

Statistical bulletin

Business insights and impact on the UK economy: 20 February 2025

The impact of challenges facing the economy and other events on UK businesses, including financial performance, workforce, trade, and business resilience.

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1 . Main points

- Approximately one in six (16%) trading businesses reported that their turnover had increased in January 2025 compared with the previous calendar month, up 2 percentage points from December 2024; the proportion that reported a decrease (28%) fell by 2 percentage points over the same period, in line with movements seen at this time of the year in 2023 and 2024.
- More than one in five (22%) trading businesses reported that they expect their turnover to increase in March 2025, up 5 percentage points compared with February 2025; conversely, 13% reported that they expect their turnover to decrease, down 6 percentage points over the same period, but in line with expectations seen at this time in previous years.
- More than a quarter (28%) of trading businesses reported an increase in the prices of goods or services bought in January 2025 when compared with December 2024, up 4 percentage points from the previous month, and the largest proportion reported since July 2023.
- More than 1 in 10 (13%) trading businesses reported an increase in the prices of goods or services sold in January 2025 when compared with December 2024, up 5 percentage points from the previous month, and the largest proportion reported since April 2024.
- More than 4 in 10 (46%) trading businesses reported they were not considering raising prices in March 2025, broadly stable with February 2025; labour costs continued to be reported as the main reason for businesses considering raising prices, at 28%.
- When looking ahead to March 2025, 65% of businesses reported having some form of concern for their business, broadly stable with February 2025; the most-reported main concern continues to be falling demand for goods and services, at 18%.

These are official statistics in development, and we advise caution when using the data. The Business Insights and Conditions Survey (BICS) questions and topics are regularly reviewed, and questions are often added, removed, or amended to reflect changing circumstances and analytical priorities.

2 . Headline figures

The data presented in this bulletin are the final results from Wave 126 of the Business Insights and Conditions Survey (BICS), which was live from 3 to 16 February 2025.

Data reported within BICS bulletins and datasets are estimates that are subject to [uncertainty](#), for example, sampling variability and [non-sampling error](#). Further information on quality is available in our [Business Insights and Conditions Survey Quality and Methodology Information \(QMI\)](#), and we regularly update [confidence intervals](#) associated with the survey questions.

Single-site weighted regional estimates up to Wave 118 are available in our [Business insights and impact on the UK subnational single-site economy: November 2024 article](#).

More about economy, business and jobs

- Explore the latest trends in employment, prices and trade in our [economic dashboard](#).
- View [all economic data](#).

The percentage of businesses that reported they were trading in early February 2025 was 95%, with 86% fully trading and 9% partially trading (for example, trading with reduced hours or staff numbers). Meanwhile, 3% of businesses reported "temporarily paused trading", and 2% reported "permanently ceased trading" as their business's trading status.

3 . Financial performance

Turnover

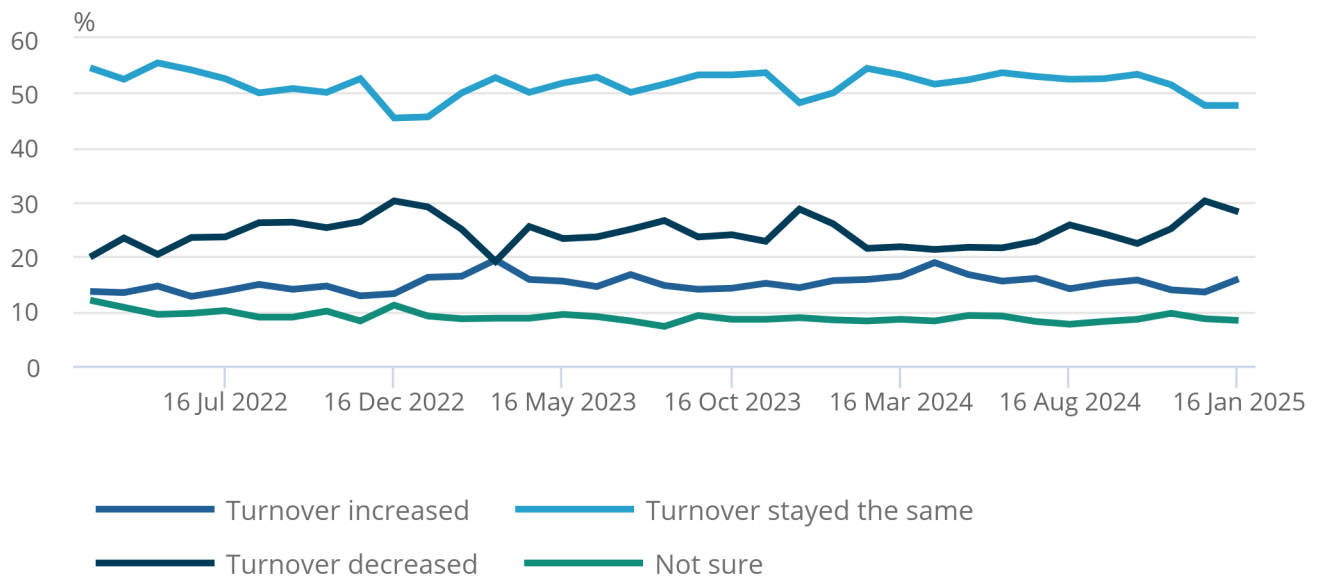
Trading businesses were asked how their turnover in January 2025 compared with December 2024, excluding any seasonal trading.

Figure 1: Nearly three in ten (28%) trading businesses reported that their turnover had decreased in January 2025 compared with December 2024

Impact on turnover, businesses currently trading, weighted by count, UK, 1 March 2022 to 31 January 2025

Figure 1: Nearly three in ten (28%) trading businesses reported that their turnover had decreased in January 2025 compared with December 2024

Impact on turnover, businesses currently trading, weighted by count, UK, 1 March 2022 to 31 January 2025



Source: Business Insights and Conditions Survey from the Office for National Statistics

Notes:

1. Data are plotted in the middle of the period of each wave.

The percentage of trading businesses that reported their turnover had decreased in January 2025 was 28%, compared with the previous calendar month, down 2 percentage points compared with December 2024. Over the same period, 16% reported their turnover had increased, up 2 percentage points, while 48% reported their turnover had stayed the same.

Looking at year-on-year comparisons, the proportion of businesses who reported either increases or decreases in their turnover has followed a similar trend for this time of year.

In early February 2025, nearly 3 in 10 trading businesses (29%) reported that economic uncertainty is currently having an impact on their turnover. This is broadly stable with early January 2025, but the largest proportion of businesses to report this since January 2023 (32%). The retail estate activities industry reported the highest proportion of businesses being affected by this, at 51%.

For businesses with 10 or more employees, the cost of labour (35%) was reported as the main challenge, broadly stable with early January 2025. The accommodation and food service activities industry had the highest proportion of businesses reporting this as one of their top challenges, at 59%.

Despite this, 31% of all trading businesses indicated that they were not currently experiencing any turnover challenges. This is also broadly stable with early January 2025.

Turnover expectations

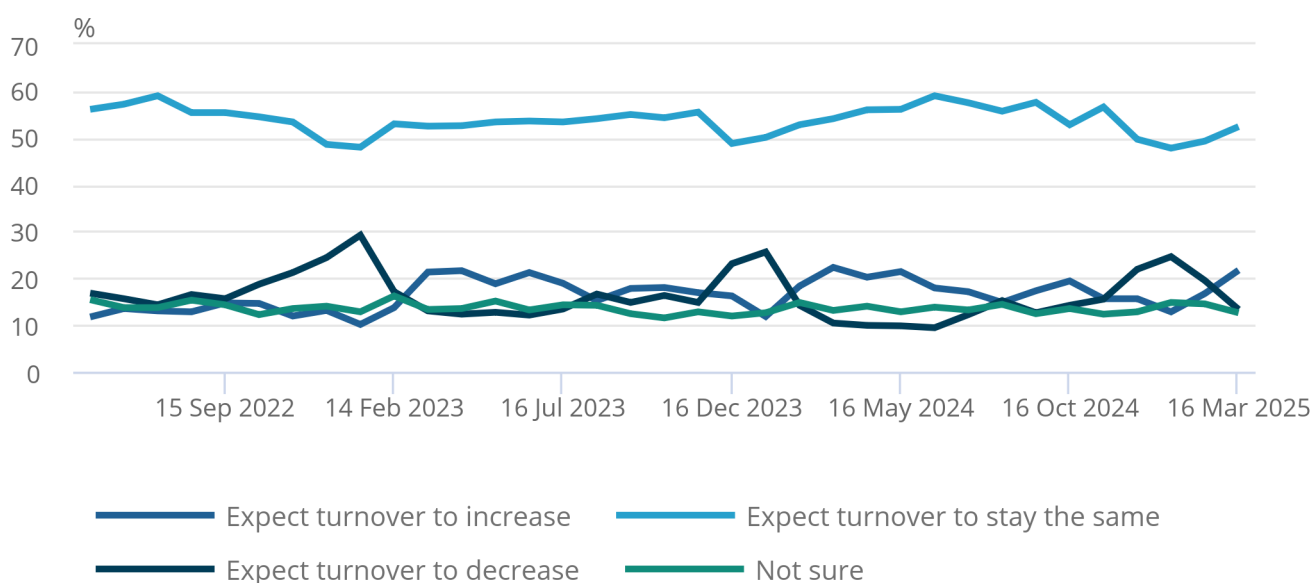
Trading businesses were asked about their turnover expectations for March 2025, excluding any seasonal trading.

Figure 2: More than one in five (22%) trading businesses reported that they expect their turnover to increase in March 2025

Turnover expectations, businesses currently trading, weighted by count, UK, 1 April 2022 to 31 March 2025

Figure 2: More than one in five (22%) trading businesses reported that they expect their turnover to increase in March 2025

Turnover expectations, businesses currently trading, weighted by count, UK, 1 April 2022 to 31 March 2025



Source: Business Insights and Conditions Survey from the Office for National Statistics

Notes:

1. Caution should be taken when interpreting expectations questions as the employees responding on behalf of businesses may not have full oversight of all their business's future expectations.
2. Data are plotted in the middle of the period of each wave.

When looking ahead to March 2025, 22% of trading businesses expect their turnover to increase, a rise of 5 percentage points from expectations for February 2025. Conversely, 13% of businesses expect a decrease in turnover, a decline of 6 percentage points over the same period.

When comparing data from previous years, there is a consistent pattern of more optimistic turnover expectations at this time of year, with a higher proportion of businesses expecting an increase in turnover and a lower proportion expecting a decrease. The data show that businesses expect to experience increased difficulties related to turnover in November, December, and January, but are then more optimistic that their turnover will increase in February and March.

Further details on financial performance, including all response options broken down by industry and size band, are available in our [accompanying dataset](#).

Domestic demand

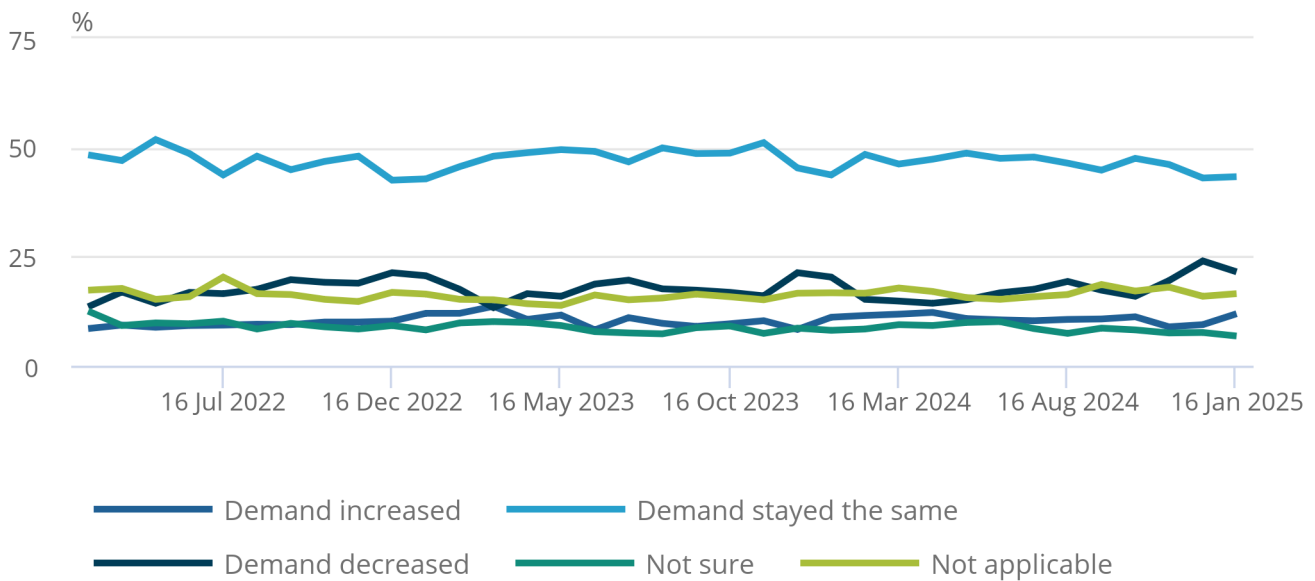
Trading businesses were asked how domestic demand for goods and services in January 2025 compared with the previous calendar month.

Figure 3: 22% of trading businesses reported a decrease in domestic demand compared with the previous month

Domestic demand, businesses currently trading, broken down by industry, weighted by count, UK, 1 March 2022 to 31 January 2025

Figure 3: 22% of trading businesses reported a decrease in domestic demand compared with the previous month

Domestic demand, businesses currently trading, broken down by industry, weighted by count, UK, 1 March 2022 to 31 January 2025



Source: Business Insights and Conditions Survey from the Office for National Statistics

Notes:

1. Data are plotted in the middle of the period of each wave.

In early February 2025, 22% of businesses reported a decrease in domestic demand for goods and services in January 2025 compared with the previous calendar month. Although this is down 3 percentage points from December 2024, it is still a higher proportion than any other period since the question was first introduced in March 2022. There was a 12% rise in the proportion of businesses who reported increased domestic demand (up three percentage points from December 2024).

4 . Prices

Prices bought and prices sold

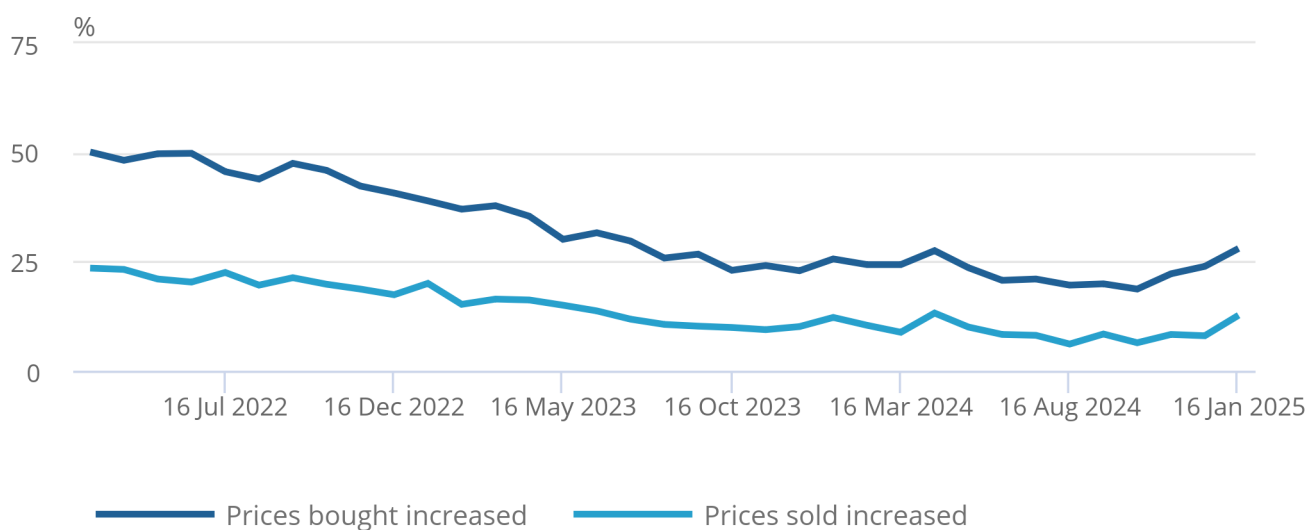
Businesses that had not permanently ceased trading were asked how the prices of goods or services they bought and sold in January 2025 compared with December 2024.

Figure 4: More than a quarter (28%) of trading businesses reported an increase in the prices of goods or services bought in January 2025 compared with December 2024

Prices bought and sold increased, businesses currently trading, broken down by response option, weighted by count, UK, 1 March 2022 to 31 January 2025

Figure 4: More than a quarter (28%) of trading businesses reported an increase in the prices of goods or services bought in January 2025 compared with December 2024

Prices bought and sold increased, businesses currently trading, broken down by response option, weighted by count, UK, 1 March 2022 to 31 January 2025



Source: Business Insights and Conditions Survey from the Office for National Statistics

Notes:

1. For presentational purposes, some response options have been removed.
2. Data are plotted in the middle of the period of each wave.

Latest estimates suggest a steady rise in the percentage of businesses who reported an increase in the prices of goods or services bought, with 28% of businesses reporting an increase in January 2025. When compared with October and December 2024, this is up 9 and 4 percentage points, respectively, and the largest proportion reported since July 2023.

More than 1 in 10 (13%) trading businesses reported an increase in the prices of goods or services sold in January 2025 compared with December 2024. This is up 5 percentage points from December 2024, and is the largest proportion reported since April 2024.

The relatively consistent relationship between reported increases in prices bought and sold over time suggests that businesses are raising their prices in response to higher prices they have experienced, while still absorbing some of those higher costs themselves.

Price expectations

The percentage of businesses that expect to raise the prices of goods or services they sell in March 2025 is 18%, down 2 percentage points compared with February 2025.

The proportion of businesses who reported that they expect prices to stay the same is also broadly stable at 57% over the same period. Meanwhile, 2% of businesses expected prices to decrease, broadly stable with February 2025. These findings are all broadly in line with expected rises reported in March 2024.

Price-raising factors

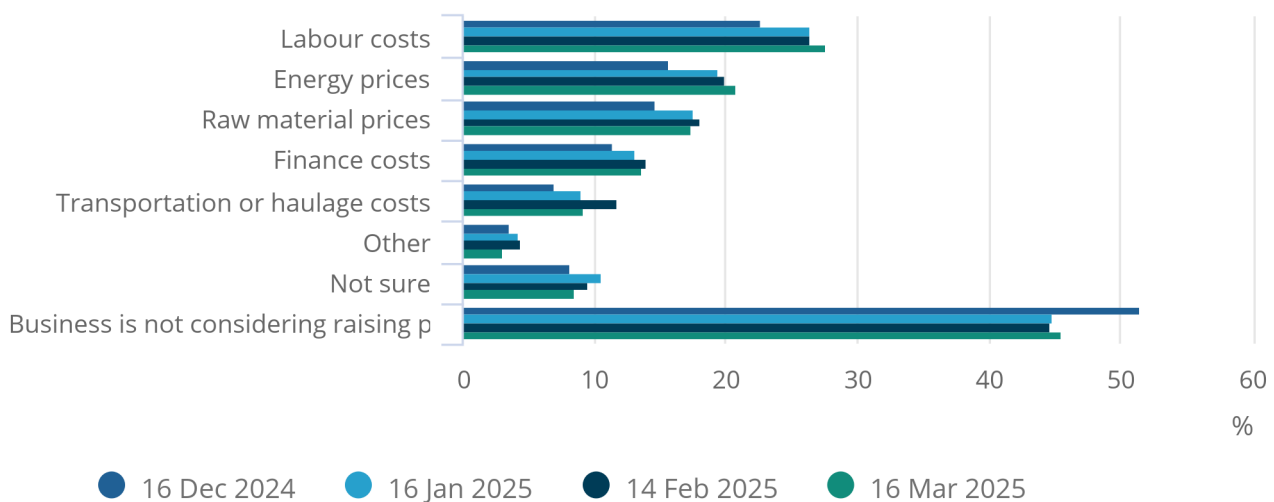
Businesses that had not permanently ceased trading were asked which factors, if any, were causing their business to consider raising prices in March 2025.

Figure 5: More than a quarter (28%) of trading businesses cited labour costs as a reason for considering raising prices in March 2025

Price-raising factors, businesses currently trading, weighted by count, UK, 1 December 2024 to 31 March 2025

Figure 5: More than a quarter (28%) of trading businesses cited labour costs as a reason for considering raising prices in March 2025

Price-raising factors, businesses currently trading, weighted by count, UK, 1 December 2024 to 31 March 2025



Source: Business Insights and Conditions Survey from the Office for National Statistics

Notes:

1. Data are plotted in the middle of the period of each wave.

When asked in early February 2025, labour costs were the most reported reason for trading businesses considering raising their prices in March 2025, at 28%. This is broadly stable with February 2025, yet also the largest proportion to report this since the question was introduced. Some businesses commented that the increase in business national insurance (NI) contributions and the national living wage were contributing factors to this.

The other most reported reasons were:

- energy prices (21%), broadly stable with February 2025
- raw material prices (17%), broadly stable with February 2025
- finance costs (14%), broadly stable with February 2025

The percentage of businesses not considering raising prices has steadily fallen, from 54% in October 2024 to 45% in February 2025, with a slight increase to 46% in March 2025.

Further details on prices, including all response options broken down by industry and size band, are available in our [accompanying dataset](#).

5 . Workforce

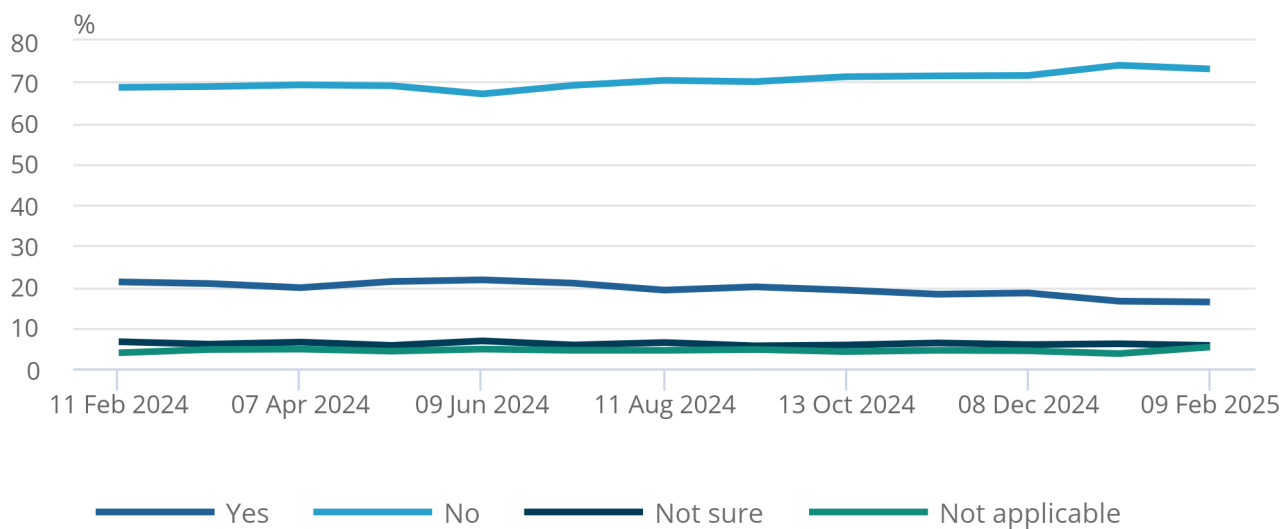
Businesses that had not permanently stopped ceased trading were asked whether they were currently experiencing worker shortages.

Figure 6: Approximately one in six (16%) businesses with 10 or more employees reported having worker shortages in early February 2025

Worker shortages, businesses not permanently stopped trading with 10 or more employees, weighted by count, UK, 5 February 2024 to 16 February 2025

Figure 6: Approximately one in six (16%) businesses with 10 or more employees reported having worker shortages in early February 2025

Worker shortages, businesses not permanently stopped trading with 10 or more employees, weighted by count, UK, 5 February 2024 to 16 February 2025



Source: Business Insights and Conditions Survey from the Office for National Statistics

Notes:

1. Data are plotted in the middle of the period of each wave.

The proportion of businesses with 10 or more employees reporting worker shortages remained broadly stable in early February 2025, at 16%. However, this was the lowest proportion to report this since the question was introduced.

When asked in early February 2025, the industries with the highest proportion of businesses with 10 or more employees experiencing worker shortages were:

- the human health and social work activities industry (25%)
- the construction industry (24%)
- the other service activities industry (22%)

The human health and social work activities and construction industries were both broadly stable with January 2025. The other service activities industry saw a fall of 3 percentage points over the same period.

Further details on worker shortages, including all response options broken down by industry and size band, are available in our [accompanying dataset](#).

6 . Business concerns

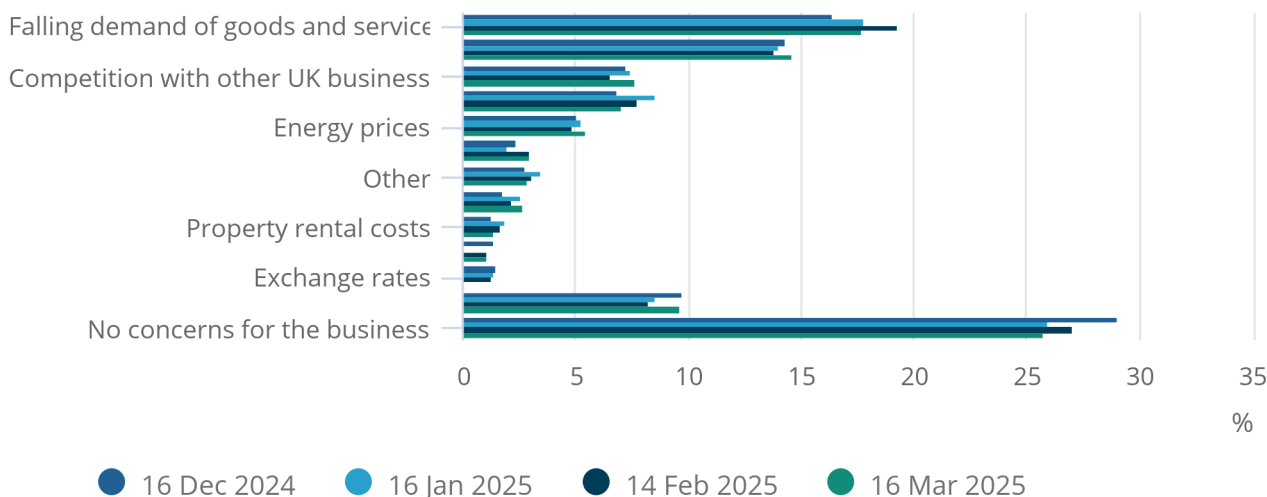
Businesses that had not permanently ceased trading were asked what the main concern for their business was when looking ahead to March 2025.

Figure 7: Almost two-thirds (65%) of businesses reported some form of concern for their business when looking ahead to March 2025

Business concerns, businesses that have not permanently ceased trading, categorized by response option, weighted by count, UK, 1 December 2024 to 31 March 2025

Figure 7: Almost two-thirds (65%) of businesses reported some form of concern for their business when looking ahead to March 2025

Business concerns, businesses that have not permanently ceased trading, categorized by response option, weighted by count, UK, 1 December 2024 to 31 March 2025



Source: Business Insights and Conditions Survey from the Office for National Statistics

Notes:

1. Data are plotted in the middle of the period of each wave.
2. Businesses were asked for their main concern; this does not mean they do not have any other concerns for their business.

When looking ahead to March 2025, 65% of businesses have some form of concern for their business, broadly stable with February 2025.

The three main concerns reported by businesses for March 2025 were:

- falling demand of goods and services (18%), with the wholesale and retail trade; repair of motor vehicles and motorcycles industry reporting the highest proportion, at 24%
- taxation (15%), the largest proportion to report this since the question was introduced, with the education industry (private sector and higher education businesses only) reporting the highest proportion, at 27%
- competition with other UK businesses (8%), with the education industry (private sector and higher education businesses only) reporting the highest proportion, at 23%

The percentage of businesses that reported no concerns for March 2025 was 26%, broadly stable with February 2025.

Further details on business concerns, including all response options broken down by industry and size band, are available in our [accompanying dataset](#).

7 . Business performance

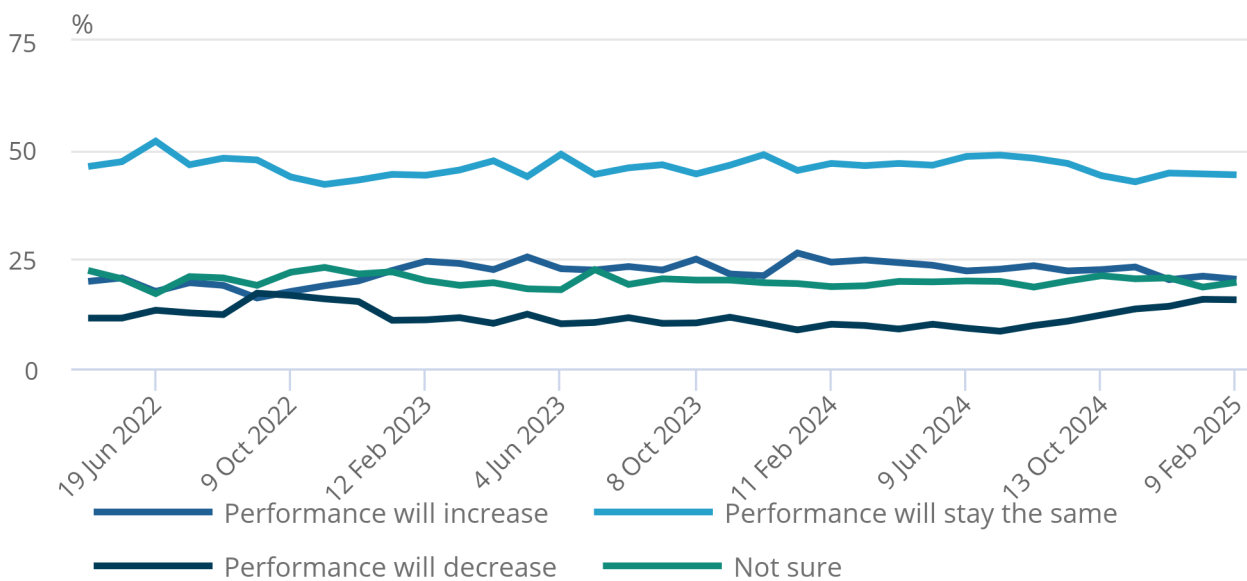
Businesses that had not permanently stopped ceased trading were asked how they expect their overall performance to change over the next 12 months.

Figure 8: Approximately one in five (20%) trading businesses reported they expect their overall performance to increase in the next 12 months

Business performance expectations, businesses currently trading, broken down by industry, weighted by count, UK, 19 April 2022 to 16 February 2025

Figure 8: Approximately one in five (20%) trading businesses reported they expect their overall performance to increase in the next 12 months

Business performance expectations, businesses currently trading, broken down by industry, weighted by count, UK, 19 April 2022 to 16 February 2025



Source: Business Insights and Conditions Survey from the Office for National Statistics

Notes:

1. Caution should be taken when interpreting expectations questions as the employees responding on behalf of businesses may not have full oversight of all their business's future expectations.
2. Data are plotted in the middle of the period of each wave.

Approximately one in five (20%) trading businesses reported that they expect their overall performance to increase over the next 12 months, broadly stable with expectations from early January 2025.

The proportion expecting their performance to decrease was 16%. Although this is broadly stable with early January 2025, it has seen a steady increase of 7 percentage points from early July 2024. Those expecting their performance to stay the same was 44%, broadly stable compared with early January 2025.

Further details on business performance, including all response options broken down by industry and size band, are available in our [accompanying dataset](#).

8 . Business Insights and Conditions Survey data

[Business insights and impact on the UK economy](#)

Dataset | Released 20 February 2025

Weighted estimates from the voluntary fortnightly Business Insights and Conditions Survey (BICS) about financial performance, workforce, prices, trade, and business resilience. This dataset includes additional information collected as part of the survey not presented in this publication. These are official statistics in development.

[Business insights and impact on the UK economy confidence intervals](#)

Dataset | Released 20 February 2025

Confidence intervals for weighted estimates from the voluntary fortnightly Business Insights and Conditions Survey (BICS) about financial performance, workforce, prices, trade, and business resilience. These are official statistics in development.

Access to microdata

You can access the microdata for Waves 1 to 125 of the Business Insights and Conditions Survey (BICS) through the Secure Research Service (SRS). The BICS microdata for each wave are released on a rolling basis in the week following the publication of each wave. The microdata are made confidential and do not disclose information on any specific business.

Only researchers accredited under the [Digital Economy Act, as explained on the UK Statistics Authority website](#) are able to access data in the SRS. You can apply for accreditation through the [Research Accreditation Service \(RAS\)](#). You need to have relevant academic or work experience and must successfully attend and complete the assessed Safe Researcher Training.

To conduct analysis with microdata from the SRS, a project application must be submitted to the [Research Accreditation Panel \(RAP\), as explained on the UK Statistics Authority website](#). To access the SRS, you must also work for an organisation with an Assured Organisational Connectivity agreement in place.

9 . Glossary

Reporting unit

The reporting unit is the business unit to which questionnaires are sent. The response from the reporting unit can cover the enterprise as a whole, or parts of the enterprise identified by lists of local units.

10 . Data sources and quality

More quality and methodology information (QMI) on strengths, limitations, appropriate uses, and how the data were created is available in our [Business Insights and Conditions Survey \(BICS\) QMI](#), which was updated on 10 October 2024.

The BICS is voluntary, and the results are official statistics in development. More information is available in our [Guide to official statistics in development](#).

Table 1: Sample and response rates for Wave 124, 125 and 126 of the Business Insights and Conditions Survey

Wave	23 January 2025 Publication Wave 124	6 February 2025 Publication Wave 125	20 February 2025 Publication Wave 126
Sample	39,578	39,320	39,194
Response	10,483	10,803	10,569
Rate	26.5%	27.5%	27.0%

Source: Business Insights and Conditions Survey from the Office for National Statistics

Notes

1. Response rates for all waves can be found in the accompanying dataset.

The results are based on responses from the voluntary fortnightly BICS, which captures businesses' views on financial performance, workforce, prices, trade, and business resilience. The Wave 126 survey was live from 3 February to 16 February 2025. For full details of the survey questions used, see our [Business Insights and Conditions Survey questions: 3 February to 16 February 2025 article](#).

Coverage

The BICS sampling frame is based on the same industries as our Monthly Business Survey (MBS). The MBS covers the UK for production industries only, and Great Britain for construction, retail, and services industries. The MBS is an important input to the output measure of gross domestic product (GDP), which includes monthly GDP.

For detailed information on the industries covered by the MBS and BICS, see our [GDP\(o\) data sources catalogue](#). The following are some industries that are excluded from MBS and BICS:

- agriculture
- oil and gas extraction
- energy generation and supply
- public administration and defence
- public provision of education and health
- finance and insurance

For more information on the methodology of producing the BICS, such as [weighting](#), please see our BICS QMI.

11 . Related links

[Economic activity and social change in the UK, real-time indicators: 20 February 2025](#)

Bulletin | Updated frequently

Early data on the UK economy and society. These faster indicators are created using rapid response surveys, novel data sources, and innovative methods. These are official statistics in development.

[Business insights and impact on the UK subnational single-site economy: November 2024](#)

Article | Released 5 November 2024

Estimates from the voluntary fortnightly business survey (BICS) on prices, financial performance, workforce, and business resilience.

12 . Cite this statistical bulletin

Office for National Statistics (ONS), released 20 February 2025, ONS website, statistical bulletin, [Business insights and impact on the UK economy: 20 February 2025](#)