

Statistical bulletin

Business insights and impact on the UK economy: 25 January 2024

The impact of challenges facing the economy and other events on UK businesses. Based on responses from the voluntary fortnightly business survey (BICS) to deliver real-time information to help assess issues affecting UK businesses and economy, including financial performance, workforce, trade, and business resilience.

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1 . Main points

- Latest results suggest business conditions remained challenging in December 2023, but businesses' outlook for February 2024 is more positive for some measures.
- More than a quarter (29%) of trading businesses reported turnover had decreased in December 2023 when compared with November 2023, up 6 percentage points; while 14% reported their turnover was higher, broadly stable over the same period.
- When looking ahead to February 2024, 18% of trading businesses expect their turnover to increase, up 7 percentage points from expectations for January 2024; while 14% reported that they expect their turnover to decrease, down 11 percentage points over the same period.
- More than one in six (17%) trading businesses expect to raise the prices of goods or services they sell in February 2024, broadly stable with expectations for January 2024.
- Nearly half (47%) of trading businesses reported they were not considering raising prices in February 2024, broadly stable with January 2024; of those businesses that are considering raising prices, nearly a quarter (23%) reported labour costs as their main reason for doing so.
- More than one in five (21%) trading businesses reported their overall performance decreased in December 2023 compared with the same calendar month in 2022, up 4 percentage points when comparing November 2023 with November 2022.

2 . Headline figures

The data presented in this bulletin are the final results from Wave 100 of the Business Insights and Conditions Survey (BICS), which was live from 8 January 2024 to 21 January 2024.

The 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 92 are available in our [Business insights and impact on the UK subnational single-site economy: November 2023 article](#).

More about economy, business and jobs

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

Figure 1: Headline figures from the Business Insights and Conditions Survey

Notes:

1. For presentational purposes, some response options have been combined, excluded or both.
2. For presentational purposes, "Prices" data show an increase to prices bought and sold compared with the previous calendar month.
3. Data are plotted in the middle of each wave.

The percentage of businesses that reported they were trading in early January 2024 was 96%, 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 1% reported "permanently ceased trading" as their business's trading status.

3 . Financial performance

Turnover

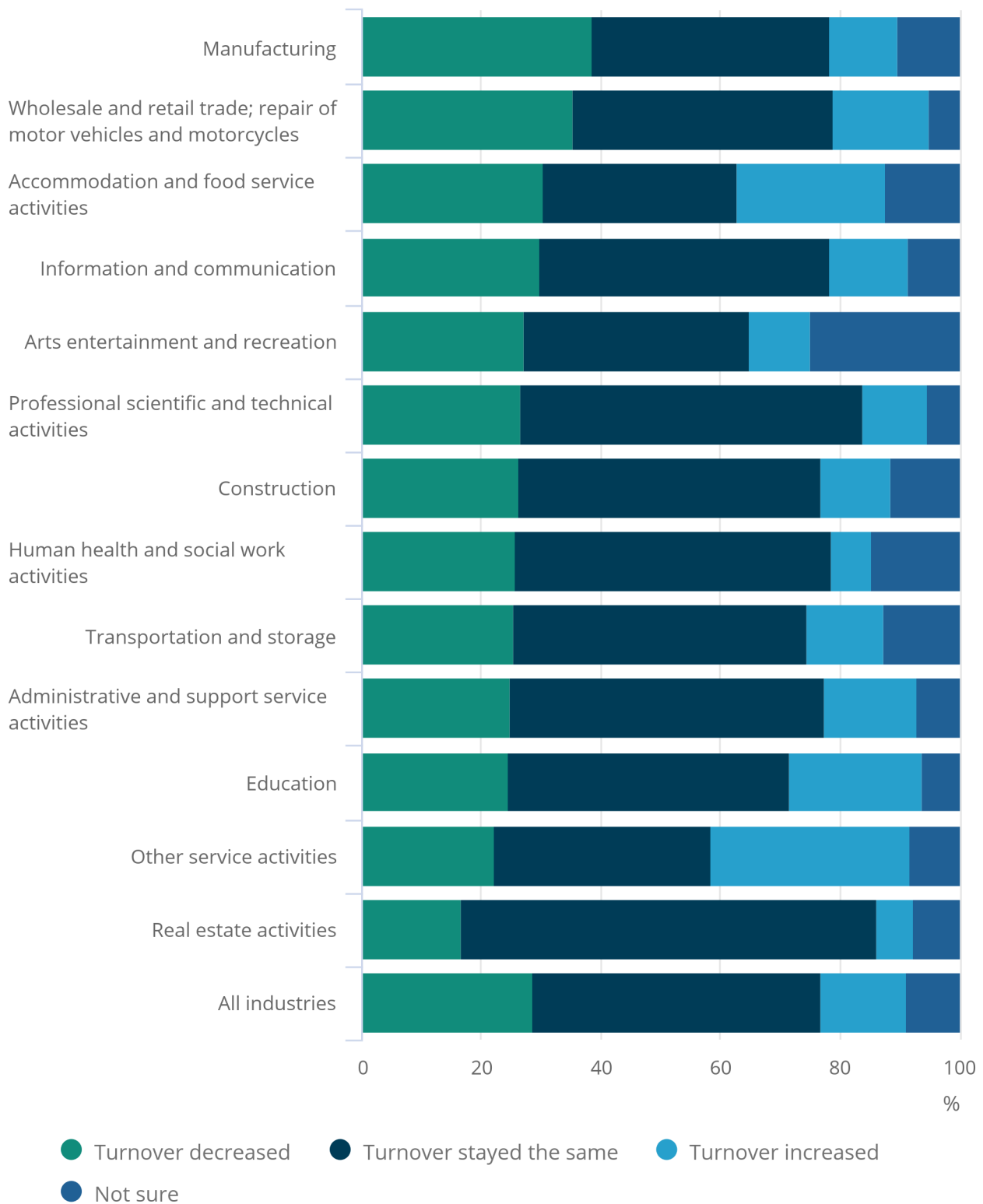
Trading businesses were asked how their turnover in December 2023 compared with November 2023, excluding any seasonal trading.

Figure 2: More than a quarter (29%) of trading businesses reported turnover had decreased in December 2023 compared with November 2023

Impact on turnover, businesses currently trading, broken down by industry, weighted by count, UK, 1 to 31 December 2023

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Impact on turnover, businesses currently trading, broken down by industry, weighted by count, UK, 1 to 31 December 2023



Notes:

1. Bars may not sum to 100% because of rounding, and percentages less than 1% have been removed for disclosure purposes.
2. "Mining and quarrying" and "Water supply, sewerage, waste management and remediation activities" have been removed for disclosure purposes, but their totals are included in "All industries".

The percentage of trading businesses that reported their turnover had decreased in December 2023 compared with the previous calendar month was 29%, up 6 percentage points compared with November 2023. Over the same period, 48% reported their turnover had stayed the same, down 6 percentage points.

The percentage of businesses that reported their turnover had increased in December 2023 compared with the previous calendar month was 14%, broadly stable compared with November 2023.

Of trading businesses, more than a quarter (26%) reported that economic uncertainty is currently having an impact on their turnover. Although trading businesses continued to report challenges to their business, 35% reported they were not currently experiencing any challenges, up 4 percentage points from early October 2023. This was the largest proportion reported since the question was introduced in late April 2022.

Turnover expectations

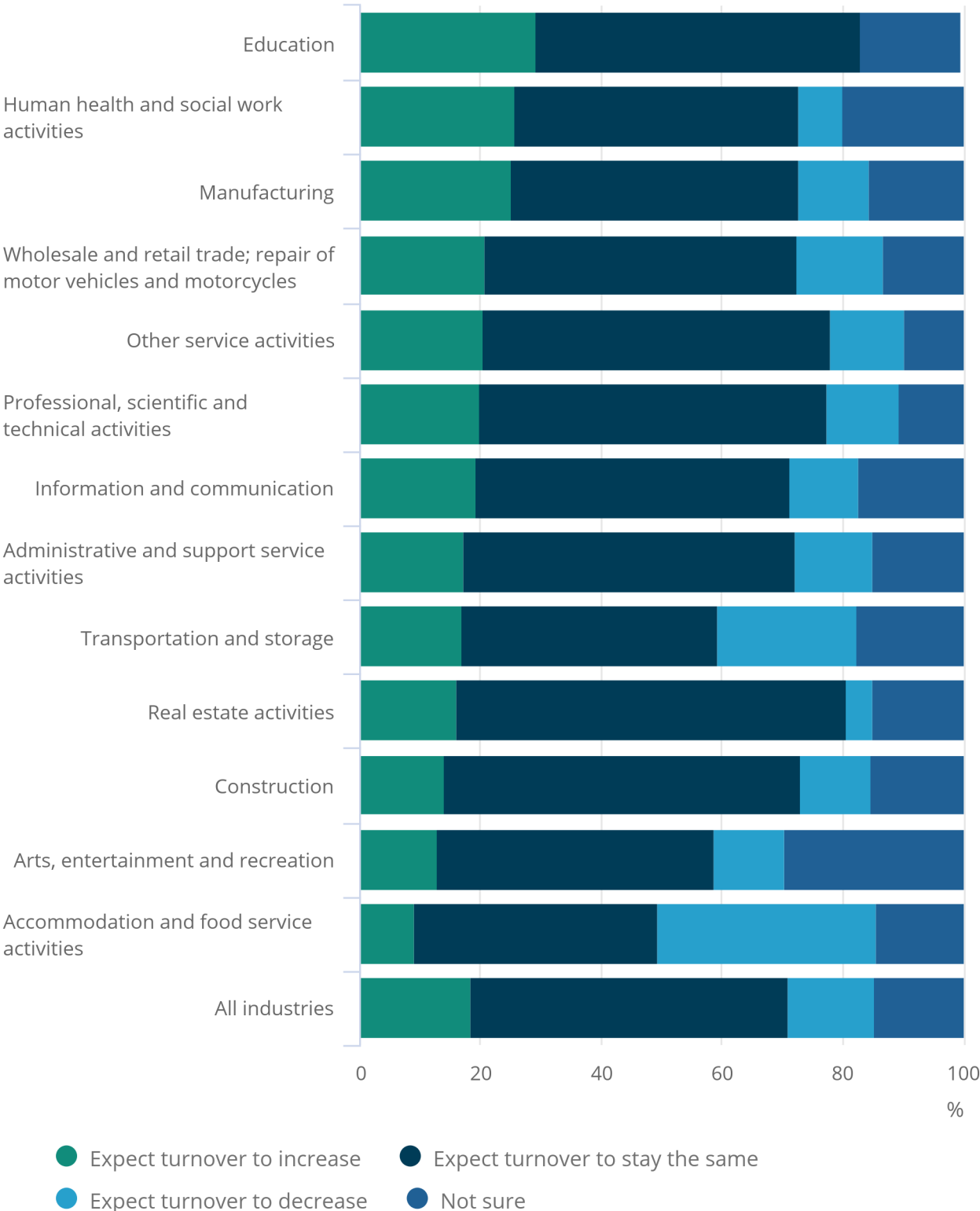
Trading businesses were asked about their turnover expectations for February 2024, excluding any seasonal trading.

Figure 3: More than one in six (18%) trading businesses expect their turnover to increase in February 2024

Turnover expectations, businesses currently trading, broken down by industry, weighted by count, UK, 1 to 29 February 2024

Figure 3: More than one in six (18%) trading businesses expect their turnover to increase in February 2024

Turnover expectations, businesses currently trading, broken down by industry, weighted by count, UK, 1 to 29 February 2024



Notes:

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2. "Mining and quarrying" and "Water supply, sewerage, waste management and remediation activities" have been removed for disclosure purposes, but their totals are included in "All industries".
3. 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.

Although 29% of trading businesses reported a decrease in turnover for December 2023, 12% expected their turnover to increase in January 2024, and when looking ahead to February 2024, 18% expect their turnover to increase. In contrast, 26% expected their turnover to decrease in January 2024, and this drops to 14% for February 2024. This suggests that while trading businesses experienced a difficult December 2023, they are more optimistic about the coming months.

4 . Prices

Prices bought and prices sold

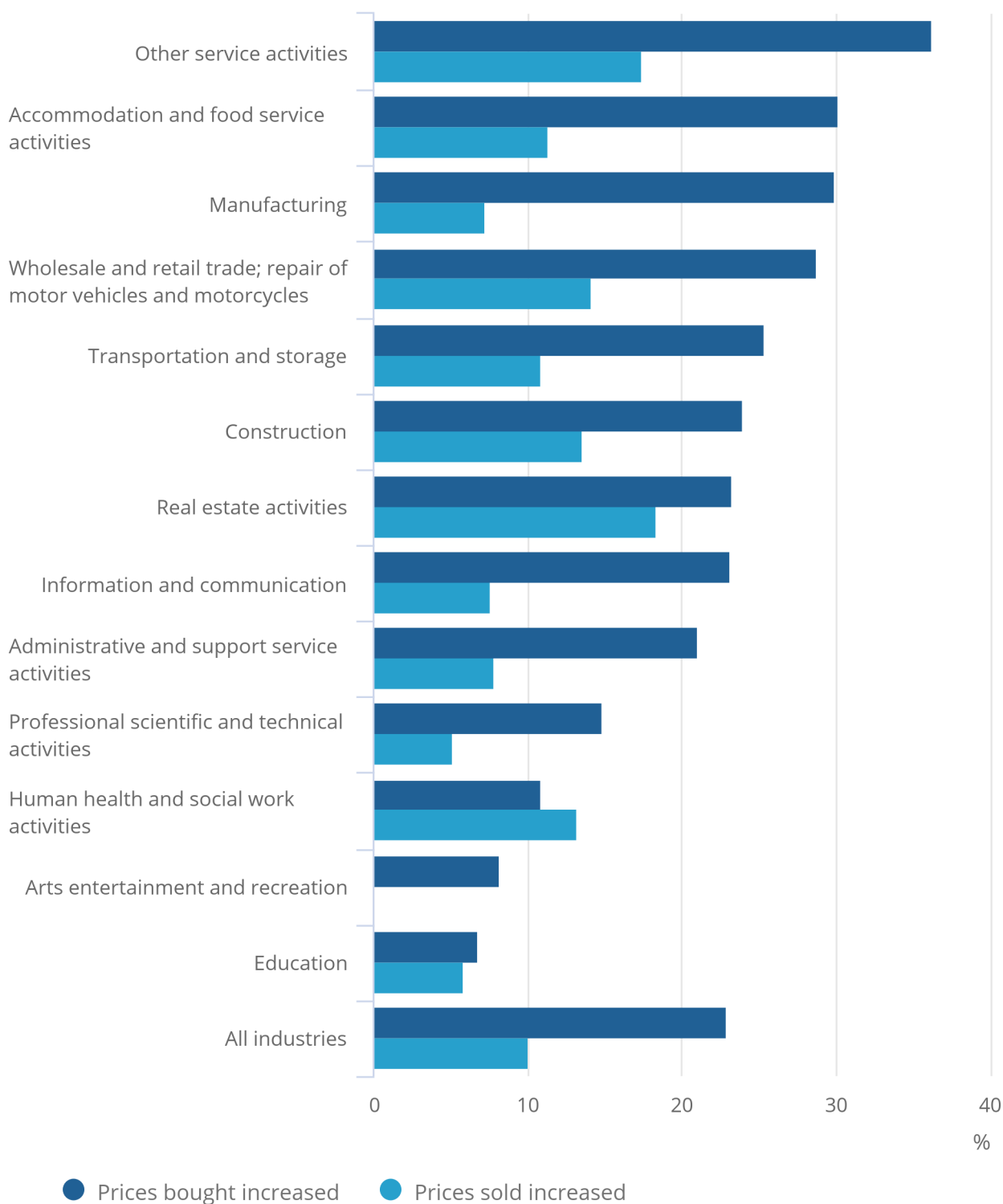
Businesses not permanently stopped trading were asked how the prices of goods or services they bought and sold in December 2023 compared with the previous calendar month.

Figure 4: Nearly a quarter (23%) of trading businesses reported an increase in the prices of goods or services bought in December 2023 when compared with November 2023

Prices bought and sold increased, businesses currently trading, broken down by industry, weighted by count, UK, 1 to 31 December 2023

Figure 4: Nearly a quarter (23%) of trading businesses reported an increase in the prices of goods or services bought in December 2023 when compared with November 2023

Prices bought and sold increased, businesses currently trading, broken down by industry, weighted by count, UK, 1 to 31 December 2023



Notes:

1. For presentational purposes, response options have been removed.
2. “Mining and quarrying” and “Water supply, sewerage, waste management and remediation activities” have been removed for disclosure purposes, but their totals are included in “All industries”.

Latest estimates continue to suggest that a lower proportion of trading businesses are reporting an increase each month in the prices of goods or services bought, with 23% reporting an increase in December 2023. This is broadly stable with November 2023, and the lowest proportion reported since these response options were introduced to this question in March 2022.

Conversely, around 1 in 10 (10%) trading businesses reported an increase in the prices of goods or services sold in December 2023 compared with November 2023. This suggests that a greater proportion of businesses are absorbing the higher prices from buying themselves rather than passing them onto their customers.

Further response options broken down by industry and size bands can be found in our [accompanying dataset](#).

Price expectations

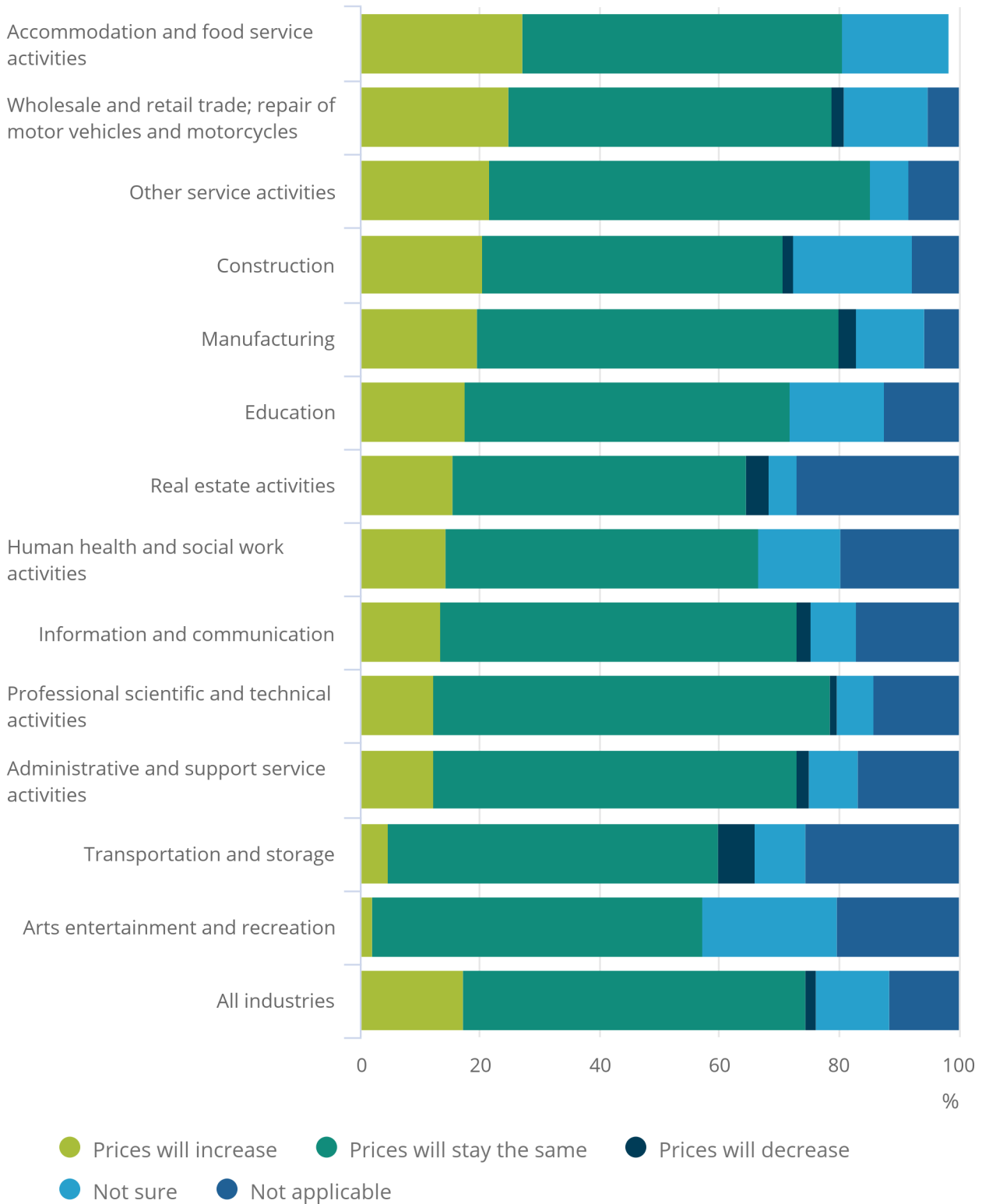
Businesses not permanently stopped trading were asked what their expectations were for the prices of goods or services they sell in February 2024.

Figure 5: The accommodation and food service activities industry reported the largest proportion of businesses expecting to raise prices in February 2024, at 27%

Price expectations, businesses currently trading, broken down by industry, weighted by count, UK, 1 to 29 February 2024

Figure 5: The accommodation and food service activities industry reported the largest proportion of businesses expecting to raise prices in February 2024, at 27%

Price expectations, businesses currently trading, broken down by industry, weighted by count, UK, 1 to 29 February 2024



Notes:

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2. "Mining and quarrying" and "Water supply, sewerage, waste management and remediation activities" have been removed for disclosure purposes, but their totals are included in "All industries".
3. Caution should be taken when interpreting expectations questions as the employees responding on behalf of the business may not have full oversight of all of their business's future expectations.

Of trading businesses, more than one in six (17%) expect to raise the prices of goods or services they sell in February 2024, broadly stable with January 2024.

The proportion of businesses who reported that they expect prices to stay the same also remained broadly stable at 57% over the same period. Meanwhile, 2% of businesses expected prices to decrease, broadly stable with January 2024.

Price rise reasons

In early January 2024, businesses not permanently stopped trading were asked what, if anything, was causing them to consider raising their prices in February 2024.

Nearly half (47%) of trading businesses reported they were not considering raising prices in February 2024, broadly stable with January 2024. In comparison, labour costs were reported as the top reason for businesses considering raising prices, with almost a quarter (23%) reporting this.

Across all industries, the other most reported reasons for businesses considering raising prices included:

- energy prices (22%), down 3 percentage points from January 2024
- raw material prices (20%), broadly stable with January 2024
- finance costs (14%), broadly stable with January 2024

5 . Business concerns

Businesses not permanently stopped trading were asked what their main concern for their business was when looking ahead to February 2024.

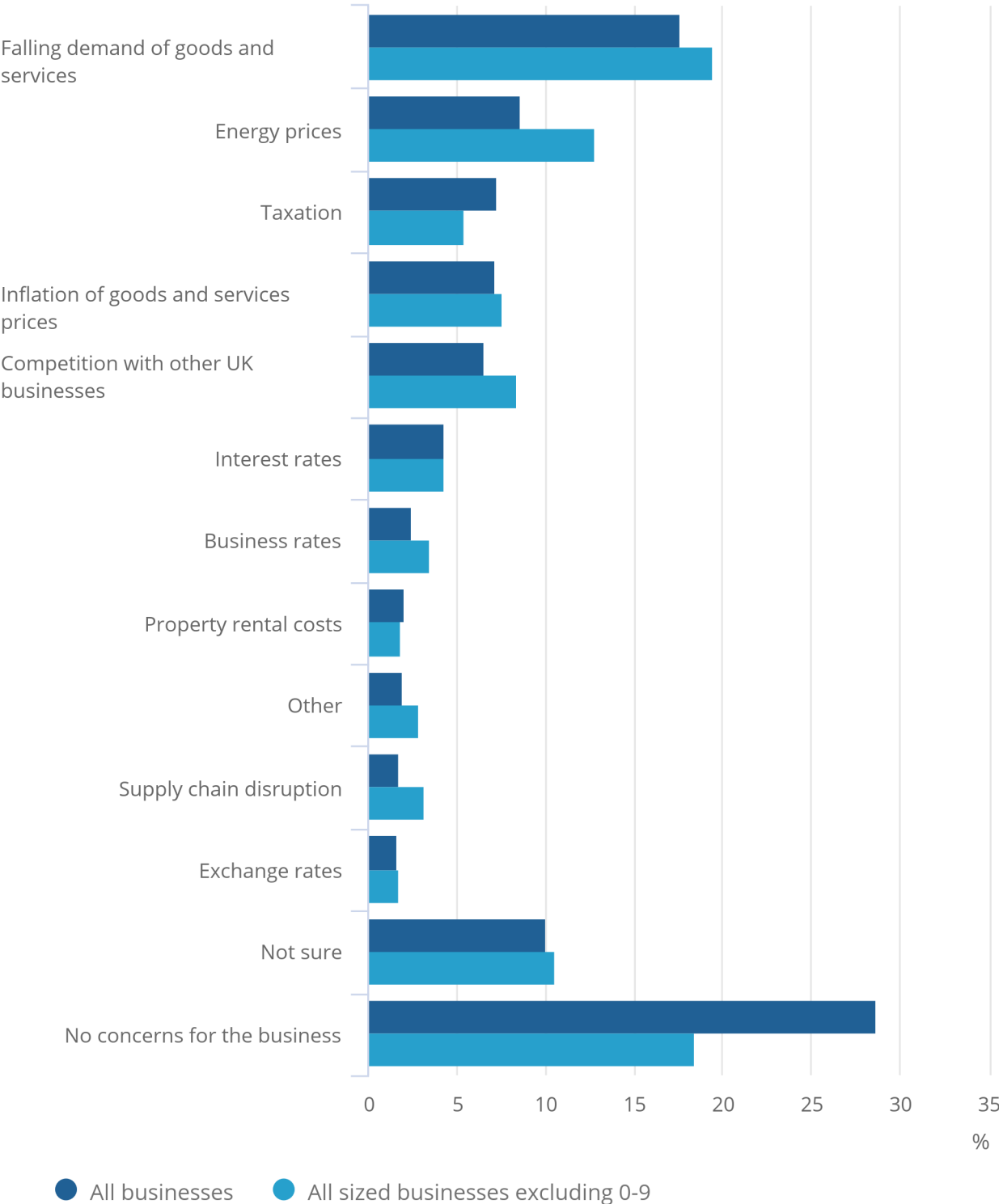
Businesses were asked for their main concern; this does not mean they do not have any other concerns for their business.

Figure 6: Nearly two-thirds (61%) of businesses reported some form of concern for their business for February 2024

Business concerns, businesses not permanently stopped trading, broken down by response option, weighted by count, UK, 1 to 29 February 2024

Figure 6: Nearly two-thirds (61%) of businesses reported some form of concern for their business for February 2024

Business concerns, businesses not permanently stopped trading, broken down by response option, weighted by count, UK, 1 to 29 February 2024



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

Notes:

1. Bars may not sum to 100% because of rounding, and percentages less than 1% have been removed for disclosure purposes.
2. 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.

Looking ahead to February 2024, 61% of businesses have some form of business concern, down 2 percentage points from concerns for January 2024, and the lowest proportion reported since late February 2022.

The three main concerns reported by businesses for February 2024 were:

- falling demand of goods and services (18%), broadly stable with January 2024
- energy prices (9%), broadly stable with January 2024
- inflation of goods and services (7%), down 3 percentage points from 10% for January 2024

The percentage of businesses that reported no concerns was 29% for February 2024, up 3 percentage points from January 2024.

Further details, including the full list of concerns broken down by industry and size band, are available in our [accompanying dataset](#).

6 . Business performance

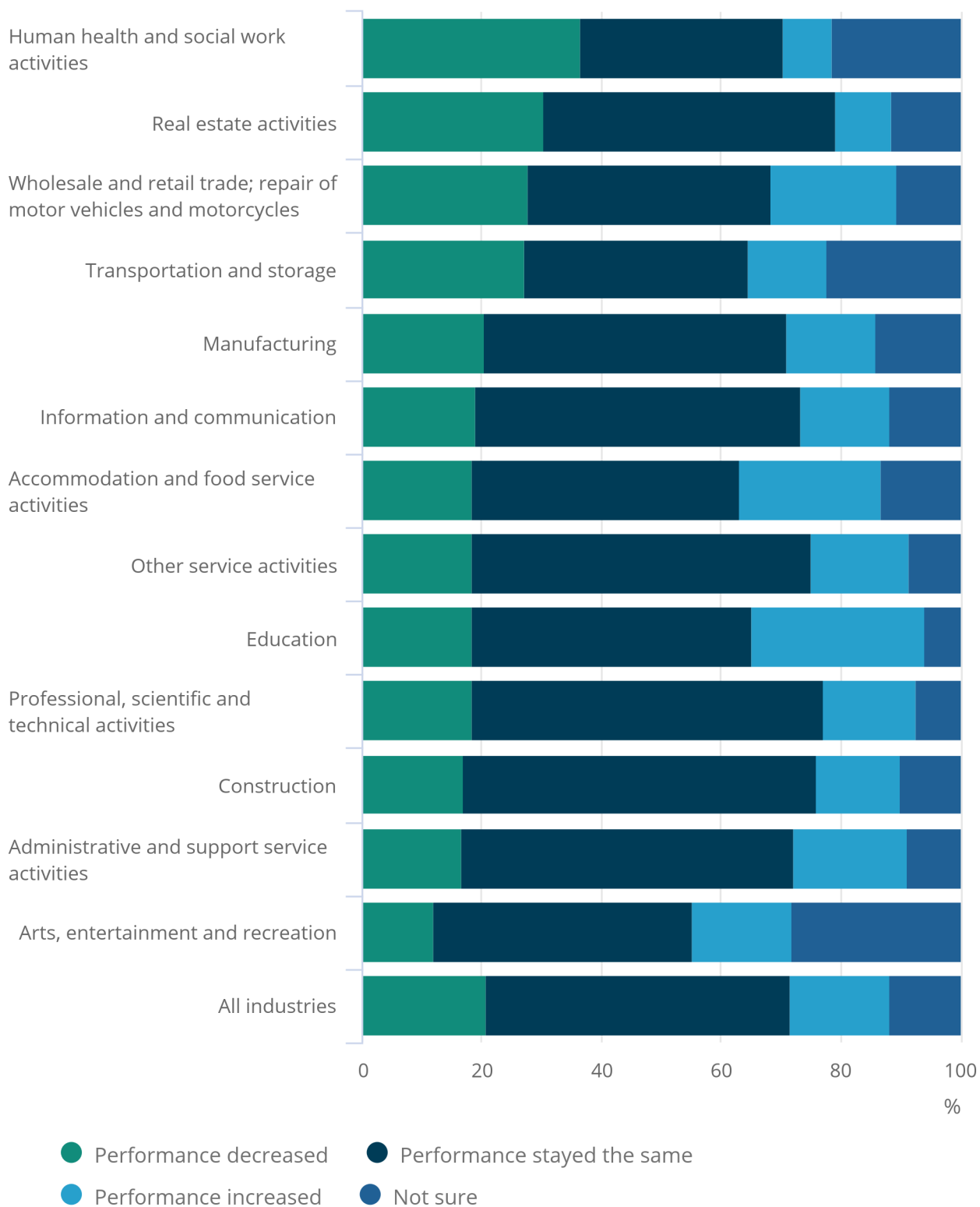
Businesses not permanently stopped trading were asked how they would describe their overall performance in December 2023 compared with December 2022.

Figure 7: More than one in five (21%) trading businesses reported their performance had decreased in December 2023 compared with December 2022

Business performance, businesses currently trading, broken down by industry, weighted by count, UK, 1 to 31 December 2023

Figure 7: More than one in five (21%) trading businesses reported their performance had decreased in December 2023 compared with December 2022

Business performance, businesses currently trading, broken down by industry, weighted by count, UK, 1 to 31 December 2023



Notes:

1. Bars may not sum to 100% because of rounding, and percentages less than 1% have been removed for disclosure purposes.
2. "Mining and quarrying" and "Water supply, sewerage, waste management and remediation activities" have been removed for disclosure purposes, but their totals are included in "All industries".

More than one in five (21%) trading businesses reported that their overall performance for December 2023 decreased compared with December 2022, up 4 percentage points when comparing November 2023 with November 2022. Conversely, 17% reported that their performance had increased over the same period.

When asked in early January 2024, more than a quarter (26%) of trading businesses reported that they expect their overall performance to increase over the next 12 months, up 5 percentage points from early December 2023. Those expecting their performance to stay the same was 45%, down 4 percentage points, and those expecting their performance to decrease was 9%, broadly stable over the same period, which aligns with the expectations businesses had for their turnover.

7 . Business Insights and Conditions Survey data

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

Dataset | Released 25 January 2024

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.

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

Dataset | Released 25 January 2024

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 data are not official statistics but have been developed to deliver timely indicators to help understand the issues affecting UK businesses and the economy.

Access to microdata

You can access the microdata for Waves 1 to 99 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.

8 . 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.

9 . Measuring the data

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 24 January 2022.

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 98, 99 and 100 of the Business Insights and Conditions Survey

Wave	4 January 2024 Publication Wave 98	11 January 2024 Publication Wave 99	25 January 2024 Publication Wave 100
Sample	40,042	39,599	39,431
Response	10,635	7,845	10,655
Rate	26.6%	19.8%	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 100 survey was live for the period 8 January 2024 to 21 January 2024. For full details of the survey questions used, see our [Business Insights and Conditions Survey questions: 8 January 2024 to 21 January 2024 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](#).

10 . Strengths and limitations

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](#).

11 . Related links

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

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.

[Cost of living latest insights](#)

Web page | Updated frequently

The latest data and trends about the cost of living. Explore changes in the cost of everyday items and how this is affecting people.

[Business insights and impact on the UK subnational single-site economy: November 2023](#)

Article | Released 9 November 2023

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

12 . Cite this statistical bulletin

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