



SMALL BUSINESS CONSUMER EXPERIENCE OF ENERGY STRESS

Summary Report

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**Utility
Regulator** 

The Utility Regulator would like to thank all who took part in the research and for sharing their experiences with us. We would also like to thank Perceptive Insight who undertook this research on our behalf.

INTRODUCTION

This document summarises research completed by Perceptive Insight on behalf of the Utility Regulator to better understand the lived experiences of small businesses¹ concerned about, or struggling with, their energy costs.

Our 2023 Non-domestic Consumer Insight Tracker survey² highlighted that concern for energy bills peaked in 2022 with 53% of non-domestic consumers being concerned or very concerned about their energy prices. Although levels of energy concern have since decreased, the findings from our 2026 Tracker³ still show that there remains a significant degree of concern among consumers. We commissioned this qualitative research to better understand how these pressures are affecting small businesses and the people running them.

Participants had experienced financial pressure linked to energy costs. This included falling into debt, reducing their energy use or making changes to how they ran their business to manage costs.

For many participants, energy costs were affecting the viability of their business, limiting growth and reducing confidence around their future. Around one third of participants were struggling to pay their bills, with some scaling back their business or considering closure.

This summary provides an overview of the key findings and accompanies the full report prepared by Perceptive Insight.

METHODOLOGY

This was qualitative research using a lived experience approach.

42 small businesses took part in the research. This included 16 in-depth and 26 semi-structured interviews. The interviews took place between November 2025 and April 2026.

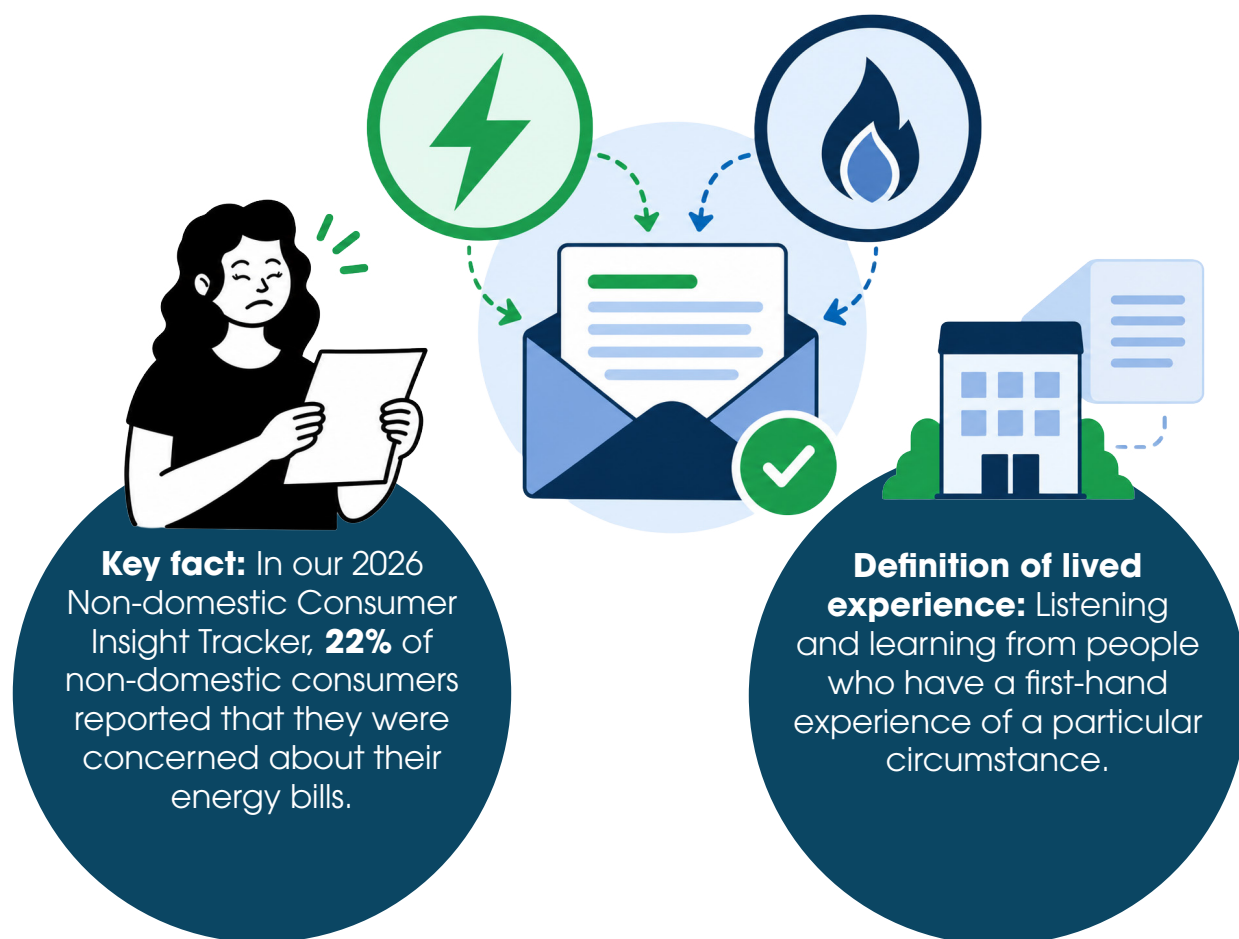
¹ For the purpose of this research, small businesses include those with less than 50 employees.

² [Non-Domestic Tracker Final report.pdf](#)

³ [Perceptive Insight Non-Domestic Tracker Final report 2026.pdf](#)

To ensure inclusion of a broad range of experiences, quotas were set for the interviews which included business size, sector, location and heating type.

The findings are not intended to be representative of all small businesses in Northern Ireland. Instead, the research provides insight into the experiences of those who are concerned about their energy payments and may have struggled to pay recently.



KEY FINDINGS

The key findings are structured around the following themes:

Situations and circumstances affecting energy spending

Impact of struggling to pay for energy

Coping strategies

Engagement with existing support and future needs

1. SITUATIONS AND CIRCUMSTANCES AFFECTING ENERGY SPENDING

Circumstances that impact energy need and use

Participants shared their experiences of the situations and circumstances that impacted their business's energy needs, usage and spending. Participants said they generally had limited flexibility in how much energy they could use. For most, energy was an essential part of day-to-day operations, with usage shaped by factors such as seasonality, business type and customer or other operational requirements. Energy use often increased in colder months because of heating and lighting needs, while some businesses faced higher demand in the summer due to cooling, refrigeration or seasonal activity.



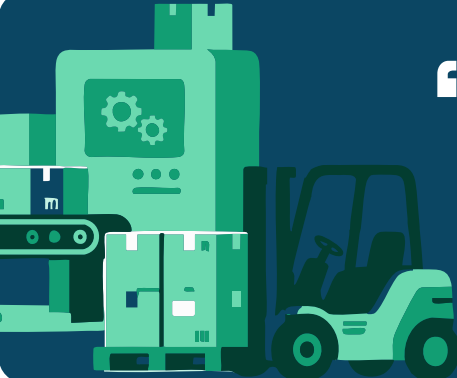
“Our bill during June, July, was about £100 or £200, and then last month (for December, our bill) was £1,500”

(Community and voluntary, 0-9 employees, Derry/Londonderry)



“Because I work with older people, I need the place to be warm. It’s really a hub for older people to come in. So, I need the building to be warm. We take that this is our biggest expense, and that we just have to do it”

(Community and voluntary, 0-9 employees, Derry/Londonderry)

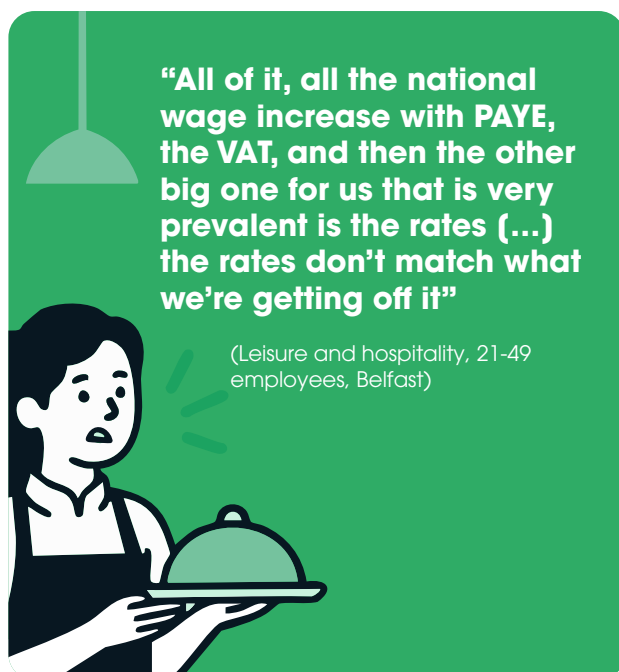


“We basically have to turn everything on to be effective in manufacturing. Unfortunately, that requires us to then pay whatever the usage is. And obviously, those costs have gone up substantially over the last number of years”

(Manufacturing and production, 0-9 employees, Down)

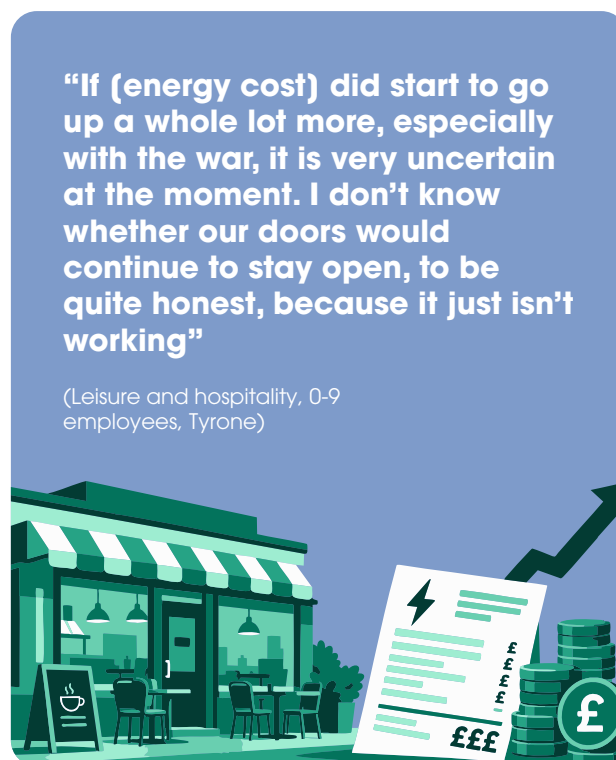
Cost of doing business increases

Energy costs were not experienced in isolation. Participants described rising energy prices alongside increases in wages, National Insurance, rates, transport and supplies, putting further pressure on already tight profit margins. Many participants linked these challenges to the uncertainty of global and geopolitical events such as the Covid-19 pandemic, conflicts in the Middle East and Europe and Brexit. For some, uncertainty and fluctuations in bills contributed to increased stress, reduced confidence, delayed investment, scaling back activity or questioning whether the business can continue at all.



Established and newer businesses faced different challenges

Participants’ confidence in the future of their business was impacted by how long their business had been operating. Some established business owners described the current period as the hardest they had faced, even when compared with the 2008–09 financial crisis or Covid-19. Some said they were now considering closing, selling up or retiring because the business no longer felt sustainable. For newer businesses, establishing themselves at a time of rising costs and pressure on cash flow was a significant challenge.





CASE STUDY 1

Mr. K owns a small business in the hospitality sector that employs eight people in Belfast.

Mr. K reduced his opening hours over the past year as rising costs have put increasing pressure on the business. He is particularly concerned about high energy bills alongside wider financial pressures on the business.

Energy accounts for about 20% of the business's costs, with electricity making up the majority of this. He estimates this is around double what he was paying before the significant increases in energy prices in recent years.

To manage costs, he has rationed heating, reduced opening hours and cut staff hours and wages. This has meant working longer hours himself and spending less time with his children.

He is also in debt with his previous electricity supplier. He has since switched to another supplier in an effort to reduce his costs.

He previously looked for financial support but did not find anything he felt could help. He felt the process had wasted his time and has not sought support since.

"I'm not confident at all. If it continues, I'll be in debt within like six months. I'm not confident at all"

"I've reduced my opening hours significantly over the past year"



"(Instead of month to month) at the minute it feels like death to death. Honestly, over the past few months, it's getting more and more difficult. The economy has absolutely just fell off a cliff"

"(The previous supplier) actually ended up sending me a solicitor's letter out. But it didn't give me really a chance to come up with a payment plan or anything"

2. IMPACT OF STRUGGLING TO PAY FOR ENERGY

Energy costs restricting how businesses operate

Some participants said high energy costs meant they were using less energy than they would ideally like. This included limiting heating, being cautious about running appliances or equipment and being reluctant to extend opening hours or services where this would increase their energy use. For some, this meant operating less comfortably or delaying changes that could support their business because the additional energy costs were too difficult to absorb.



“Of course, we would like to use it more, but we just can’t (...) The system that we’ve got, it just chews through (our energy). We have had one of the oil fire radiators left on accidentally, and our bill for that period was just scary”

(Retail, 10-20 employees, Derry/Londonderry)

“Me and my staff are very cautious of the cost of things. So maybe if it was cheaper, we probably would use it a bit more. Just thinking about it, if it was, let’s say, half the price of right now (I would be using it more), I’m freezing at the minute”

(Leisure and hospitality, 0-9 employees, Belfast)



Prioritising payments

Participants viewed energy, wages and other essential business costs as priority payments. With limited flexibility to reduce these costs, improvement and expansion plans were often delayed. Some businesses postponed refurbishments, reduced opening hours, put off recruitment or decided against growth because they could not absorb the extra cost.

“Yes, we’d love to expand (...) It’s just you’re having to keep on top of the running of the club costs first”

(Community and voluntary, 0-9 employees, Fermanagh)

“If the electricity or the gas prices were not in consideration, then we would 100% be opening (up services) on a Friday afternoon, no matter what”

(Community and voluntary, 21-49 employees, Derry/Londonderry)

Physical and mental impact on business owners

Rising costs and financial uncertainty were also having a significant personal impact on business owners. Participants described stress and difficulty sleeping, with some saying the pressures of running their business had affected their mood, relationships and family life. A few participants described a serious impact on their mental health, including one who had sought professional help.

“I am seeing a counsellor because my anxiety is through the roof (...) I can’t sleep at night, worried about the bills and what to pay, and you’re going to look like a failure if you close the business”

(Leisure and hospitality, 0-9 employees, Belfast)



“I wake up in the middle of the night thinking about all of the bills that need paid (...) It has taken a real big toll on my mental health”

(Other, 21-49 employees, Tyrone)



Some participants also felt these pressures were affecting their physical health and described unhealthy ways of coping with stress. Others spoke about the difficulty of looking after their health or taking time away from work when running a small business.

“Like yesterday I had pains in my chest. I thought I was taking a heart attack. It probably wasn’t. I’m probably overstretched (...) It is what it is”

(Manufacturing and production, 0-9 employees, Down)



“My hair fell out. I’m only in my early 40s and I’m on blood pressure tablets since I’ve been about 38. And that’s all down to stress and just taking its toll on your body”

(Other, 21-49 employees, Tyrone)



One business owner described returning to work shortly after a serious illness because they felt they had no other option.

“We don’t have that luxury. Staying self-employed, you cannot be sick. It’s not possible”

(Retail, 0-9 employees, Antrim)



3. COPING STRATEGIES

Adaptations to business management

Small business owners described using a wide range of strategies to cope with rising energy bills and wider operating costs. These included negotiating with suppliers, shopping around for better deals, changing what they sold, outsourcing certain tasks and reducing opening hours or staffing levels. These steps were often presented as practical attempts to protect already narrow profit margins, though many participants said they were reaching the limits of what could reasonably be cut.

“Well, that’s one of the things about what we do, is trying to save money by basically getting the best price for the same products. But that’s nearly a full-time job in itself”

(Leisure and hospitality, 10-20 employees, Fermanagh)

“We were open seven days a week. We are down to four days a week during school term time and six days a week whenever the school holidays are on because if you’re not in, the electric isn’t burning when it is quieter”

(Other, 0-9 employees, Down)

Quality and perception concerns

Many participants felt caught between rising costs and the need to remain affordable and competitive. Some had increased their prices, while others were reluctant to do so because their customers were also facing cost-of-living pressures. Businesses were also reluctant to reduce the quality of their products or services, fearing this could damage their reputation or drive customers elsewhere.

“If I increase them too much, they won’t come out for coffee and it’s gone. I already see far more instances of people sharing a scone (...) See, some people stop coming and then you’re completely done. That would be my issue”

(Leisure and hospitality, 21-49 employees, Armagh)



Personal sacrifices

Participants also spoke about the personal sacrifices they had made to keep their businesses going. Some used personal savings or borrowed money through credit cards, overdrafts, loans, family or friends. Others reported reducing or stopping their own income, working longer hours and sacrificing personal and family time to keep the business operating. These experiences show how financial pressures on the business were also affecting owners' personal finances and wellbeing.

"I did do that. I had to do a lot of that at the start to keep the thing going. You had to use credit cards. I had to borrow the money from my dad one time to pay the electric"

(Manufacturing and production, 0-9 employees, Armagh)

"We (my co-owner and I) work for free at the minute. We're working for free"

(Leisure and hospitality, 3-9 employees, Belfast)



Managing energy use

Alongside these management and financial measures, participants also tried to reduce energy use wherever possible. Common approaches included turning off lights and equipment when not in use, rationing heating and encouraging staff to follow energy-saving practices.

Many had also made efficiency improvements, or were considering further measures, such as switching to LED lighting, installing timers or thermostats and installing solar panels. Participants generally recognised the value of energy efficiency improvements, but the upfront cost of these changes was seen as a significant barrier. Many also felt there was limited scope to reduce their energy use further without affecting how their business operated.

"Simple things like turning off lights. That's the most practical thing that we could do, but the rest, there's nothing else we can do (to reduce our energy usage)"

(Other, 21-49 employees, Fermanagh)

"We've also looked about solar panels and storing the electricity in batteries overnight to use the next day. So it's something we've been putting it off and putting it off because it's too costly, like everything"

(Manufacturing and production, 21-49 employees, Derry/Londonderry)



In our 2026 Non-domestic Consumer Insight Tracker Survey, **36%** of non-domestic consumers stated they had undertaken energy efficiency measures in the last three years, down from **43%** in 2025. Additionally, **15%** stated that they had undertaken energy efficiency measures due to energy prices, compared with **12%** in the previous tracker.

Support from suppliers

Experiences of seeking support from energy suppliers varied. Participants who contacted their supplier for help often reported positive experiences, particularly where payment extensions were offered. However, some participants reported problems with communication, billing or contract changes. Others had not contacted their supplier because they did not believe there was scope for meaningful support or negotiation.

“We had a problem with our bank (...) we had to change banks. And it meant that all our debits failed. And so, we had to be in touch with (our supplier). They were very understanding and agreed to pull off until we got the bank accounts reinstated”

(Retail, 10-20 employees, Derry/Londonderry)

“Probably didn’t think they could help. At the end of the day, I don’t think it’s a company you can bargain with (...) We just have to pay the bill or they’ll turn you off. So, we just have to pay the bill”

(Manufacturing and production, 10-20 employees, Antrim)



CASE STUDY 2

Mr. P owns a small business in the manufacturing sector that has been operating for over a decade and currently employs 10 people.

Mr. P described his business as stable but felt that the cost of electricity was preventing it from growing further. Mr. P has little confidence that the situation will improve and says the current conditions are as difficult as, or worse than, the 2008–09 financial crisis.

In the last year, Mr. P used an energy broker to switch supplier and reduce his electricity costs. He has not approached his supplier for support because he does not believe they would be able to help.

Electricity accounts for around 25% of the business's costs, meaning changes in energy costs can have a significant impact on the business.

While Mr. P can currently manage his bills, he is concerned about further price rises and would consider selling or closing the business rather than taking on debt to remain open.

Mr. P has limited awareness of available business support, although he previously received an Invest NI grant which he found beneficial. He would welcome further financial support to invest in energy efficiency measures.

“While I think the cost has softened over the last couple of years, our consumption has dramatically increased, so the bill has still only went one direction for us”

“Probably didn’t think they could help (...) You either pay the bill or we’ll turn you off sort of thing”



“There is zero confidence. I’ve been working in this game for over 20 years now, and this is every bit as bad, if not worse, than 2008-2009, when the crash was there”

“But if the cost continues to rise, it’s something where you think about potentially getting out, selling things and exiting, if (the bills) become too difficult to manage”

4. ENGAGEMENT WITH EXISTING SUPPORT AND FUTURE NEEDS

Low levels of confidence about business viability

Many participants had low confidence about the future. Some felt they had already made all the reasonable reductions available to them and were unsure what else they could do if costs continued to rise.



Limited awareness of support

Awareness of available support was low. Most participants said they did not know what advice or support services existed for businesses, were unsure where to look or had not had time to seek help. Where support had been accessed, it was usually through business organisations, though experiences were mixed. Positive experiences were linked to organisations offering a sense of community and advocacy support, while financial and budgeting support was also valued by participants. However, participants felt support needed to be proactive as many small businesses would not have the time, knowledge or confidence to seek help themselves.



Future support needs

Participants wanted support to be clearer, easier to find and more proactive. Many suggested a simple support guide or central source of information setting out what support was available. They also wanted clearer information about their energy use and bills, so they could make better decisions about budgeting and investing in energy efficiency measures. Specifically, some participants said that more detailed information on the energy use of individual pieces of equipment would help them identify where consumption was highest and make better-informed decisions about their energy use.

“That’s the whole thing about simplifying things to where it helps us. Just making sure that it’s accessible, basically”

(Community and voluntary, 0-9 employees, Down)

“I would like to understand better how the usage occurs (...) but without the information, I don’t know how to improve it”

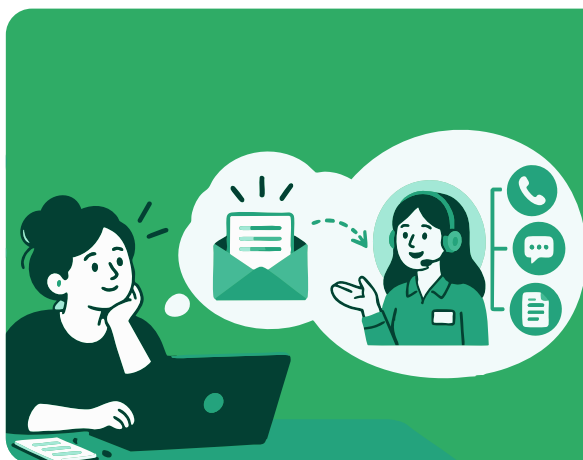
(Leisure and hospitality, 21-49 employees, Armagh)



In our 2026 Non-domestic Consumer Insight Tracker Survey, **66%** of respondents indicated they would not look for information or advice in any area; an increase from 2025 levels (**34%**).

Support participants would like to see

Participants suggested a range of ways in which support could be improved. In relation to the Utility Regulator, these included clearer information and guidance, help understanding tariffs and support in dealing with suppliers. Participants also identified wider forms of support, including grants for energy efficiency and changes to taxation. Some also called for action to reduce or provide greater certainty over energy prices.



“(You) could get an email saying, ‘In the event of you struggling to pay your bills, this is somewhere that you can ring,’ or ‘You can talk to us so that we can give you various options”

(Community and voluntary, 0-9 employees, Belfast)

NEXT STEPS

This research was carried out to ensure the experiences of small businesses at risk of energy stress are captured and can inform our consumer protection work.

As part of Utility Regulator's Consumer Protection Programme for 2024-2029⁴ (CPP24), we will use these findings to inform our work with energy suppliers and other relevant stakeholders to identify how best to support small businesses experiencing energy stress.

One area of work supported by these findings will be the development of a 'Non-domestic Code of Practice on Payment of Bills'. The Code of Practice will introduce requirements aimed at strengthening protections for non-domestic consumers experiencing difficulty paying their energy bills or managing energy debt.

The full research report, Small Business Consumer Experience of Energy Stress, is available on our website.

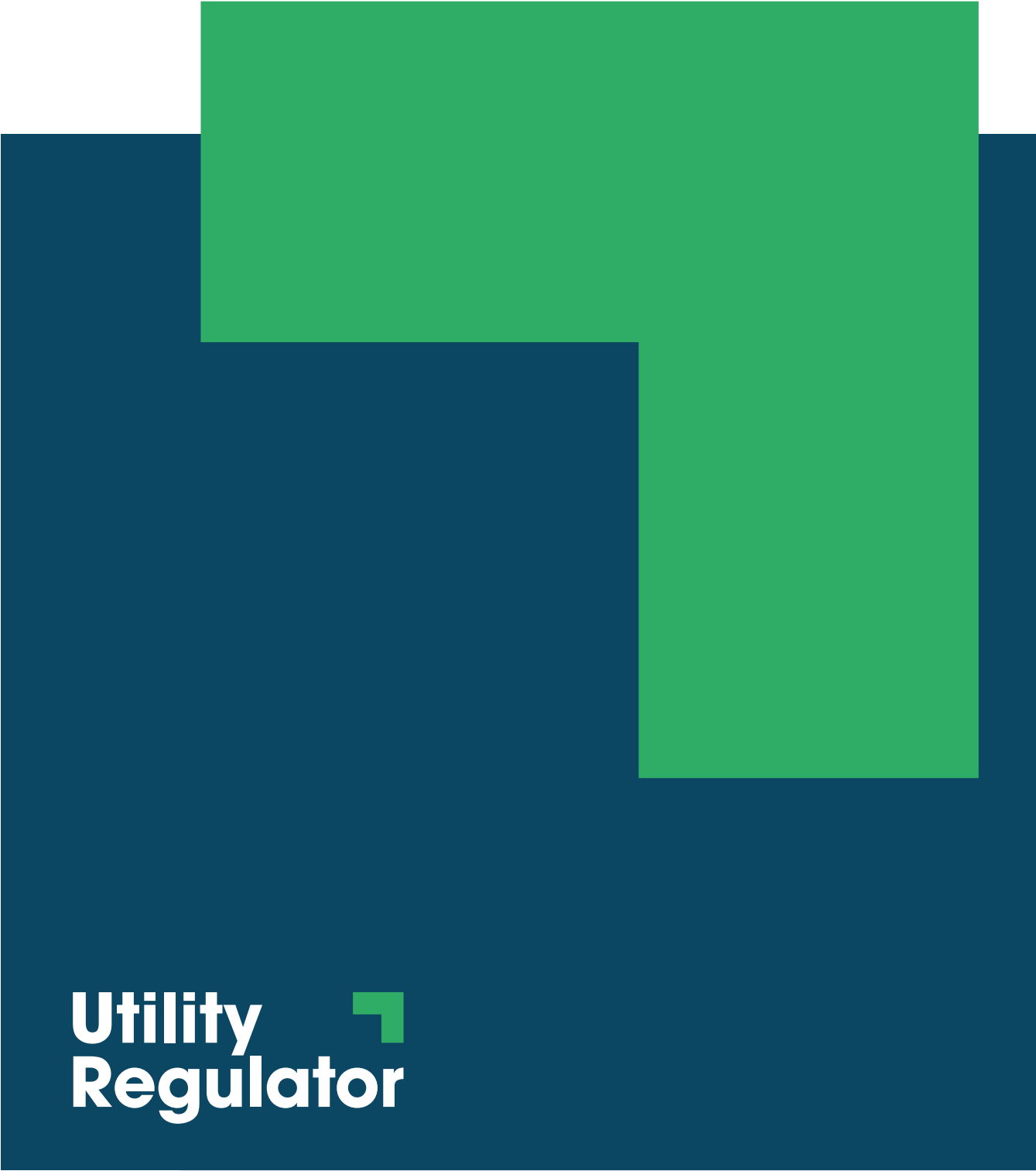


If you are a small business worried about your energy bills, struggling to pay or already in debt, please contact your electricity or gas supplier as soon as possible to discuss your circumstances and the options available to you.

You can also check tariff information on suppliers' websites and see whether a better deal is available.

Further information and advice for small business energy consumers is available on our website.

4 [CPP 2024-2029 Decision Paper.pdf](#)



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