

Statistical bulletin

# Business insights and impact on the UK economy: 20 March 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

- More than a quarter (26%) of trading businesses reported that their turnover had decreased in February, compared with the previous calendar month; this is down 2 percentage points from January, but in line with historical movements seen at this time of year.
- Approximately one in seven (14%) trading businesses reported that they expect their turnover to decrease in April 2025, broadly stable with expectations for March; however, this is 4 percentage points higher than April 2024, suggesting businesses are less optimistic than they were at this time last year.
- In early March 2025, the cost of labour was the most commonly reported challenge affecting turnover for trading businesses with 10 or more employees at 37%; this is the largest proportion reported since the question was introduced in April 2022.
- Nearly 3 in 10 (29%) trading businesses reported an increase in the prices of goods or services bought in February 2025 when compared with January 2025, while 11% reported an increase in prices sold; both percentages were broadly stable compared with January.
- More than half (56%) of trading businesses with 10 or more employees cited labour costs as a reason for considering raising their prices in April 2025; this is up 8 percentage points from March and the largest proportion reported since the question was introduced in April 2022.
- In early March 2025, 8% of trading businesses reported that they were currently experiencing worker shortages, which is broadly stable since February 2024; this rises to 18% for businesses with 10 or more employees, which is broadly stable since September 2024.

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 128 of the Business Insights and Conditions Survey (BICS), which was live from 3 to 16 March 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 March 2025 was 95%, with 85% fully trading, and 10% 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

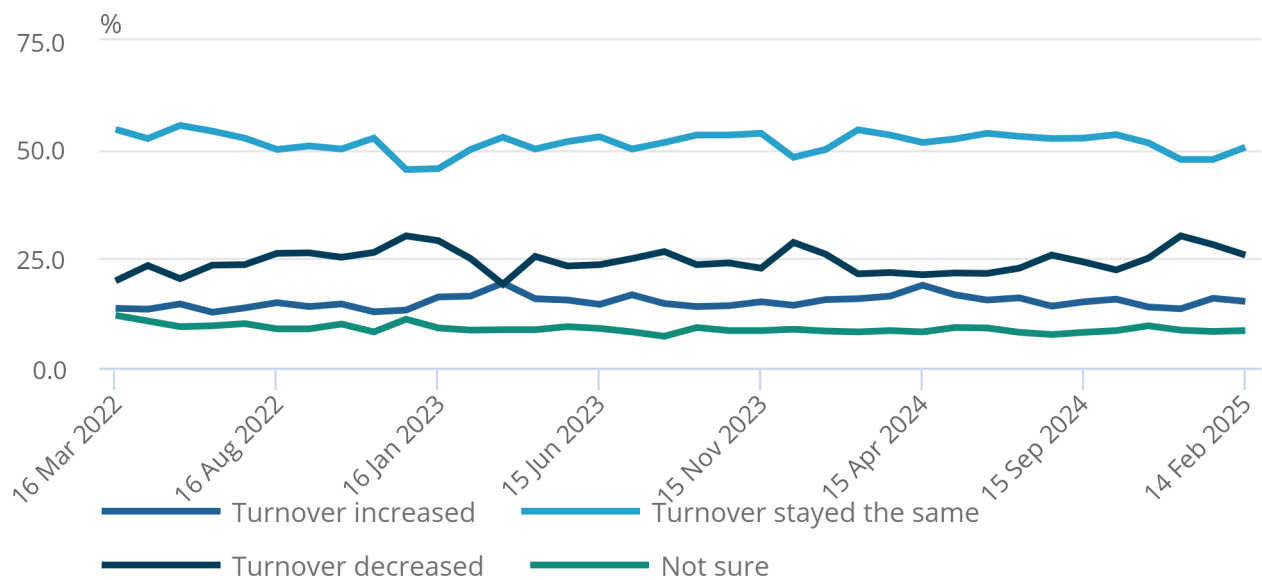
Trading businesses were asked how their turnover in February 2025 compared with January 2025, excluding any seasonal trading.

**Figure 1: More than a quarter (26%) of trading businesses reported that their turnover had decreased in February 2025 compared with January 2025**

Impact on turnover, businesses currently trading, weighted by count, UK, 1 March 2022 to 28 February 2025

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Impact on turnover, businesses currently trading, weighted by count, UK, 1 March 2022 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.

Around one in seven (15%) trading businesses reported that their turnover had increased in February compared with January. This proportion has remained broadly stable since August 2024. In contrast, 26% of trading businesses reported that their turnover had decreased, while 51% reported that their turnover had stayed the same. This is down 2 percentage points and up 3 percentage points, respectively, from January 2025.

When compared with data from previous years, the proportion of businesses who reported that their turnover had decreased or stayed the same has followed a similar trend for this time of year.

In early March 2025, 29% of trading businesses reported that economic uncertainty was having an impact on their turnover. This is broadly stable with early February 2025 and has consistently been the most reported challenge since October 2022. The education industry (private sector and higher education businesses only) reported the highest proportion of businesses affected at 56%.

Cost of labour (37%) was the most reported challenge for trading businesses with 10 or more employees. This is 2 percentage points higher than early February 2025 and is the largest proportion reported since the question was introduced in April 2022. The accommodation and food service activities industry had the highest percentage of businesses reporting this as a challenge, at 61%.

## Turnover expectations

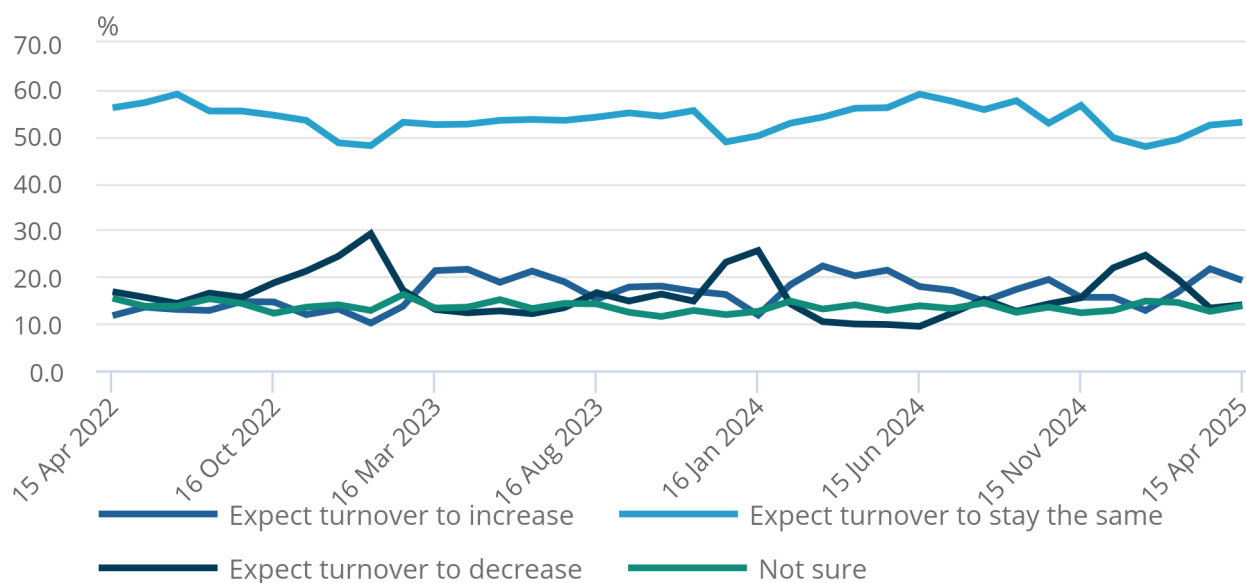
Trading businesses were asked what their expectations were for their turnover in April 2025.

**Figure 2: Around one in five (19%) trading businesses reported that they expect their turnover to increase in April 2025**

Turnover expectations, businesses currently trading, weighted by count, UK, 1 April 2022 to 30 April 2025

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Turnover expectations, businesses currently trading, weighted by count, UK, 1 April 2022 to 30 April 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.

For all trading businesses, 19% reported that they expect their turnover to increase in April 2025, down 3 percentage points compared with expectations for March. In contrast, 14% reported that they expect their turnover to decrease, while 53% of trading businesses expect turnover to stay the same, both broadly stable over the same period.

The proportion of businesses expecting a decrease in turnover is 4 percentage points higher compared with April 2024 (10%), suggesting that businesses are less optimistic than they were at this time last year.

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

## 4 . Domestic demand

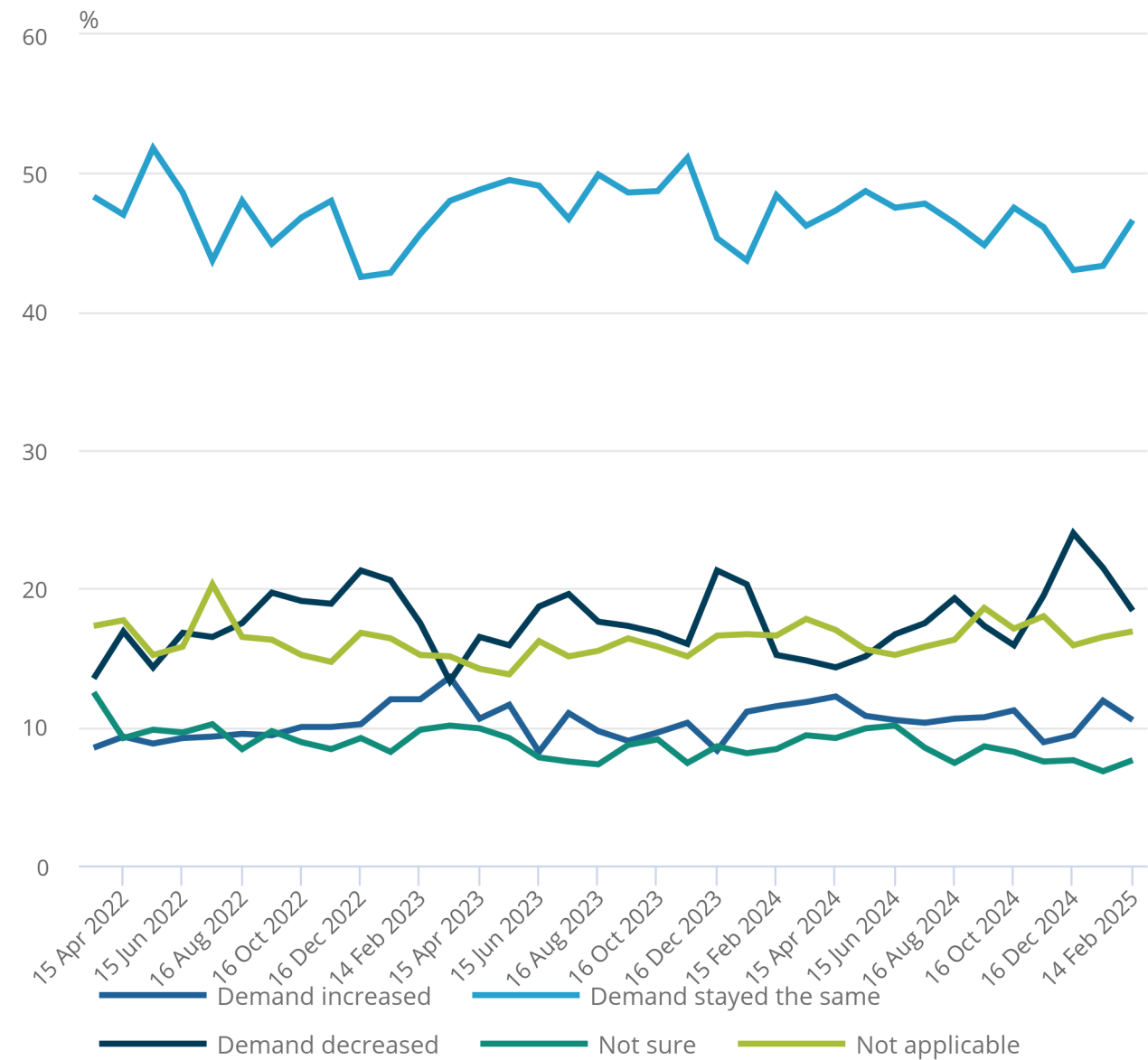
Trading businesses were asked how domestic demand for goods and services in February 2025 compared with January 2025.

**Figure 3: More than one in six (18%) trading businesses reported a decrease in domestic demand for goods and services in February 2025 compared with January 2025**

Domestic demand, businesses currently trading, weighted by count, UK, 1 March 2022 to 28 February 2025

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Domestic demand, businesses currently trading, weighted by count, UK, 1 March 2022 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.

More than one in six (18%) trading businesses reported a decrease in domestic demand for goods and services in February compared with January, this is down 3 percentage points. In contrast, 11% reported that demand increased, while 47% reported that demand stayed the same; these are broadly stable and up 3 percentage points, respectively, over the same period.

Typically, the percentage of businesses reporting a decrease in domestic demand peaks in December, then falls in the early months of the next year. The trend observed for 2025 is therefore in line with seasonal expectations.

## 5 . Prices

### Prices bought and prices sold

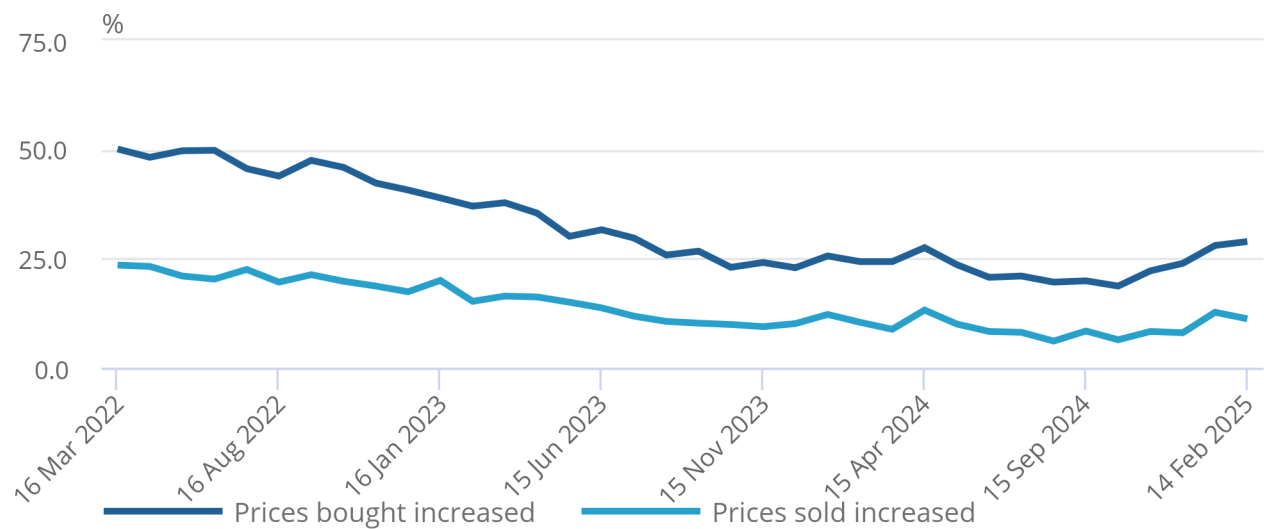
Businesses that had not permanently stopped trading were asked how the prices of goods or services they bought and sold in February 2025 compared with January 2025.

**Figure 4: Nearly three in ten (29%) trading businesses reported an increase in the prices of goods or services bought in February 2025 when compared with January 2025**

Prices bought and sold increased, businesses currently trading, weighted by count, UK, 1 March 2022 to 28 February 2025

Figure 4: Nearly three in ten (29%) trading businesses reported an increase in the prices of goods or services bought in February 2025 when compared with January 2025

Prices bought and sold increased, businesses currently trading, weighted by count, UK, 1 March 2022 to 28 February 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.

When asked in early March 2025, 29% of trading businesses reported an increase in the prices of goods or services bought in February. Despite being broadly stable with January 2025, there has been a steady increase in this proportion since October 2024 (19%).

More than 1 in 10 (11%) trading businesses reported an increase in the prices of goods or services sold in February 2025. This is also broadly stable from January 2025 but has also seen a steady increase from October 2024 (6%).

## **Price expectations**

Nearly a quarter (24%) of trading businesses expect to raise the prices of goods or services they sell in April 2025. This is up 6 percentage points from expectations for March 2025 and the largest proportion recorded since March 2023.

The proportion of businesses expecting to lower the prices of goods or services in April 2025 remains broadly stable compared with March 2025, at 1%; while 53% reported that they expect prices to stay the same, down 5 percentage points over the same period.



## Price-raising factors

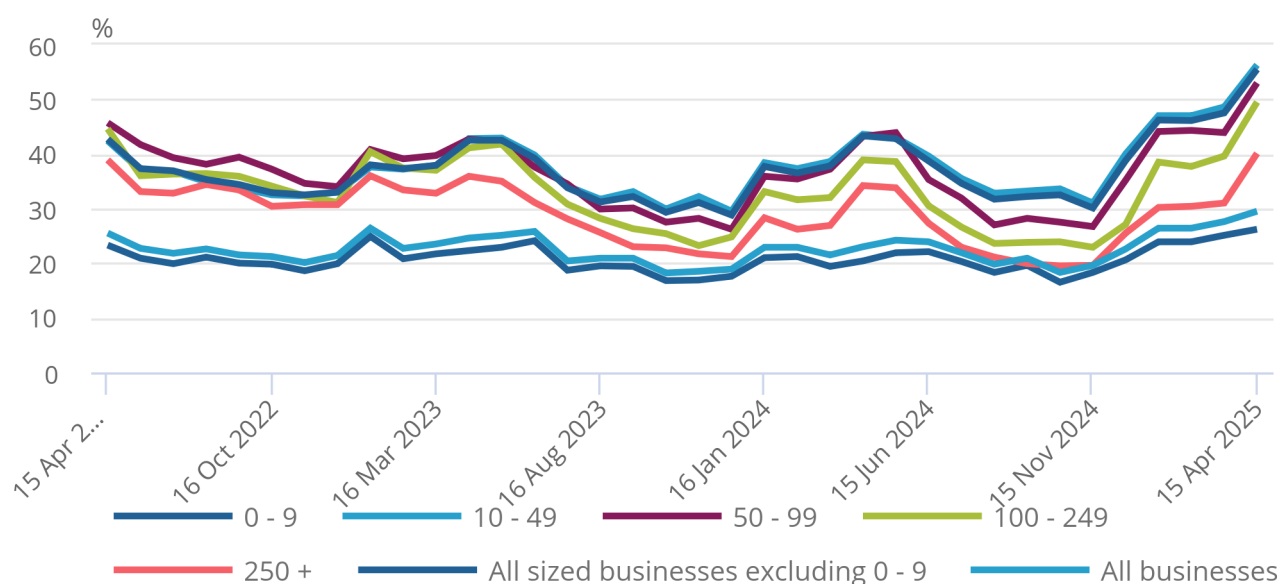
Businesses that had not permanently stopped trading were asked which factors, if any, were causing their business to consider raising prices in April 2025.

**Figure 5: Businesses of all sizes reported an increase in labour costs as a reason for considering raising prices in April 2025**

Labour costs as a price-raising factor, businesses currently trading, weighted by count, broken down by sizeband, UK, 1 April 2022 to 30 April 2025

### Figure 5: Businesses of all sizes reported an increase in labour costs as a reason for considering raising prices in April 2025

Labour costs as a price-raising factor, businesses currently trading, weighted by count, broken down by sizeband, UK, 1 April 2022 to 30 April 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.

In early March 2025, labour costs were the most reported factor behind trading businesses with 10 or more employees considering price increases in April 2025 at 56%. This is up 8 percentage points from March 2025 and the largest proportion reported since the question was introduced in April 2022.

Several businesses commented that increases in employer National Insurance contributions (NICs) and the national minimum wage, which are being implemented in April 2025, will affect them.

The percentage of businesses with 10 or more employees who were not considering raising prices has fallen 6 percentage points from March 2025, to 26%, the smallest proportion reported since January 2023.

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

## 6 . Business concerns

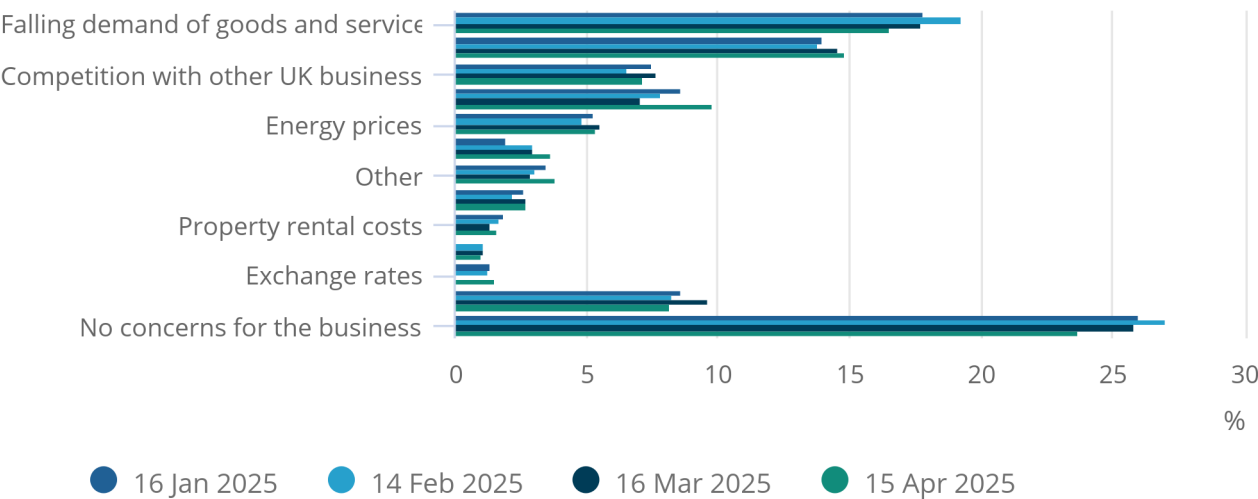
Businesses that had not permanently stopped trading were asked what the main concern for their business was when looking ahead to April 2025.

**Figure 6: More than two-thirds (68%) of businesses reported some form of concern for their business when looking ahead to April 2025**

Business concerns, businesses that have not permanently stopped trading, categorised by response option, weighted by count, UK, 1 January 2025 to 30 April 2025

Figure 6: More than two-thirds (68%) of businesses reported some form of concern for their business when looking ahead to April 2025

Business concerns, businesses that have not permanently stopped trading, categorised by response option, weighted by count, UK, 1 January 2025 to 30 April 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 April, 68% of businesses reported having some form of concern for their business. This is up 4 percentage points from concerns for March 2025 and the largest proportion reported since May 2023.

The three main concerns reported by businesses for April were:

- falling demand of goods and services (17%), with the professional, scientific and technical activities industry reporting the highest proportion (21%)
- 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 (37%)
- inflation of goods and services prices (10%), the largest proportion since January 2024, with the transportation and storage industry reporting the highest proportion (16%)

The percentage of businesses that reported no concerns was 24%, 2 percentage points lower than for March.

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 expectations

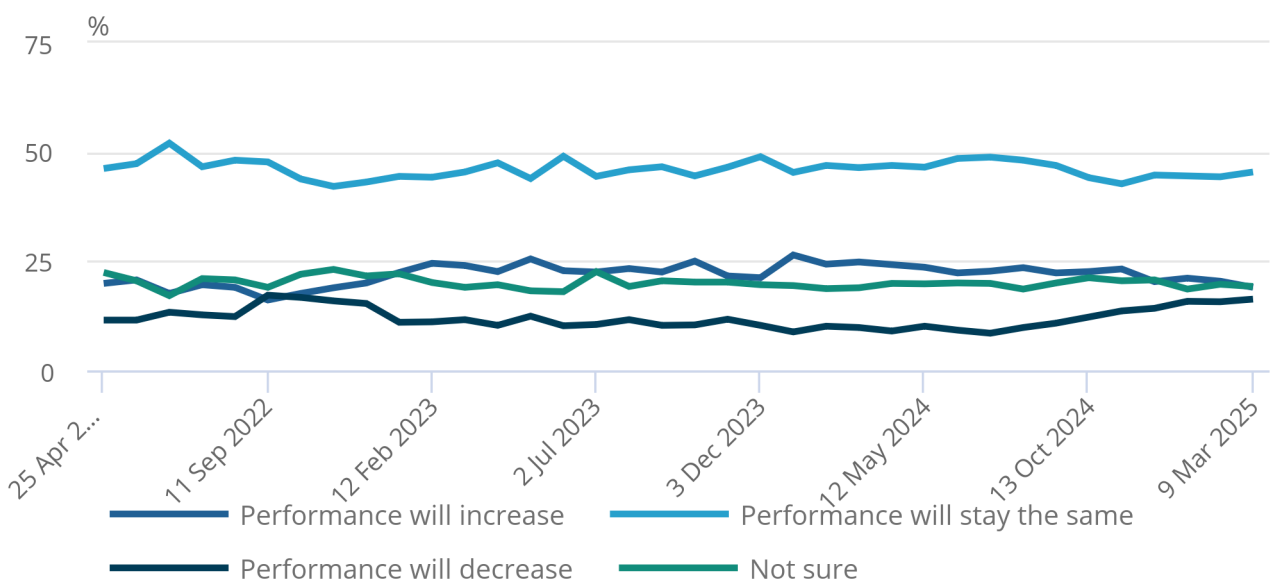
Businesses that had not permanently stopped trading were asked how they expect their overall performance to change over the next 12 months.

**Figure 7: Approximately one in five (19%) trading businesses reported they expect their overall performance to increase in the next 12 months**

Business performance expectations, businesses currently trading, weighted by count, UK, 19 April 2022 to 16 March 2025

Figure 7: Approximately one in five (19%) trading businesses reported they expect their overall performance to increase in the next 12 months

Business performance expectations, businesses currently trading, weighted by count, UK, 19 April 2022 to 16 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.

Approximately one in five (19%) trading businesses reported that they expect their overall performance to increase over the next 12 months, broadly stable with expectations from early February 2025.

The proportion expecting their performance to decrease was 16%. Although this is broadly stable with early February 2025, there has been a steady increase of 8 percentage points since early July 2024 (9%). Those expecting their performance to stay the same was 45%, also broadly stable compared with early February 2025.

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

## 8 . Data from the Business Insights and Conditions Survey

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

Dataset | Released 20 March 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 March 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 127 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 126, 127 and 128 of the Business Insights and Conditions Survey

Wave	20 February 2025 Publication Wave 126	6 March 2025 Publication Wave 127	20 March 2025 Publication Wave 128
Sample	39,194	39,103	39,036
Response	10,569	10,750	10,570
Rate	27.0%	27.5%	27.1%

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 128 survey was live for the period 3 to 16 March 2025. For full details of the survey questions used, see our [Business Insights and Conditions Survey questions: 3 March to 16 March 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 \(BICS\) QMI report](#).

## 11 . Related links

[Economic activity and social change in the UK, real-time indicators: 20 March 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

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