

**The Shell Springboard Report**

**Small business  
attitudes to the  
opportunity of  
climate change**

**Published October 2005**



# Introduction

The Shell Springboard Report is a timely investigation into the attitudes of small businesses in the UK towards climate change.

It follows the launch of the Shell Springboard fund – a pilot programme offering cash awards to small businesses with innovative products and services that help to reduce greenhouse gas emissions.

The idea behind Shell Springboard is that society's need to reduce emissions can be seen as a great business opportunity – and not just for big business. After all, there are over 4 million small businesses in the UK, who are full of ideas and entrepreneurial spirit.

The Shell Springboard Report underlines the need for such initiatives. It shows that, although small businesses believe climate change is a reality and think we should act to combat it, they are unsure how it relates to the business context. They see the business opportunity in products and services that reduce greenhouse gas emissions, yet struggle to see how their own businesses can take advantage of that opportunity.

This research was undertaken to help drive forward the debate on the role of small business in combating climate change.

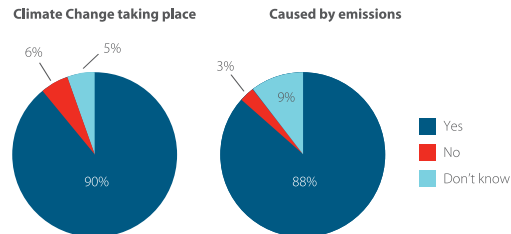
# Key Findings

## 1. Climate Change Is Happening and We Should Act, but Is it a Business Issue?

The overwhelming majority of small and medium-sized enterprises (SMEs) believe that climate change is a reality and is caused by emissions from burning fossil fuels. They believe we should try to limit our energy use.

### Views on Climate Change

a) Do you think climate change is taking place?  
b) Do you think that it is caused by emissions from burning fossil fuels - coal, oil and natural gas?



Base: 200 SMEs, August/September 2005

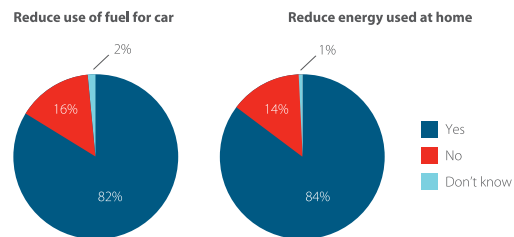
Base: 175 SMEs, who think climate change is taking place

- 90% say climate change is taking place
- 88% of these say it is caused by emissions from burning coal, oil and natural gas
- 92% think we should try to limit our use of fossil fuels rather than simply accepting climate change
- 82% say they would be willing to reduce the fuel their family uses in a private car
- 84% say they would be willing to reduce energy use at home

### Personal Responses to Climate Change

In order to save energy, would you personally be willing to reduce the amount of:

a) fuel your family uses in a private car?  
b) energy you use at home?



Base: 200 SMEs, August/September 2005

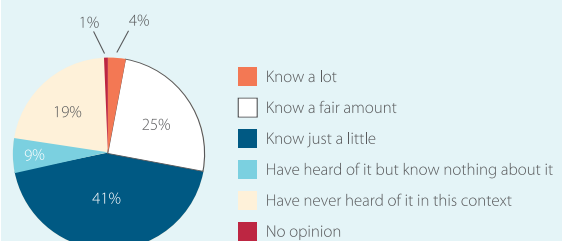
Base: 200 SMEs, August/September 2005

However, they are not clear how the issue relates to their business.

- Roughly two thirds (69%) know little or nothing about the issue of climate change in relation to their own business. Around one third (29%) know a lot or a fair amount.

### Climate Change as a Business Issue

How much, if anything, would you say you personally know about the issue of climate change in the context of your business?



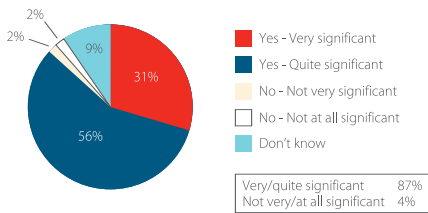
Base: 200 SMEs, August/September 2005

## 2. Yes, Climate Change Is an Opportunity for UK Business

There is an overwhelming belief among UK SMEs that products and services to help reduce greenhouse gas emissions ('climate-friendly') offer a significant business opportunity. They think there is money to be made, demand will increase and UK businesses are in a good position to do well.

### Market for Climate-friendly Products/Service

Over the next five to ten years, do you think the market for climate-friendly products and services presents a significant opportunity for British business?

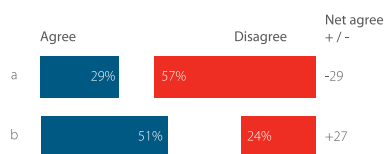


Base: 200 SMEs, August/September 2005

- 87% of SMEs say that 'climate-friendly' products and services represent a very or quite significant opportunity for UK business over the next ten years. Almost none (only 4%) say it is not very or not at all significant.
- 95% expect the demand for 'climate-friendly' products and services to increase
- Nine in ten (90%) say there is money to be made from 'climate-friendly' products and services
- 68% don't think it's true that UK consumers are not interested in climate change
- 57% believe most UK companies have the technical skill to develop 'climate-friendly' products and services
- Just over half (51%) agree that UK businesses are better placed than those in many other countries to develop 'climate-friendly' products and services

### Potential for British Business

How far do you agree that:  
a) most British companies do not have the technical skill to develop climate-friendly products and services?  
b) British businesses are better placed than businesses in many other countries to develop climate-friendly products and services?



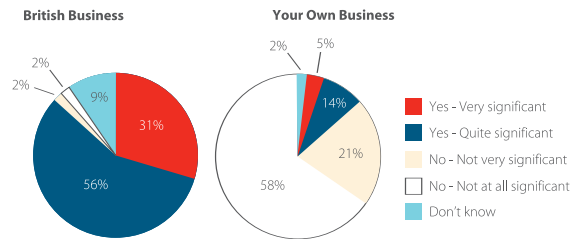
Base: 200 SMEs, August/September 2005

## 3. But Not an Opportunity for Me

Although the vast majority of respondents see a business opportunity in climate-friendly products, far fewer are convinced of the opportunity for their own particular business. Many struggle to see the relevance. When it comes to their own companies, SMEs are more likely to think of climate change as a burden and many think their business is too small to make an impact.

### Market for 'Climate-friendly' Products/Services

Over the next five to ten years, do you think the market for climate-friendly products and services presents a significant opportunity for:

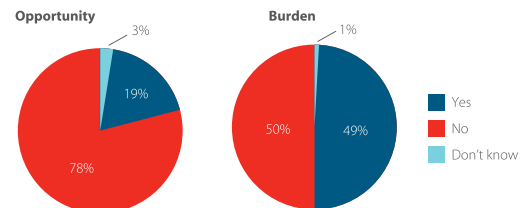


- Whereas 87% see 'climate-friendly' products and services as a significant opportunity for UK business in general, only 19% think it is a significant opportunity for their own business
- 18% are planning to introduce a new 'climate-friendly' product or service within the next five years

75% of those who are not planning to do so say it is because 'climate-friendly' products and services are not relevant to their business

### Climate Change: Opportunity or Burden?

For your business, do you see climate change as:  
a) an opportunity to profit from new products or services?  
b) a burden in the form of increased regulation, taxes and risk?



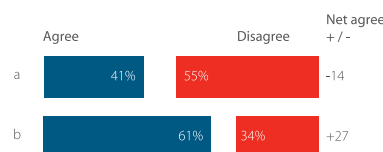
Base: 200 SME, August/September 2005

Base: 200 SME, August/September 2005

- Half the respondents view climate change as a burden for their business in the form of increased regulation, taxes and risk
- Four in ten (41%) say climate change is nothing to do with them or their company
- Six in ten (61%) say their company is too small to have an impact on climate change

### Perceived Relevance of Climate Change

How far do you agree that:  
a) climate change is nothing to do with me or my company?  
b) my company is too small to have an impact on climate change?



Base: 200 SMEs, August/September 2005

\* For ease, the phrase 'climate-friendly' was used in this research. Time was taken, however, to discuss this shorthand with respondents and clarify that it meant products and services that will lead to greenhouse gas reductions.

## About the Research

The Shell Springboard Report is based on research conducted by MORI on behalf of Shell during August and September 2005. Telephone interviews took place with 200 SME business-people throughout the UK. For the purposes of the research, SMEs were defined as companies employing 250 people or fewer. The findings were weighted to reflect the national profile of SMEs in terms of number of employees and region. NB: this means that around three-quarters of the weighted sample employ between one and five people.

All respondents had either sole or joint responsibility for the management and future direction of their companies.

## About Shell Springboard

The Shell Springboard fund is a UK pilot programme offering a financial boost to UK SMEs with compelling plans for a product or service, which:

- Will lead to greenhouse gas reductions
- Is commercially viable
- Is innovative

Judging will be carried out by three regional panels of independent experts covering the whole of the UK. They will be looking for ideas which not only have the potential to break new ground, but also have sound financial planning and market understanding behind them.

Awards of between £20,000 and £40,000 will be made in early 2006 and six businesses will then be chosen for further recognition. These SMEs will meet a national panel of judges, chaired by Lord Oxburgh, and compete to be named overall UK winner.

The deadline for applications is 4 November 2005.



**MORI**

For further information about Shell Springboard visit [www.shellspringboard.org](http://www.shellspringboard.org) or contact the Shell Springboard team on 020 7733 7428 / [enquiries@shellspringboard.org](mailto:enquiries@shellspringboard.org)