

Survey Reveals UK SMEs Plan To Reduce Costs in 2017 Fearing Brexit and Trump

Submitted by: Receptional

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Brexit has sparked the urge for businesses to cut back. Rising costs, uncertainty and financial concerns force UK SMEs to prioritise cost reduction over expansion and developing skills.

- 58% of UK SMEs will Prioritise Reducing Costs in 2017
- Brexit, Rising Costs and Donald Trump named as challenges businesses expect to face in 2017
- 28% of SME owners' plan a New Year's Resolution to get a healthier work life balance

A recent survey by alternative finance provider, Liberis (<http://www.liberis.co.uk>), reveals that 58% of UK SMEs will be prioritising reducing costs in the New Year. Business owners prioritised reducing costs (<https://www.liberis.co.uk/blog/2017-Liberis-UK-SME-Survey>) over expanding their business or developing the skills of their staff.

Survey respondents also mentioned Brexit, rising costs and Donald Trump as challenges that their businesses expect to face in 2017, which may explain why business owners and managers plan to reduce costs next year. One respondent said that they need 'Better prices to survive'.

Which type of businesses plan to reduce costs?

The sector that prioritised 'reducing costs' above everything else was the retail sector making up 21% of the 58% that selected this as their main concern for 2017. In contrast, a majority of those in the automotive sector stated that to 'develop staff skills', was their main priority for 2017.

When broken down by size of business, the smaller SMEs (1-49 employees) are looking to reduce costs next year, whereas those with 50+ employees are keen to 'develop staff skills' as their priority in 2017.

Trump and Brexit named as main challenges to SMEs

When asked what challenges they expect to face in 2017 many listed Brexit, with some even considering the new American President-elect, Donald Trump, as a potential challenge.

These challenges, along with a focus on cost reduction, suggest that after facing a problematic 2016, businesses are being cautious when entering 2017. Of those that listed Brexit as their main challenge for 2017, 61% were aged over 45 years old and 84% of were male respondents.

The most popular challenge mentioned in the survey however, was competition. 86% of those that listed this as their greatest challenge of 2017 were businesses made up of 1-10 employees across several different sectors, including property, hospitality, finance and technology.

Top New Year's Resolution

The survey revealed that 28% of SME owners' top work-related New Year's Resolutions was to 'gain a better work life balance'.

Of those that listed this as their New Year's Resolution, 24% of them were Millennials in the 25-34 year old age bracket with 25% of them being in the hospitality industry.

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About Liberis

Traditional lending simply doesn't reflect the nature of small businesses. So, on a mission to do things differently, and to do things better - Liberis was the first company to offer a Business Cash Advance in the UK. This has completely changed the way lending works for thousands of their customers, providing access to over GBP 120m of funding since 2007.

It's a fairer and more flexible way to borrow, allowing SMEs to repay the money they need by taking a small percentage of their credit/debit card transactions. Keen to continue being different to banks, Liberis have no arrangement or penalty fees, and the cost never changes. So not only does this keep their payments in line with their cash flow, it also frees them from traditional finance, fixed monthly repayments, and nasty surprises.

Backed by the UK Government owned, British Business Bank, customers have the added reassurance of dealing with a lender they can trust. This shows by the fact that 9/10 customers would recommend using Liberis and customer feedback is 98% positive!

Further information:

- Liberis is the UK's first provider of business cash advances.
- Liberis has advanced funds for more than 3,500 businesses since 2007.
- Approves more than 80 per cent of applications.
- Liberis have advanced over GBP 120m to thousands of small businesses.

Website: <http://www.liberis.co.uk>

Survey Methodology

The 'What are SME owners' New Year's Resolutions and plans for their business in 2017 (<https://www.liberis.co.uk/blog/2017-Liberis-UK-SME-Survey>)' was compiled by asking 200 owners or managers of small and medium enterprises in the UK. Respondents were asked six questions about their plans for 2017 including their main priority, resolution and the challenges that they expect to face. Liberis then analysed the results.

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