

Statistical bulletin

Business insights and impact on the UK economy: 23 January 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

- Around 3 in 10 (30%) trading businesses reported that their turnover had decreased in December 2024 compared with the previous calendar month, up 5 percentage points from the proportion reported for November 2024, and the highest proportion reported since December 2022; in contrast, 14% reported their turnover was higher, broadly stable from last month.
- Around 1 in 5 (20%) trading businesses reported that they expect their turnover to decrease in February 2025, down 5 percentage points from expectations for January 2025; conversely, 17% reported that they expect their turnover to increase in February 2025, up 4 percentage points over the same period.
- In early January 2025, 62% of trading businesses reported that they were experiencing at least one challenge that was having an impact on their turnover, broadly stable from early December 2024; the most reported challenge was economic uncertainty at 28%.
- Around 1 in 5 (20%) trading businesses reported that they expect to raise the prices of goods or services they sell in February 2025, broadly stable with January 2025, but up 10 percentage points from expectations for December 2024; 26% cited labour costs as a reason for considering raising prices, broadly stable from January 2025.
- In early January 2025, 16% of trading businesses with 10 or more employees reported that they were currently experiencing worker shortages, the lowest proportion since the question was introduced in October 2021.
- Nearly 1 in 5 (18%) trading businesses with 10 or more employees reported that they had experienced recruitment difficulties in December 2024; this is the lowest proportion reported since the question was introduced in March 2022.

These are [official statistics in development](#), and we advise caution when using the data. The 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 124 of the Business Insights and Conditions Survey (BICS), which was live from 6 to 19 January 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 January 2025 was 93%, with 83% fully trading and 10% partially trading (for example, trading with reduced hours or staff numbers). Meanwhile, 5% of businesses reported “temporarily paused trading” and 2% reported “permanently ceased trading” as their business’s trading status.

3 . Financial performance

Turnover

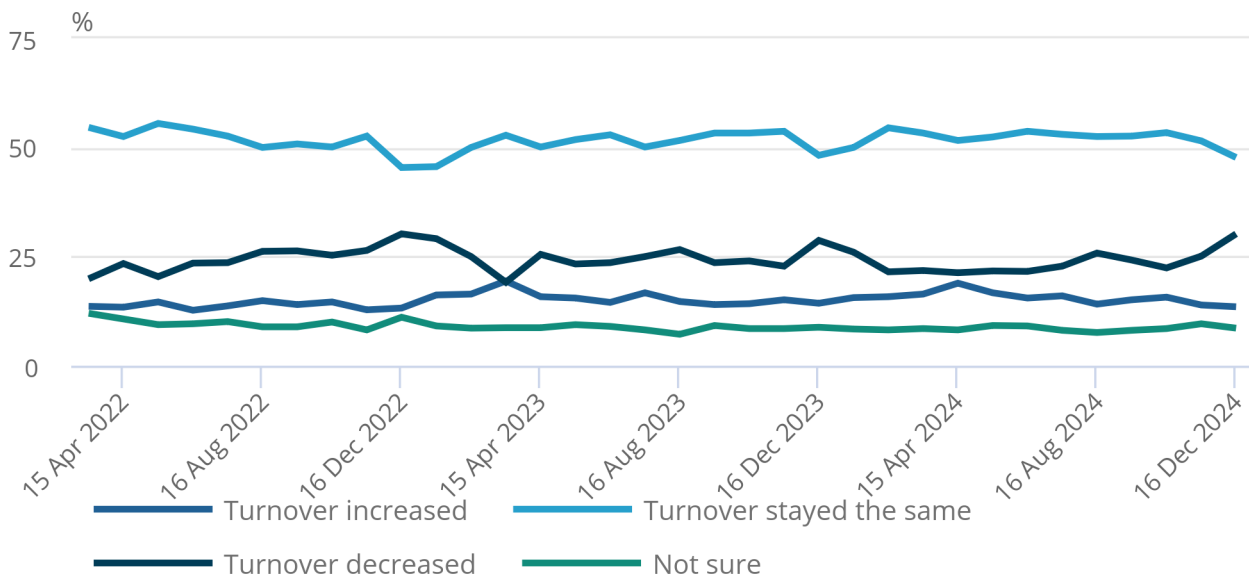
Trading businesses were asked how their turnover in December 2024 compared with November 2024, excluding any seasonal trading.

Figure 1: Around 3 in 10 (30%) of trading businesses reported that their turnover had decreased in December 2024 compared with November 2024

Impact on turnover, businesses currently trading, weighted by count, UK, 1 March 2022 to 31 December 2024

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Impact on turnover, businesses currently trading, weighted by count, UK, 1 March 2022 to 31 December 2024



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.

Around 3 in 10 (30%) trading businesses reported that their turnover had decreased in December 2024 compared with November 2024, up 5% from the previous month and the highest proportion since December 2022. Between November and December 2024, the proportion of businesses reporting a decrease in domestic demand rose 5 percentage points, from 19% to 24%, mirroring the higher proportion of decrease in turnover.

Since the question was introduced in March 2022, the proportion of businesses reporting a decrease in turnover has peaked in December of each year. BICS results are not seasonally adjusted, and businesses are asked to exclude seasonal trading from their responses to questions related to turnover.

The three industries with the highest proportion of businesses reporting a decrease in turnover were:

- the manufacturing industry (44%), up 3 percentage points from November 2024; this industry has been in the top three since February 2024
- the education industry (39%), up 9 percentage points from November 2024
- the wholesale and retail trade industry (37%), up 4 percentage points from November 2024

In contrast, 14% of trading businesses reported that their turnover had increased in December 2024 compared with the previous month, broadly stable from the proportion reported for November 2024. The industries with the highest proportion of businesses reporting an increase in turnover were the accommodation and food service activities, and wholesale and retail trade industries (both 19%).

Turnover expectations

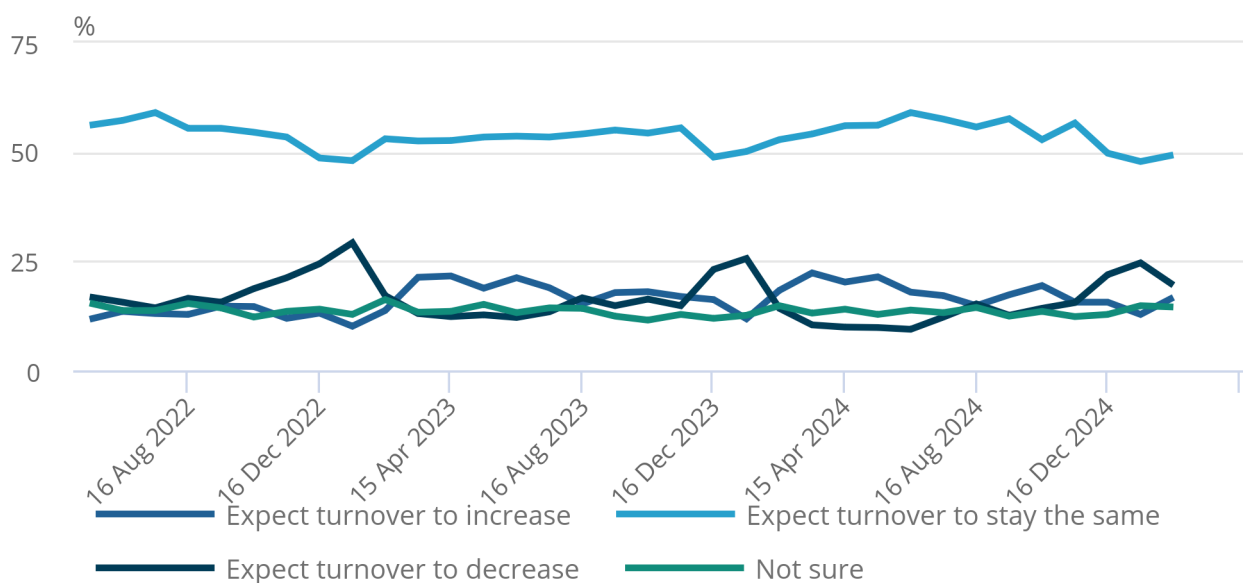
Trading businesses were asked what their expectations were for their turnover in February 2025.

Figure 2: 1 in 5 (20%) trading businesses reported they expect their turnover to decrease in February 2025

Turnover expectations, businesses currently trading, broken down by industry, weighted by count, UK, 1 April 2022 to 28 February 2025

Figure 2: 1 in 5 (20%) trading businesses reported they expect their turnover to decrease in February 2025

Turnover expectations, businesses currently trading, broken down by industry, weighted by count, UK, 1 April 2022 to 28 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 of their business's future expectations.
2. Data are plotted in the middle of the period of each wave.

Around 1 in 5 (20%) trading businesses reported they expect their turnover to decrease in February 2025, down 5 percentage points compared with expectations for January 2025. In contrast, 17% expected turnover to increase, up 4 percentage points over the same period, and the first rise in the proportion of businesses expecting an increase since October 2024. This suggests that while businesses are currently experiencing increased difficulties related to turnover, their optimism around future expectations has seen an improvement this month, going against the recent trend of declining expectations. This pattern of improved optimism around expectations early in the year was also seen in 2023 and 2024.

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

4 . Prices

Price-raising factors

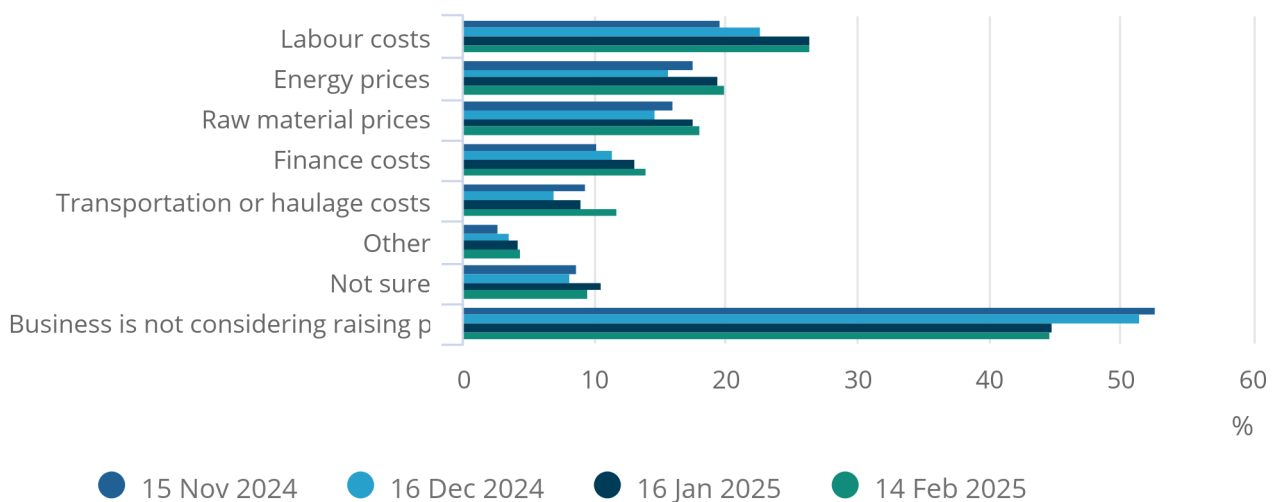
Businesses “not permanently stopped trading” were asked about their expectations for the prices of goods or services they sell and what factors were causing their business to consider raising prices, in February 2025.

Figure 3: Around a quarter (26%) of trading businesses cited labour costs as a reason for considering raising prices in February 2025

Price-raising factors, businesses currently trading, weighted by count, UK, 1 November 2024 to 28 February 2025

Figure 3: Around a quarter (26%) of trading businesses cited labour costs as a reason for considering raising prices in February 2025

Price-raising factors, businesses currently trading, weighted by count, UK, 1 November 2024 to 28 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.

When asked in early January 2025, 20% of trading businesses reported that they expect the prices of goods or services they sell to rise in February 2025, broadly stable from January 2025, but a 10 percentage point increase from December 2024. The proportions reported for January and February 2025 were the highest since May 2023.

The proportion of businesses that expect their prices to stay the same was 56% which, although broadly stable with January 2025, was 10 percentage points lower than expectations for December 2024.

Businesses were also asked which factors, if any, were causing them to consider raising prices in February 2025. The top reasons reported for doing so were:

- labour costs (26%), rising to 46% for businesses with 10 or more employees
- energy prices (20%), rising to 27% for businesses with 10 or more employees
- raw material prices (18%), rising to 23% for businesses with 10 or more employees

These percentages were all broadly stable compared with January 2025.

Several businesses commented they would be affected by increases in employer National Insurance contributions (NICs), which are being implemented in April 2025.

However, despite these reasons being given for considering raising prices, it should be noted that 45% of trading businesses reported that they were not considering raising prices, which is the lowest proportion reported since September 2023. For businesses with 10 or more employees, the proportion was lower at 31%, the lowest proportion since May 2023.

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

5 . Workforce

Businesses “not permanently stopped trading” were asked whether they were currently experiencing worker shortages.

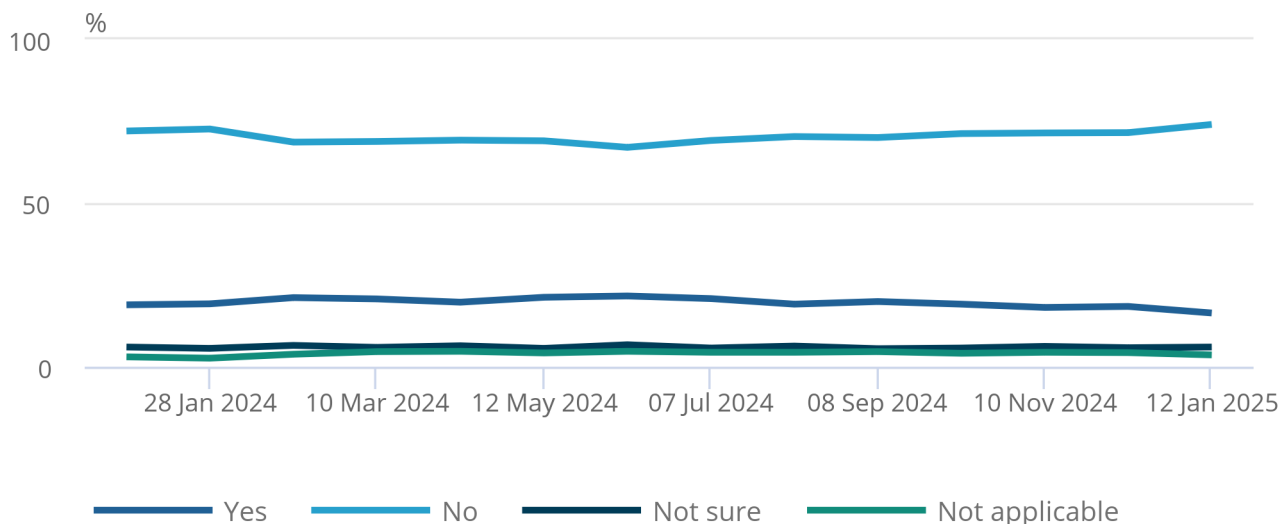
Worker shortages

Figure 4: Approximately 1 in 6 (16%) not permanently stopped trading businesses with 10 or more employees reported having worker shortages in early January 2025

Worker shortages, businesses not permanently stopped trading with 10 or more employees, weighted by count, UK, 27 December 2023 to 19 January 2025

Figure 4: Approximately 1 in 6 (16%) not permanently stopped trading businesses with 10 or more employees reported having worker shortages in early January 2025

Worker shortages, businesses not permanently stopped trading with 10 or more employees, weighted by count, UK, 27 December 2023 to 19 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.

Fewer than 1 in 10 (9%) businesses reported that they were experiencing worker shortages in early January 2025, broadly stable with early December 2024. After peaking at 17% in late August 2022, the proportion has steadily decreased over time but has remained broadly stable for much of the last year.

For businesses with 10 or more employees, the proportion was higher at 16% which, although broadly stable with early December 2024, was the lowest proportion reported since this question was introduced in late October 2021 and down from a yearly peak of 22% in June 2024.

For businesses with 10 or more employees, the industries with the highest proportion of businesses experiencing worker shortages were:

- the transportation and storage industry (28%)
- the other service activities industry (25%)
- the construction industry (24%)

Recruitment difficulties

Businesses "not permanently stopped trading" were also asked whether they had experienced any difficulties recruiting employees in December 2024.

Fewer than 1 in 10 (8%) businesses experienced recruitment difficulties in December 2024, broadly stable with November 2024. The proportion had been as high as 13% in September 2022 but has slowly fallen over time, though has remained broadly stable for much of the last year.

For businesses with 10 or more employees, the proportion was higher at 18%, which, although broadly stable compared with November 2024, is down 5 percentage points from the 23% reported in December 2023 and is the lowest percentage reported since the question was introduced in March 2022.

For businesses with 10 or more employees, the industries with the highest proportion of businesses that experienced recruitment difficulties in December 2024 were:

- the other service activities industry (30%)
- the transportation and storage industry (28%)
- the human health and social work activities industry (27%)

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

6 . Data from the Business Insights and Conditions Survey

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

Dataset | Released 23 January 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 23 January 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 123 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.

7 . 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.

8 . 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 \(BICS\) Quality and Methodology Information](#), 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 122, 123 and 124 of the Business Insights and Conditions Survey

Wave	19 December 2024 Publication Wave 122	9 January 2025 Publication Wave 123	23 January 2025 Publication Wave 124
Sample	38,819	39,963	39,578
Response	10,054	10,070	10,483
Rate	25.9%	25.2%	26.5%

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 124 survey was live from 6 to 19 January 2025. For full details of the survey questions used, see our [Business Insights and Conditions Survey questions: 6 to 19 January 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 [Business Insights and Conditions Survey \(BICS\) Quality and Methodology Information report](#).

9 . Related links

[Economic activity and social change in the UK, real-time indicators: 23 January 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.

10 . Cite this statistical bulletin

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