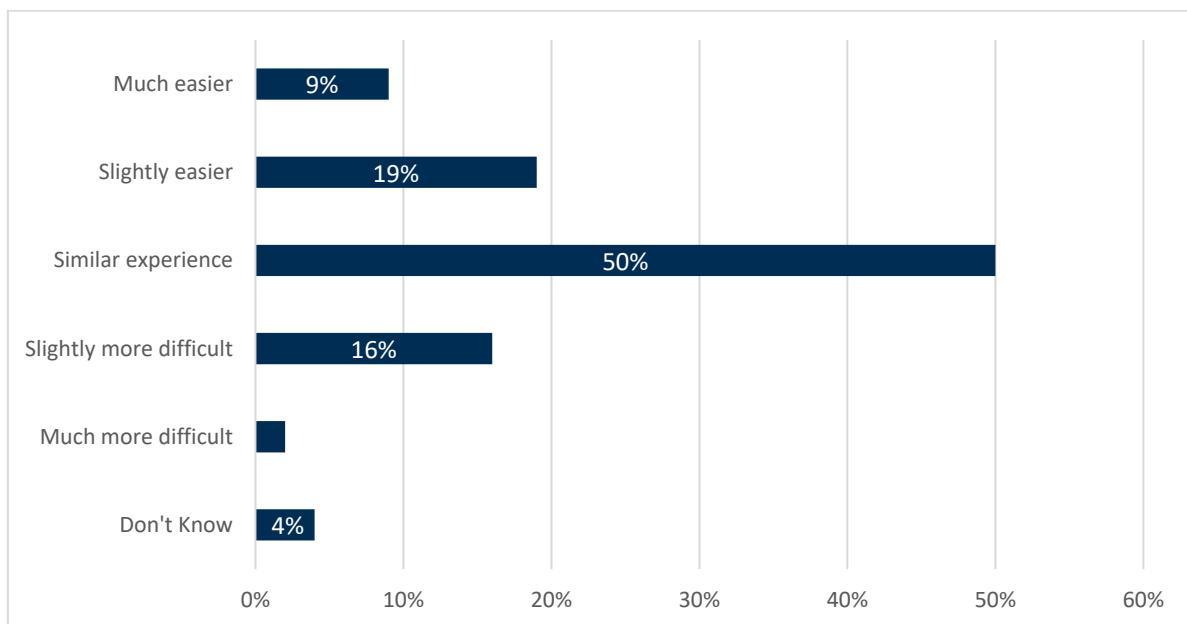
C5-1. For each of the following statements, please say to what extent it is easier or more difficult being a business consumer than being an individual domestic consumer: Securing fair terms and conditions. Base: All (N=700). Agriculture/Mining/Energy/Manufacturing (N=74); construction (N=108); retail/distribution (N=60); transport and storage (N=56); hotel/catering (N=45); property/finance/management/business services (N=143); public administration (N=214).

Looking at business size, small businesses with 1-4 employees were less likely to say they found it more difficult to be a business consumer than a domestic consumer (14% vs 24% overall).

Identifying the product that best meets business needs.

Half of small businesses (50%) reported having similar experiences as a business consumer as an individual consumer, in terms of identifying the product that best meets needs. Around a quarter found it easier to be a business consumer (28%) and a fifth found it more difficult to be a business consumer (18%). This is shown in more detail in Figure 3.42.

Figure 3.42: Comparison of business vs. domestic consumer (Identifying the product that best meets needs)

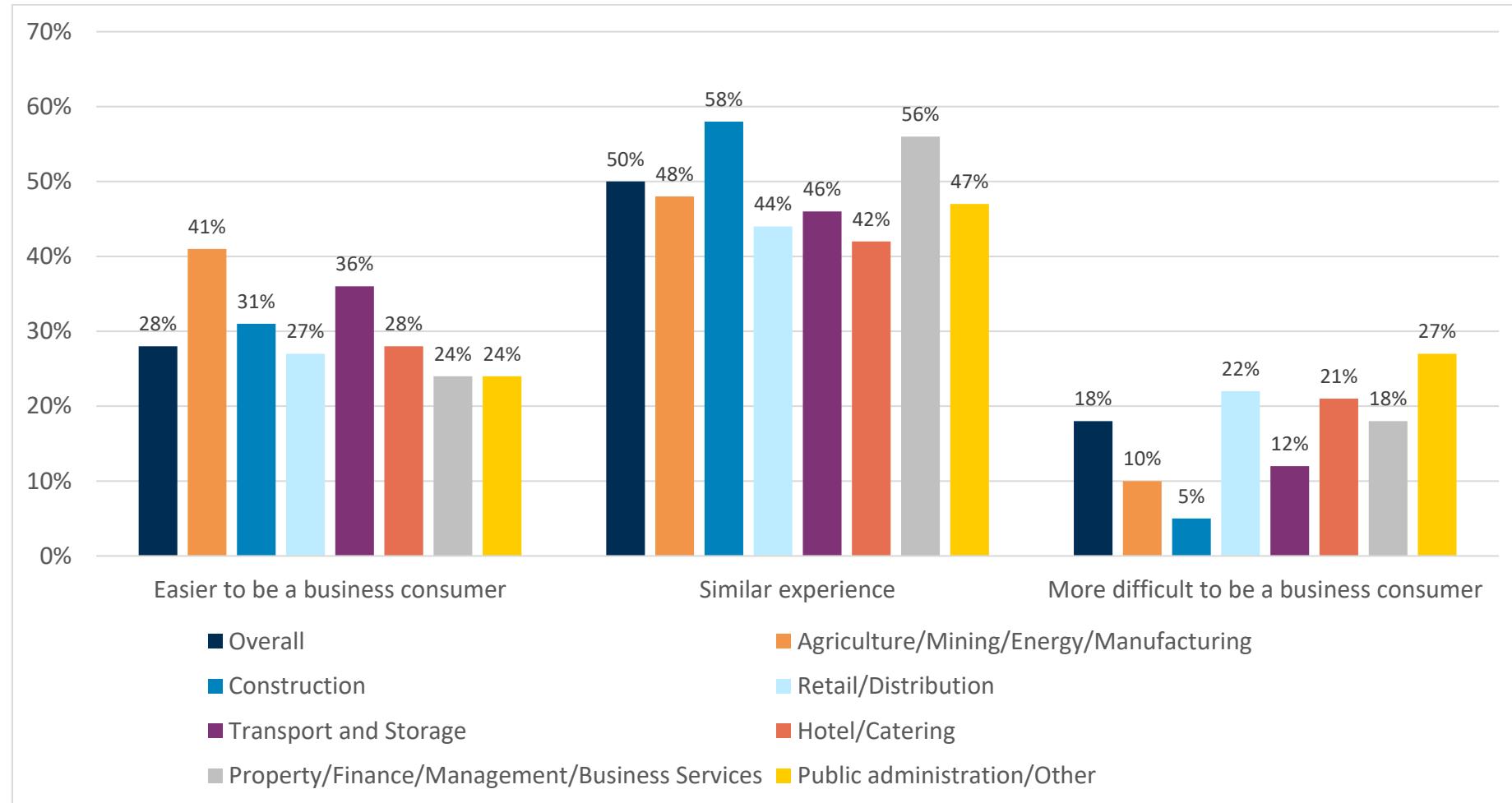


C5-2. For each of the following statements, please say to what extent it is easier or more difficult being a business consumer than being an individual domestic consumer: Identifying the product that best meets needs. Base: All.

In terms of business size, sole traders found it less difficult to be a business consumer (11% vs 18% overall) and small businesses with 10-24 employees found it more difficult than being a domestic consumer (26% vs 18% overall).

By sector, those in agriculture/mining/energy/manufacturing were more likely to say they found it easier to be a business consumer than a domestic consumer (41% vs 28% overall). Those in the construction sector were less likely to find it more difficult (5% vs 18% overall), while public administration sector small businesses found being a business consumer more difficult (27% vs 18% overall) (Figure 3.43).

Figure 3.43: Comparison of business vs. domestic consumer by business sector (Identifying the product that best meets needs)

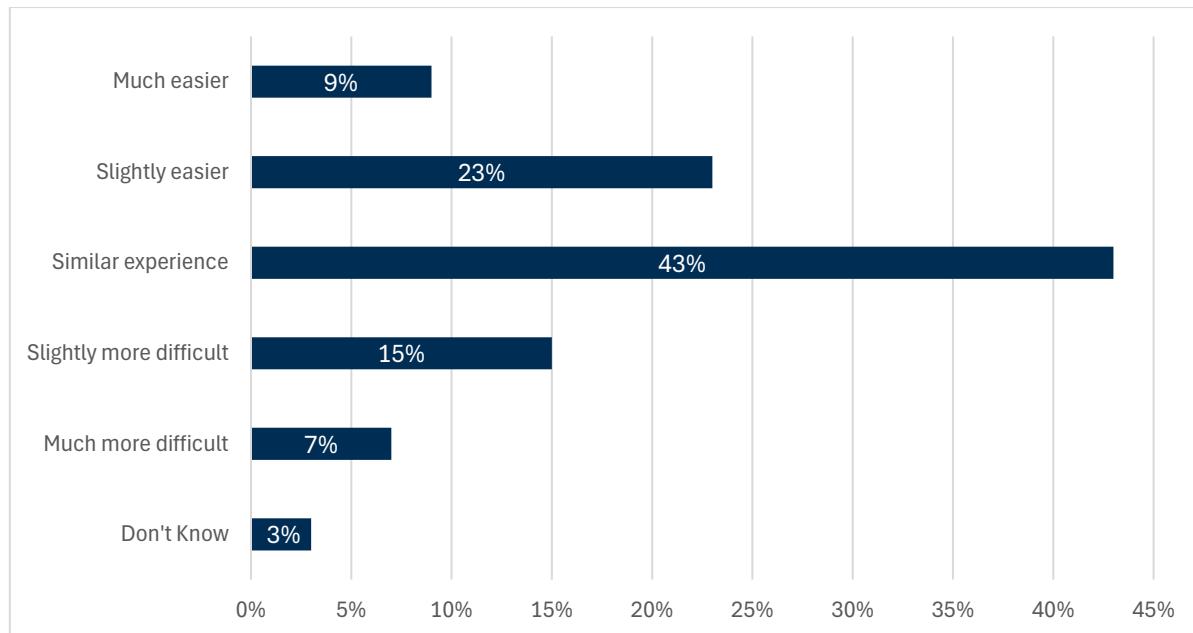


C5-2. For each of the following statements, please say to what extent it is easier or more difficult being a business consumer than being an individual domestic consumer: Identifying the product that best meets needs. Base: All (N=700). Agriculture/Mining/Energy/Manufacturing (N=74); construction (N=108); retail/distribution (N=60); transport and storage (N=56); hotel/catering (N=45); property/finance/management/business services (N=143); public administration (N=214).

Securing a fair price

Just over two in five small businesses (43%) reported having similar experiences as a business consumer as an individual consumer relating to getting a fair price. Around a third found it easier to be a business consumer (32%), while just over a fifth found it more difficult to be a business consumer (22%). This is shown in more detail in Figure 3.44.

Figure 3.44: Comparison of business vs. domestic consumer (Securing a fair price)

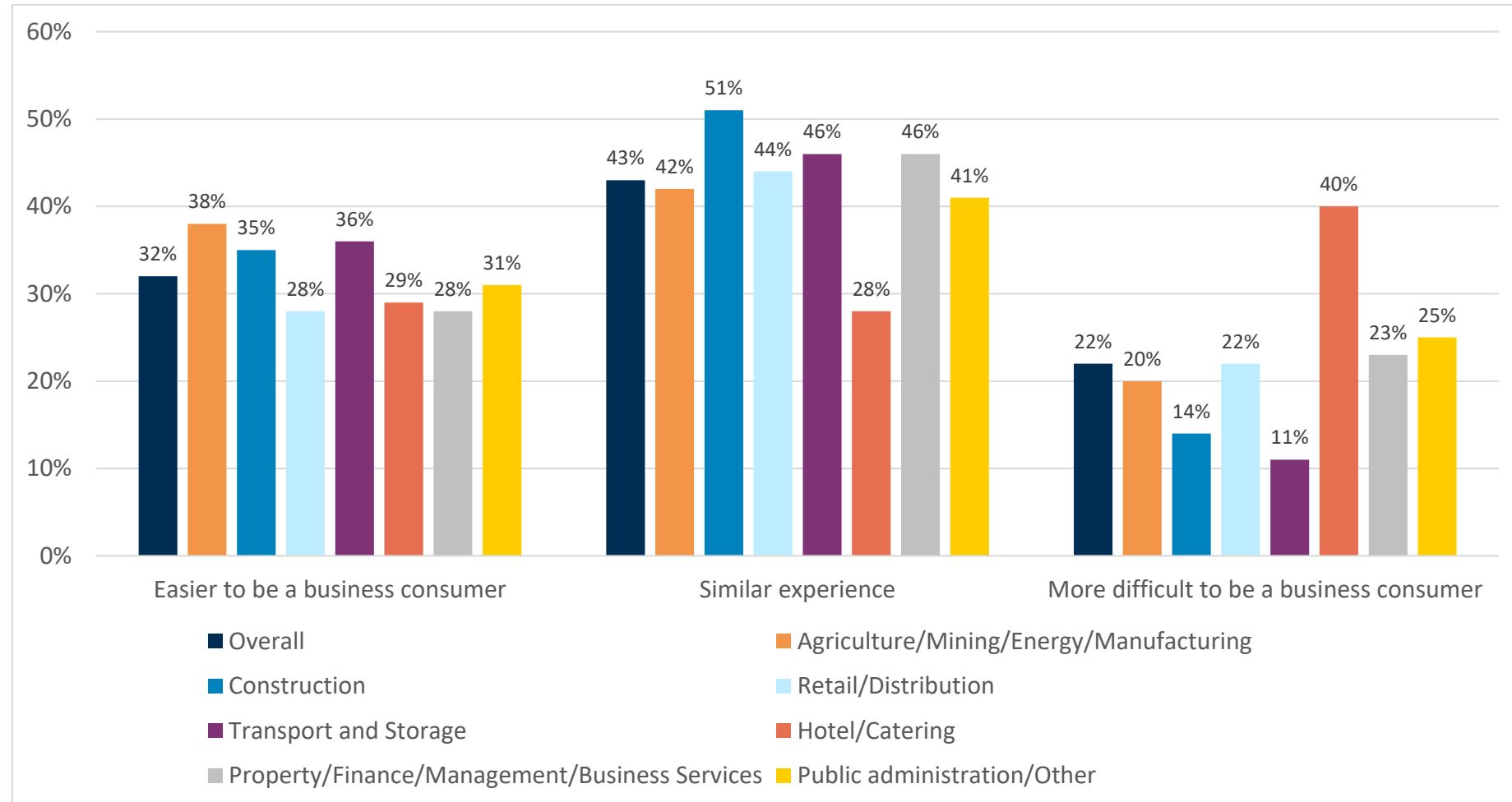


C5-3. For each of the following statements, please say to what extent it is easier or more difficult being a business consumer than being an individual domestic consumer: Securing a fair price. Base: All (700).

Small businesses with 5-9 or 10-24 employees were more likely to say they found it more difficult to secure a fair price as a business consumer compared to a domestic consumer (27% or 31% vs 22% overall). Small businesses with 25-49 employees found it significantly easier (45% vs 32% overall).

By sector, those in transport and storage were less likely to say they found it to be more difficult being a business consumer (11% vs 22% overall), while hotel/catering small businesses were more likely to say that it is more difficult (40%) (Figure 3.45).

Figure 3.45: Comparison of business vs. domestic consumer by business sector (Securing a fair price)

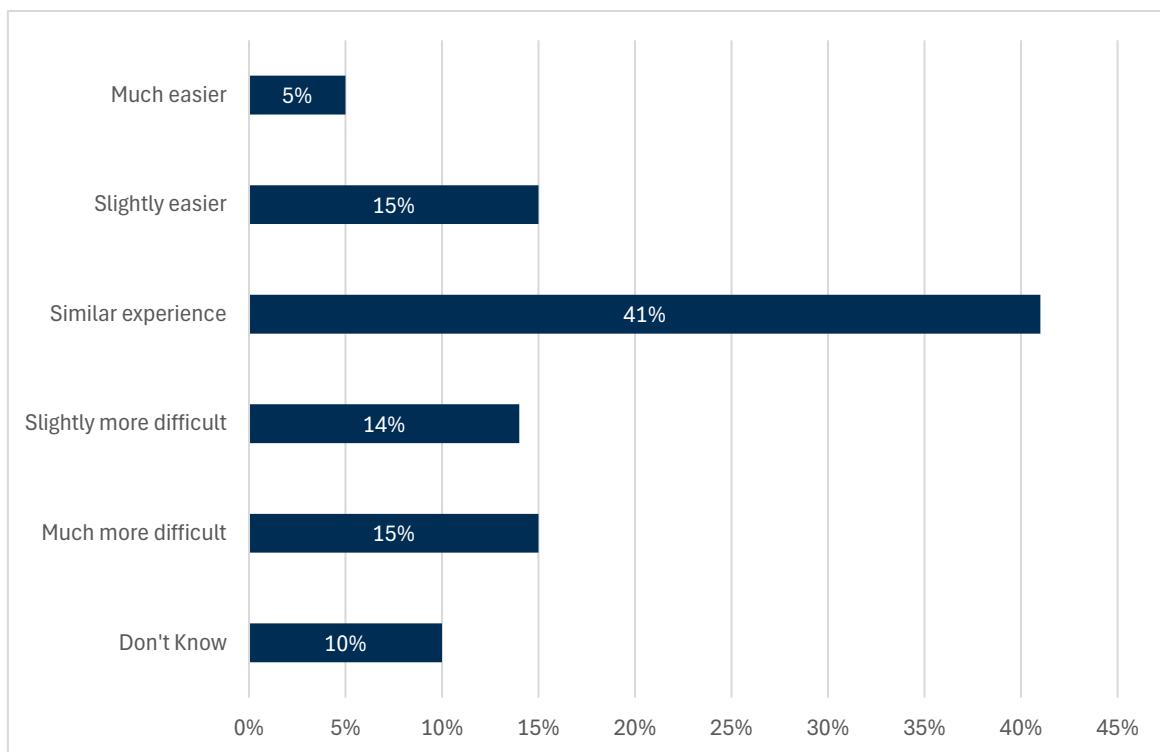


C5-3. For each of the following statements, please say to what extent it is easier or more difficult being a business consumer than being an individual domestic consumer: Securing a fair price. Base: All (N=700); Agriculture/Mining/Energy/Manufacturing (N=74); construction (N=108); retail/distribution (N=60); transport and storage (N=56); hotel/catering (N=45); property/finance/management/business services (N=143); public administration (N=214).

Ending a contract

Two in five small businesses (41%) reported having similar experiences as a business consumer as an individual consumer when ending or changing a contract. Around a fifth found it easier to be a business consumer (20%) and just under a third found it more difficult to be a business consumer (29%). This is shown in more detail in Figure 3.46.

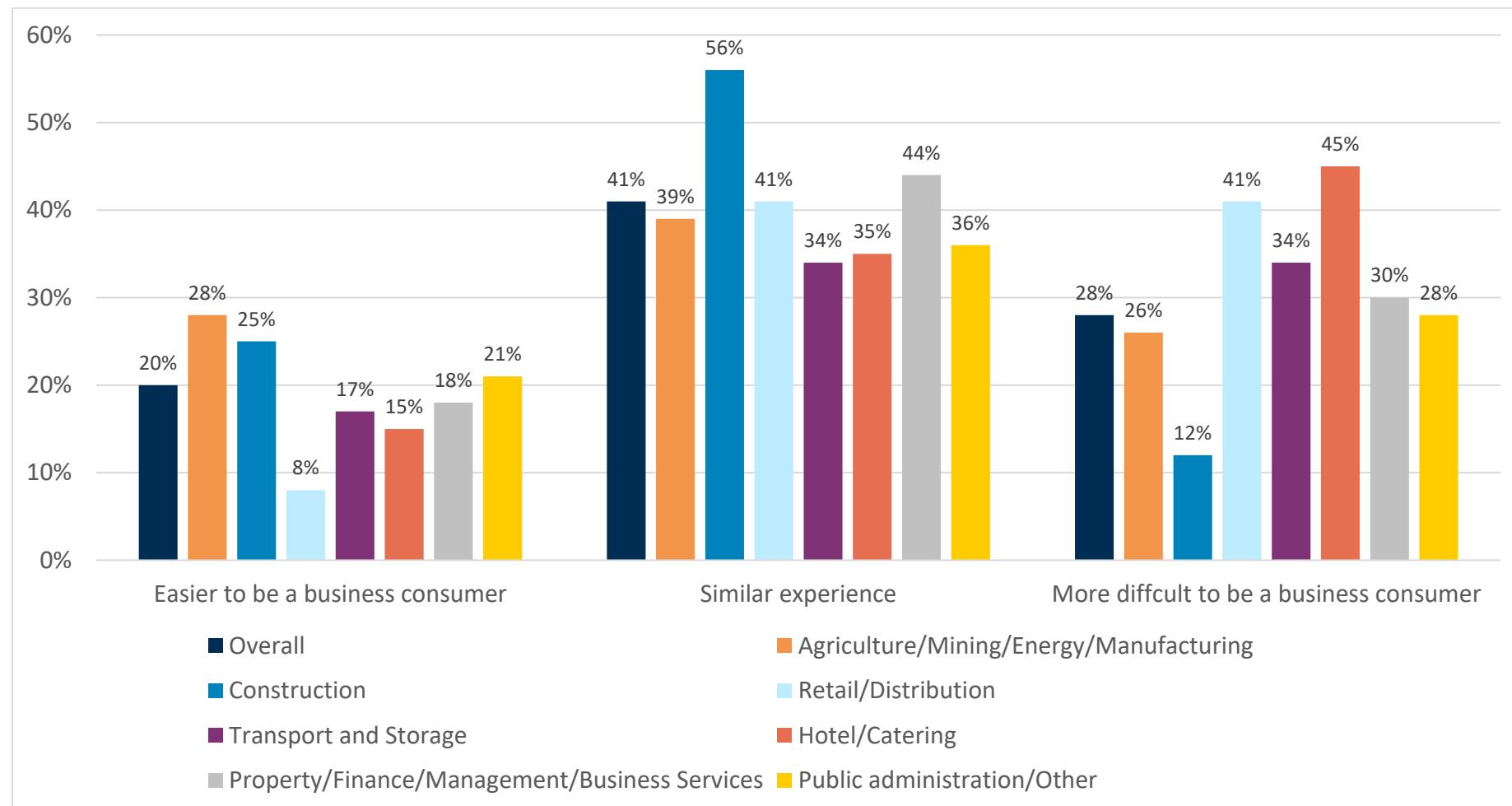
Figure 3.46: Comparison of business vs. domestic consumer (Ending or changing a contract)



C5-4. For each of the following statements, please say to what extent it is easier or more difficult being a business consumer than being an individual domestic consumer: Ending or changing a contract. Base: All (N=700)

When comparing business sector sub-groups to the average those in agriculture/mining/energy/manufacturing sector were more likely to say they found it easier to be a business consumer than a domestic consumer (28% vs 20% overall). Those in the construction sector were less likely to say they found it more difficult to be a business consumer (12% vs 29% overall). However, retail/distribution and hotel/catering small businesses were both more likely to say this (41% and 40% respectively, vs 29% overall) (Figure 3.47).

Figure 3.47: Comparison of business vs. domestic consumer by business sector (Ending or changing a contract)

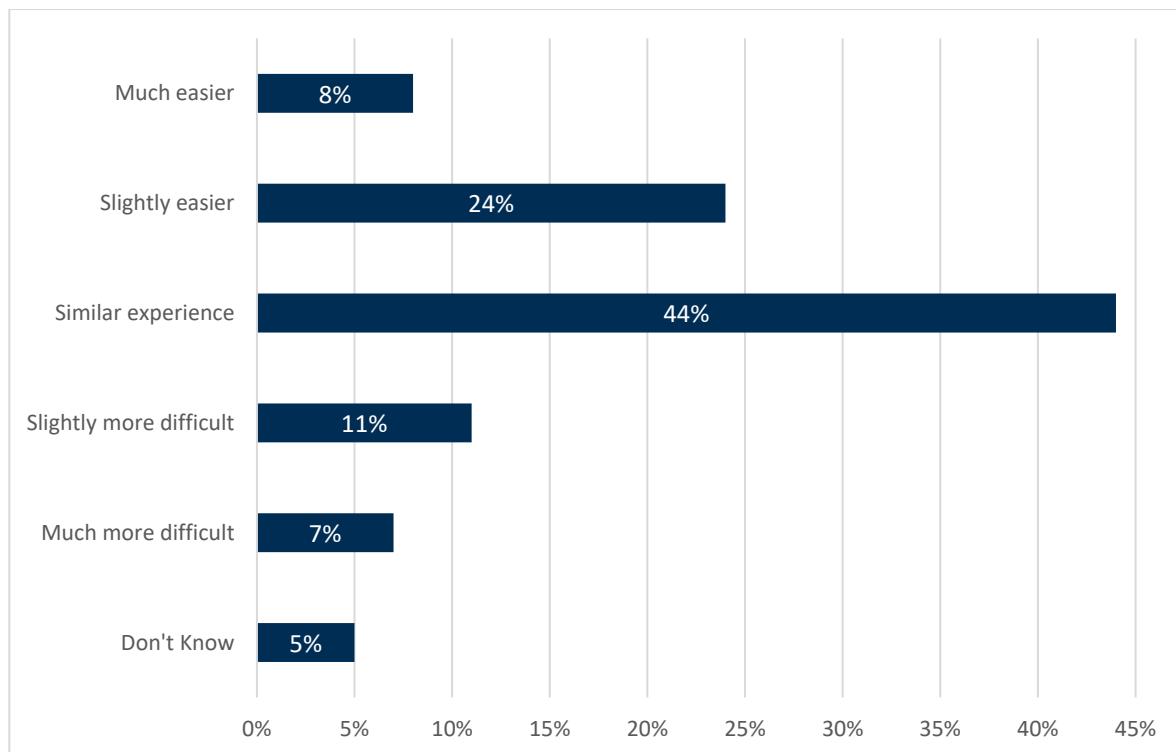


C5-4. For each of the following statements, please say to what extent it is easier or more difficult being a business consumer than being an individual domestic consumer: Ending or changing a contract. Base: All (N=700); Agriculture/Mining/Energy/Manufacturing (N=74); construction (N=108); retail/distribution (N=60); transport and storage (N=56); hotel/catering (N=45); property/finance/management/business services (N=143); public administration (N=214).

Resolving issues

44% of small businesses reported having similar experiences as a business consumer as an individual consumer relating to resolving problems or issues with a product or contract. Around a third found it easier to be a business consumer (32%) and a fifth found it more difficult to be a business consumer (19%). This is shown in more detail in Figure 3.48.

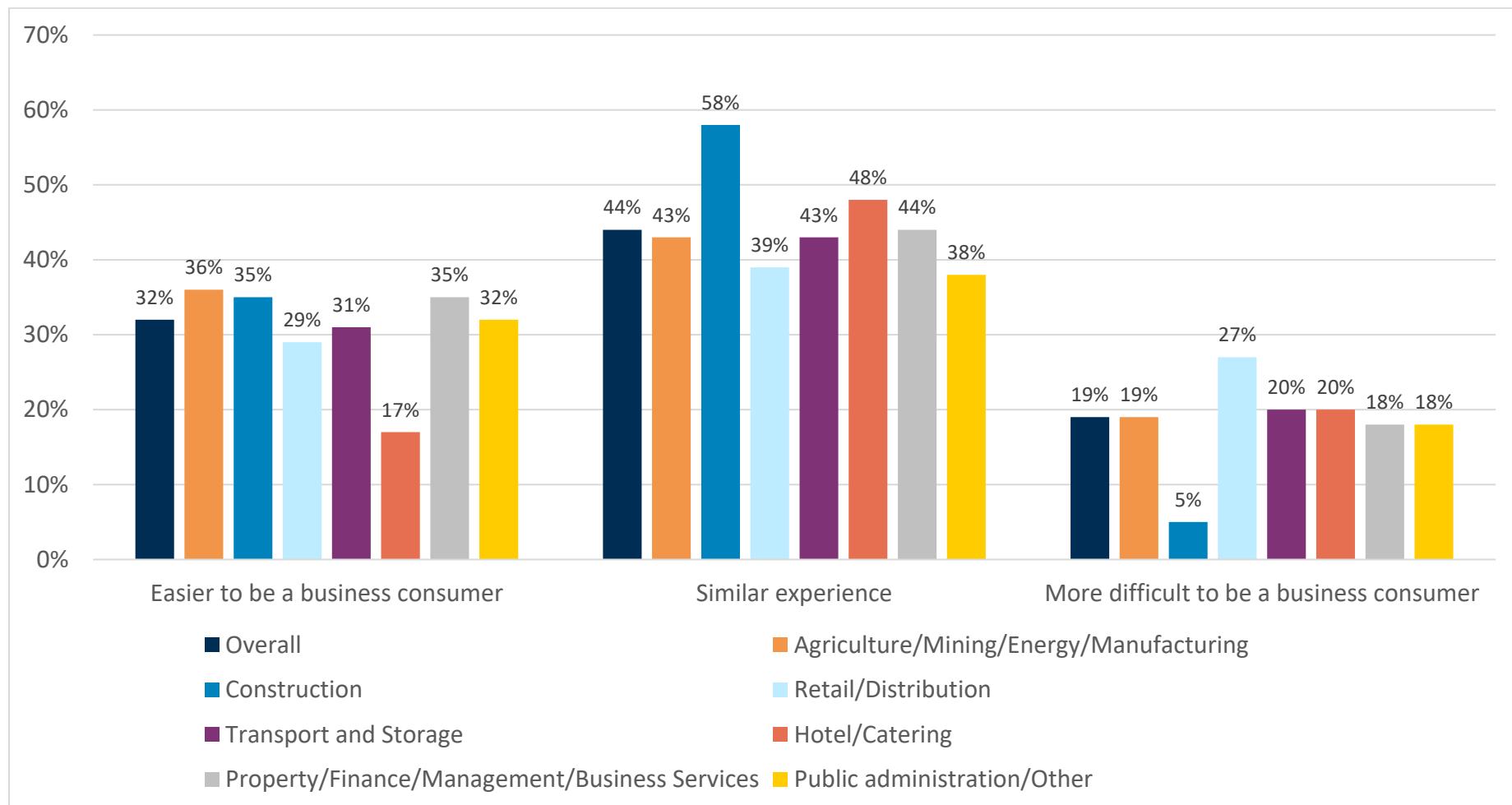
Figure 3.48: Comparison of business vs. domestic consumer (Resolving issues)



C5-5. For each of the following statements, please say to what extent it is easier or more difficult being a business consumer than being an individual domestic consumer: Resolving any problems or issues with a product or contract.
Base: All

Those in the hotel/catering sector were less likely to find it easier to be a business consumer than a domestic consumer when it comes to resolving issues (17% vs 32% overall). Those in the construction sector were less likely to find it more difficult (5% vs 19% overall). However, those in the retail/distribution and hotel/catering sector sectors were more likely to find being a business consumer more difficult (27% and 31% respectively vs 18% overall) (Figure 3.49).

Figure 3.49: Comparison of business vs. domestic consumer by business sector (Resolving issues)



C5-5. For each of the following statements, please say to what extent it is easier or more difficult being a business consumer than being an individual domestic consumer: Resolving any problems or issues with a product or contract. Base: All; Agriculture/Mining/Energy/Manufacturing (N=74); construction (N=108); retail/distribution (N=60); transport and storage (N=56); hotel/catering (N=45); property/finance/management/business services (N=143); public administration (N=214).

4 Summary by research theme

This section outlines how the findings correspond to research themes that were outlined in the introduction.

What are the key problems or challenges experienced by small business when buying key products and services?

- When asked, “Are there any goods and services that you find particularly problematic to access or to secure what your business needs?”, the majority of small businesses reported that there were no particular goods and services that were problematic.
- The markets in which small businesses most commonly experienced problems were telecommunications, postal services and energy. Problems experienced may have impacted overall experience, where energy was rated least satisfactory and telecommunications third least. However, postal services market was rated fairly highly compared to other markets in terms of overall satisfaction, suggesting that the issues in this market had less of an impact on overall satisfaction.
- The most common issues varied by market, with telecommunications consumers experiencing poor quality, consumers of postal services experiencing problems with delivery, and energy consumers experiencing misleading pricing the most. Small businesses were least satisfied with their experience of the energy market. This was the market with the highest percentage stating they had an issue with misleading price and the lowest percentage feeling that they pay a fair and reasonable price. This suggests a link between pricing and satisfaction in the energy market.
- The experience of using a broker or third-party intermediary to purchase a product or service was generally positive. Small businesses reported the lowest satisfaction with brokers in the energy and water services markets.
- Many small businesses reported that their issues were still outstanding, particularly in the energy and telecommunications markets. Across all markets where problems were reported, there was a mixture of satisfaction with how issues had been resolved. For example, there was high satisfaction with any goods other than vehicles market, and low satisfaction in financial services and water services markets.

Which markets present the most significant issues for small businesses?

- The markets where issues had the greatest negative impact were in energy and financial services.
- Overall issues in financial services and energy were the most likely to impact a business to a great extent. Energy was also the market most likely to be dissatisfied with the services provided by a broker.
- In all markets apart from postal services over 30% of businesses that experienced issues said that the issues impacted them to some extent (somewhat or to a great extent).
- On the other hand, issues with the least impact were in postal services where 71% of small businesses reporting very little or no impact on their business performance as a result of these issues.

How does the experience vary between small businesses of different characteristics?

- There were variations in experience based on business size, business sector and location of small businesses with the trends explained below.
- Small businesses with 1-4 employees were more likely to have issues with warranty whilst small businesses with 10-24 employees were less likely to have issues with unfair or unclear terms and conditions.
- Micro businesses (fewer than 10) employees were less likely to have used a broker.
- Small businesses with more employees were more likely to have purchased products in multiple markets (more than 25 employees) and used brokers (more than 10 employees).
- In terms of sector, small businesses in the agriculture, mining, energy or manufacturing sector had purchased from more markets in the last year. There were differences reported in how each of the sector's experience being a business consumer vs being a domestic consumer.
- Businesses based in urban areas tended to be more likely to make purchases in telecommunications and property rental. Those in rural areas were more likely to have made purchases in energy, vehicles, legal and accountancy services and building services.

- Small businesses based in urban areas were more likely to have experienced a problem with misleading information compared with those in rural areas, in the any goods other than vehicles market.
- Small businesses operating in a rural area were significantly more likely to use a broker than an urban business.

How the experience compares to being a domestic consumer?

- Over half of small businesses reported having similar experiences as a business and domestic consumer for securing fair terms and conditions, and identifying the product that best meets needs.
- A quarter of respondents found it easier to be a business consumer for securing fair terms and conditions, and two-fifths found it easier to identify products that best meet needs. The proportion finding it easier to be a business consumer was higher in the agriculture/mining/energy/manufacturing sector and for small businesses with 25-49 employees.
- Under half of small businesses reported having similar experiences as a business and domestic consumer for securing a fair price, ending or changing a contract and resolving issues.
- Around a third found it easier to be a business consumer when securing a fair price and resolving issues. Around a fifth found it easier to be a business consumer when ending a contract (with the construction sector finding it less difficult compared to other markets). Ending or changing a contract was the only experience where the proportion of small businesses reporting that they found it more difficult to be a business consumer than a domestic consumer was larger than those that found it easier.

The findings did not suggest that there are markets where small businesses find it problematic to access goods or services. However, the findings reflect a varied experience of small businesses, some with markets being reported as less satisfactory, particularly the energy market. It has given insight into which markets are more likely to be used by different types of small businesses, and who is more likely to experience issues. Some markets have been identified as being more problematic than others, and it is clear from the research findings that the challenges are different in different markets. This research suggests there are issues in many of the markets and that small businesses' experiences of certain markets could be improved.

Future areas of focus include how price is perceived, and broker services are experienced in the energy market. Additionally, there could be focus on reducing the number of issues in the energy, postal services and telecommunications markets, reducing the impact of issues in the energy, property rental and financial services markets, and considering how to ensure issues are fully resolved for small businesses in the future.

5 Appendix – Small business survey

S Screener

ASK TELEPHONIST

S1 **Good morning / afternoon, my name is NAME, calling on behalf of Consumer Scotland, the official consumer advocacy body for Scotland. I'm looking to speak to the person responsible for purchasing or using goods or services for the business as we are looking to ask some questions to better understand their experiences when doing this.**

ADD IF NECESSARY: So, Consumer Scotland can identify any issues businesses like yours may be facing, and ways that governments, regulators, and advice organisations across the UK can provide support in the future.

ADD IF NECESSARY: More detailed information on the study can be found on Consumer Scotland's website: [Understanding the experience of small businesses as consumers | Consumer Scotland](#)

ADD IF NECESSARY: This may be the owner of the businesses or a procurement or purchasing manager if you have one?

Transferred	1	CONTINUE
Hard appointment	2	MAKE APPOINTMENT
Soft Appointment	3	
Engaged	4	CALL BACK
Refusal	5	
Refusal – company policy	6	
Refusal – Taken part in recent survey	7	
Nobody at site able to answer questions	8	
Not available in deadline	9	CLOSE
Fax Line	10	
No reply / Answer phone	11	
Residential Number	12	
Dead line	13	

Company closed	14	
Request reassurance email		COLLECT EMAIL ADDRESS THEN CONTINUE OR MAKE APPOINTMENT (SEE APPENDIX FOR EMAIL TEXT)

ASK ALL

S2 Good morning / afternoon, my name is NAME from IFF, calling on behalf of Consumer Scotland, Scotland's official consumer advocacy organisation. We're getting feedback from businesses like yours to find out about your experiences of purchasing goods and services for the business.. Can we quickly run through some questions now?

ADD IF NECESSARY: So, Consumer Scotland can identify any issues businesses like yours may be facing, and ways that governments, regulators, and advice organisations across the UK can provide support in the future.

A1 ADD IF NECESSARY: More detailed information on the study can be found on Consumer Scotland's website: Understanding the experience of small businesses as consumers | Consumer Scotland

ADD IF NECESSARY: The call today will take around 20 minutes – INTERVIEWER TO MENTION IF NOT ALREADY ASKED

ADD IF NECESSARY:

- Please note that everything you say will be treated in the strictest confidence and that Consumer Scotland will not be told who has taken part. As part of our quality control procedures, all interviews are recorded automatically.
- Consumer Scotland is the statutory consumer advocacy organisation for consumers in Scotland. Consumer Scotland was established by the Consumer Scotland Act 2020 and is accountable to the Scottish Parliament.

Continue	1	CONTINUE
Referred to someone else at establishment NAME _____	2	TRANSFER AND RE-INTRODUCE
JOB TITLE _____		
Hard appointment	3	MAKE APPOINTMENT

Soft appointment	4	
Refusal	5	
Refusal – company policy	6	
Refusal – taken part in recent survey	7	
Not available in deadline	8	
Request reassurance email		COLLECT EMAIL ADDRESS THEN CONTINUE OR MAKE APPOINTMENT (SEE APPENDIX FOR EMAIL TEXT)

ASK ALL

S4 **And can I just double check that I am talking to the person responsible for making decisions about purchasing goods and services in your organisation? ADD IF NECESSARY: So that might be the owner, managing director or company secretary.**

DO NOT READ OUT. SINGLE CODE.

Yes	1	
No	2	
Don't know	3	

ASK IF NOT RESPONSIBLE OR DON'T KNOW WHETHER THEY ARE ABLE TO PROVIDE INFORMATION (S4 =2 OR 3)

S5 **We really appreciate your assistance, but for the purposes of this research we would like to speak to the people responsible for making decisions about purchasing goods and services. Please could you give me the details of the best person to speak to in your organisation about purchasing goods and services.**

Yes	RECORD NAME, JOB TITLE AND EMAIL. TRANSFER.
No	Thank and close

ASK ALL

S6 Before we begin I need to read out a quick statement about General Data Protection Regulations.

I want to reassure you that all information collected will be treated in the strictest confidence. You have the right to a copy of your data, change your data or withdraw from the research at any point. In order to guarantee this, and as a part of our quality control procedures, all interviews are recorded. Is that OK?

Yes – agree to continue	1	
Refuse to continue	2	

A2

REASSURANCES TO USE IF NECESSARY

The interview will take around 20 minutes to complete.

Please note that all data will be reported in aggregate form and your answers will not be reported to our client in any way that would allow you to be identified.

If respondent wishes to confirm validity of survey or get more information about aims and objectives, they can call the research team on:

- REDACTED

B Reassurance email

Subject: Business Survey

Dear Sir or Madam,

Consumer Scotland has commissioned IFF Research, an independent market research company, to survey Scottish businesses in order to understand the issues they face as consumers.

Consumer Scotland is a statutory advocacy organisation for consumers in Scotland, established by the Consumer Scotland Act 2020 and is accountable to the Scottish Parliament. The results of the survey will help Consumer Scotland identify the extent to which businesses experience the same, or similar, issues as individual consumers. They will also be used to help Consumer Scotland make the case for changes that would make markets work better for businesses.

The survey will only take around 20 minutes. IFF interviewers will be conducting telephone interviews between now and Friday 7th March. You can take part whenever is convenient to you.

If you are unable to take part, or do not want to, you can simply let us know when our interviewers call. Alternatively, you can contact the following email to opt-out of the research: REDACTED

Any information you provide will be treated in strictest confidence, and the answers you give will not be attributed to you or your organisation in our reporting, without your consent. IFF research follows the MRS Code of Conduct rules and GDPR data laws. If you would like further information on how IFF handles and processes personal data, as well as information on your rights under data protection regulations to access your personal data, withdraw consent, or object to the processing of your personal data, then you can visit: REDACTED

Please get in touch with the email provided above if you have any questions about this research.

Thank you in advance for your time.

A Demographics

ASK ALL

B1 **I have [SECTOR FROM SAMPLE] as a general description of your company's principal activity. Bearing in mind this is a general description only, does this sound correct?**

READ OUT. SINGLE CODE

Yes	1
No	2
Don't know	3

IF DISAGREE WITH SAMPLE SECTOR (A1=2/3)

B2 **What is the main business activity of your company?**

INTERVIEWER PROBE FOR THE FOLLOWING - START WITH FIRST PROBE AND ONLY USE THE OTHERS IF NECESSARY TO GET CLEAR INFORMATION

What is the main product or service of this establishment?

What exactly is made or done at this establishment?

WRITE IN. TO BE CODED TO 4 DIGIT SIC 2007.

ASK ALL

B3 **What is the legal form of your company?**

READ OUT. SINGLE CODE

Partnership	1	
Sole trader	2	
Private limited company	3	
Public limited company	4	
Limited liability partnership (LLP)	5	
Other (please specify):	6	
Don't know	7	Exclusive
None of these	8	Exclusive

ASK ALL

B4 **Approximately, how many employees are currently on your payroll in the UK (excluding owners and partners)?**

PROMPT WITH BANDS IF NECESSARY. SINGLE CODE

0	1	
1-4	2	
5-9	3	
10-24	4	
25-49	5	
50+	THANK AND CLOSE	

ASK ALL

B5 **How many years has your company been in operation?**

PROMPT WITH BANDS IF NECESSARY. SINGLE CODE

Less than a year	1	
1-4 years	2	
5-9 years	3	
10-19 years	4	
20-49 years	5	
At least 50 years	6	
Don't know	7	Exclusive

C Markets

Overall experience

ASK ALL

C1 In the past 12 months, has your business purchased goods or services in any of the following areas?

ADD IF NECESSARY: When we say 'for the purposes of running your business', we're interested to know about the instances when you have purchased services explicitly on behalf of the business. Do not include, for example, instances where you have used a personal mobile phone, or general household energy contract, to support the running of the business.

ADD IF SOLE TRADER (A3=2): Please can you only indicate the markets that you have bought from primarily for business use. You can also use products from the market for personal use, but we are only interested in hearing about markets where goods and services were purchased primarily for business purposes.

MULTICODE

Energy ADD IF NECESSARY: For example, electricity and gas services, heating oil	1	
Water services	2	
Postal services ADD IF NECESSARY: (e.g. letters and parcel delivery)	3	
Vehicles: ADD IF NECESSARY: New and second-hand vehicles, vehicle maintenance and repairs, accessories for vehicles	4	
Any goods other than vehicles ADD IF NECESSARY: Include wholesale or from trade specialists, for use in a manufacturing process, or general running of the business	5	
Digital services, IT and software	6	
Financial services ADD IF NECESSARY: including insurance services, current accounts, loans and bank services, pension funds and investment services	7	
Legal and accountancy services	8	
Property rental	9	
Building services	10	
Telecommunications. ADD IF NECESSARY: e.g. Internet provision, mobile telephone services, fixed telephone services	11	

None of these	12	Exclusive, THANK AND CLOSE
---------------	----	----------------------------

C2 **In your experience of purchasing or using goods and services in market X, to what extent do you agree/disagree with following statements?**

READOUT. SINGLE CODE PER ROW

	Strongly disagree		Strongly agree	Don't Know
_1 The products we have procured meet the businesses needs and aspirations	1	2	3	4
_2 We pay a fair and reasonable price for the products we receive	1	2	3	4
_3 The products we have used have not been reliable	1	2	3	4
_4 It is easy to contact the supplier to resolve issues with the product or contract	1	2	3	4
_5 The terms and conditions are unfair	1	2	3	4
_6 Billing arrangements are easy to understand	1	2	3	4
_7 When I need to purchase or renew a product in future, I'm confident I know how to secure the best product at the best deal for my business	1	2	3	4

Satisfaction

C3 **Overall, thinking about your experience of purchasing and using products in market X in the past 12 months, how satisfied were you with the product or products?**

READ OUT. SINGLE CODE

Very satisfied	1	
Satisfied	2	
Neutral	3	
Dissatisfied	4	
Very dissatisfied	5	
Don't know	6	

Problems

ASK ALL

C4 **Did you experience any of the following problems when purchasing products in market X?**

READOUT MULTICODE

Poor quality	1	
Not usable	2	
Complete failure to provide	3	
Problems with delivery	4	
Misleading price	5	
Misleading information	6	
Unfair or unclear T&C	7	
Warranty and guarantees not honoured	8	
Other (please specify):	9	
I did not experience any problems	10	Exclusive
Don't know	11	*Exclusive*

ASK IF HAD PROBLEMS (B4=1-9)

C5 **To what extent did the issues you encountered impact on your businesses' performance, such as turnover or profit?**

SINGLE CODE READOUT

To a great extent	1	
Somewhat	2	
Very little	3	
Not at all	4	
Don't know	5	
None of these	6	

ASK IF HAD PROBLEMS (B4=1-9)

C6 **Which of the following approaches did you take to resolve the issue?**

MULTICODE. READ OUT

Contacted the seller/supplier directly	1	
Tried to claim under a guarantee/insurance	2	
Contacted an external organisation to get some advice	3	
Used a dispute resolution service ADD IF NECESSARY: <i>ombudsman, arbitration or mediation</i>	4	
Complained to a regulator or government body	5	
Withheld payment	6	
Took legal action against the seller	7	
Switched provider	8	
Other (Please specify):	9	
No action taken	10	*Exclusive*
Don't know	11	*Exclusive*

ASK IF HAD PROBLEMS (B4=1-9)

C7 **Was the issue resolved to your satisfaction?**

READ OUT SINGLECODE

Yes	1	
No	2	
The issue has not yet been resolved	3	
Don't know	4	

C8 **REMOVED PRIOR TO PILOT**

C9 **REMOVED PRIOR TO PILOT**

D All markets

Brokers

ASK ALL

D1 Thinking about all of the goods and services that the business has purchased in the past 12 months, have you used a broker or Third-Party Intermediary (TPI) to facilitate product purchases in any market? ADD IF NECESSARY: A Third-Party Intermediary is an organisation or individual that gives advice or assistance for purchases related to your business needs, this includes providing advice, helping with procurement, comparing prices, switching suppliers and consolidating bills.

READOUT SINGLECODE

Yes	1	
No	2	
Don't know	3	

IF YES (C1 = 1)

D2 For which of the following markets did you use a broker?

READOUT MULTICODE

[B1 = 1] Energy ADD IF NECESSARY: For example, electricity and gas services, heating oil	1	
[B1 = 2] Water services	2	
[B1 = 7] Financial services ADD IF NECESSARY: including insurance services, current accounts, loans and bank services, pension funds and investment services	3	
[B1 = 11] Telecommunications. ADD IF NECESSARY: e.g. Internet provision, mobile telephone services, fixed telephone services	4	
Other (please specify):	5	

ASK IF USED BROKER (C1 = 1)

D3 **Overall, how satisfied were you with the services provided by the broker?**

READOUT SINGLECODE

	Very satisfied	Satisfied	Neutral	Dissatisfied	Very dissatisfied	Don't Know
[B1 = 1] Energy ADD IF NECESSARY: For example, electricity and gas services, heating oil	1	2	3	4	5	6
[B1 = 2] Water services	1	2	3	4	5	6
[B1 = 7] Financial services ADD IF NECESSARY: including insurance services, current accounts, loans and bank services, pension funds and investment services	1	2	3	4	5	6
[B1 = 11] Telecommunications. ADD IF NECESSARY: e.g. Internet provision, mobile telephone services, fixed telephone services	1	2	3	4	5	6
Other (as specified)	1	2	3	4	5	6

Broader questions

ASK ALL

D4 **Thinking about all of the goods and services that your business uses or procures – including the ones we have talked about today and any others the business uses – are there any that you find particularly problematic to access or to secure what your business needs?**

WRITE IN

Comparative experience

D5 **We'd like you to compare your experience of being a business consumer with your experience of being an individual (domestic) consumer.**

For each of the following statements, please say to what extent it is easier or more difficult being a business consumer than being an individual domestic consumer

SINGLE CODE

	Much easier	Slightly easier	Similar experience	Slightly more difficult	Much more difficult	Don't Know
_1 Securing fair terms and conditions	1	2	3	4	5	6
_2 Identifying the product that best meets needs	1	2	3	4	5	6
_3 Securing a fair price	1	2	3	4	5	6
_4 Ending or changing a contract	1	2	3	4	5	6
_5 Resolving any problems or issues with a product or contract	1	2	3	4	5	6

E Thanks and close

E1 **Thank you very much for taking the time to speak to us today. Would you be willing for us to call you back regarding:**

This particular study – if we need to clarify any of the information	1	
Other research studies which may be relevant to you	2	
Neither of these	3	

IF CONSENT TO RECONTACT

E2 **Please could I confirm your details:**

Name: RECORD DETAILS OF RESPONDENT WHO COMPLETED INTERVIEW	ALLOW REFUSED OPTION
Job title:	ALLOW REFUSED OPTION
Email address:	ALLOW REFUSED OPTION

E3 **And could I just check, is [NUMBER] the best number to call you on?**

Yes	1	
No - write in number	2	

ASK ALL

THANK RESPONDENT AND CLOSE INTERVIEW

Finally, I would just like to confirm that this survey has been carried out under IFF instructions and within the rules of the MRS Code of Conduct. Thank you very much for your help today.