Growth Company Business Survey

Results for the 2nd August 2025 to 2nd November 2025

www.growthco.uk

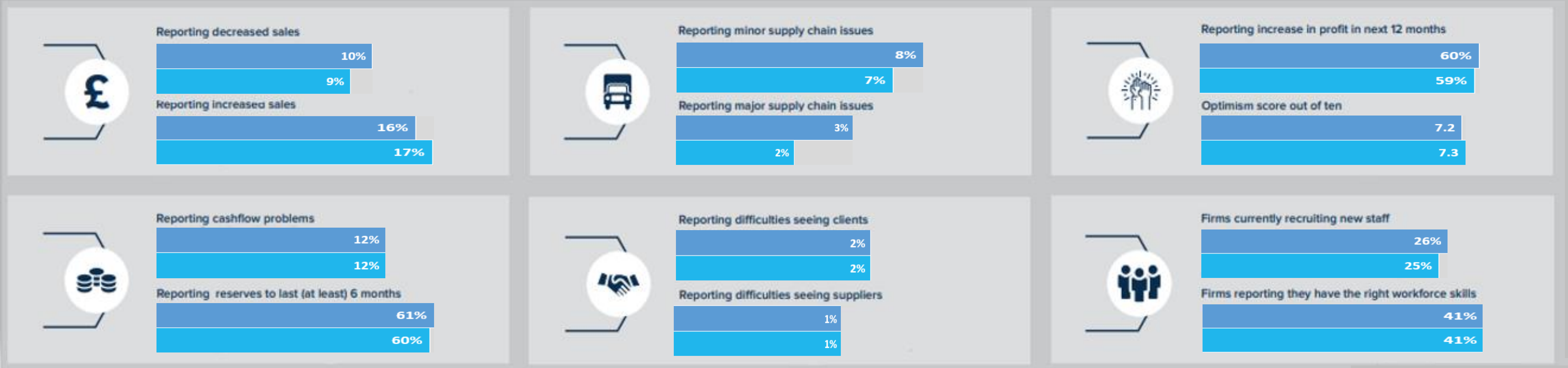
GC Business Survey

The main survey findings reported by businesses on 2nd August 2025 – 2nd November 2025

The Growth Company exists to enable growth, create jobs, and improve lives. To inform how we support businesses and the economy, we continually monitor a range of data and intelligence to understand the impact of Covid-19, and other economic risks and opportunities.

The largest regular monthly business survey of its kind, the following findings are based upon a total of **661 businesses** that participated in our GC Business Survey from **2nd August 2025 and 2nd November 2025.**

The main impacts of the current economic climate on businesses



▶▶ Previous month ▶▶ Current Month

UK Economic Performance

The UK economy grew by 0.3% in the three months to August 2025, driven by services and construction, while production declined. Retail sales rose 0.5% in September, boosted by tech and gold demand. The Composite PMI increased to 51.1 in October, indicating modest private-sector growth, though manufacturing remains weak. Forecasts from OECD and EY ITEM Club suggest steady but modest growth for 2025, with slower momentum expected in 2026. Business and consumer confidence softened amid policy uncertainty, leading to cautious hiring and investment. The Bank of England's base rate remains at 4.0%, while Brexit continues to weigh on trade and productivity.

Survey Summary

The GC Business Confidence Index rose slightly to 7.3, reflecting modest improvement in sentiment. Firms in Business, Financial and Professional Services, Digital and Creative, Manufacturing, and Green Tech reported above-average confidence, while Construction, Retail, and Engineering remain more subdued. Investment expectations and workforce development plans remain consistent, indicating a continued focus on growth and productivity. Cash reserves remain healthy, and insolvency risk indicators have eased slightly, suggesting improved financial stability across most sectors.

Recruitment activity remains steady, particularly among larger SMEs and in sectors such as business services, education, retail, and green technology. However, ongoing workforce and technical skill gaps continue to affect productivity, particularly in sales, leadership, and advanced IT disciplines.

Innovation and digital transformation remain central to business growth strategies. Many firms have invested in new or improved services, with strong intentions to expand research and development activity in the coming year. AI adoption continues, reported by over two fifths of firms surveyed, particularly in data analytics, customer engagement, and automation. Looking ahead, firms are most likely to seek support in business planning, marketing, innovation, and workforce development, with smaller firms focusing on strategic growth and larger firms prioritising digital and environmental transformation.

Key Findings

GC Business Confidence Index (GC-BCI): Business confidence stood at 7.3 (up from 7.2); confidence higher in Business Financial & Professional Services, Manufacturing, Hospitality and DCTs; and lower than average in Construction, Green Tech, Retail, and Engineering.

Sales and Profits: 17% (vs 16%) of firms reported an increase in sales, and 9% (vs 10%) reported decreased sales in the last 12 weeks.

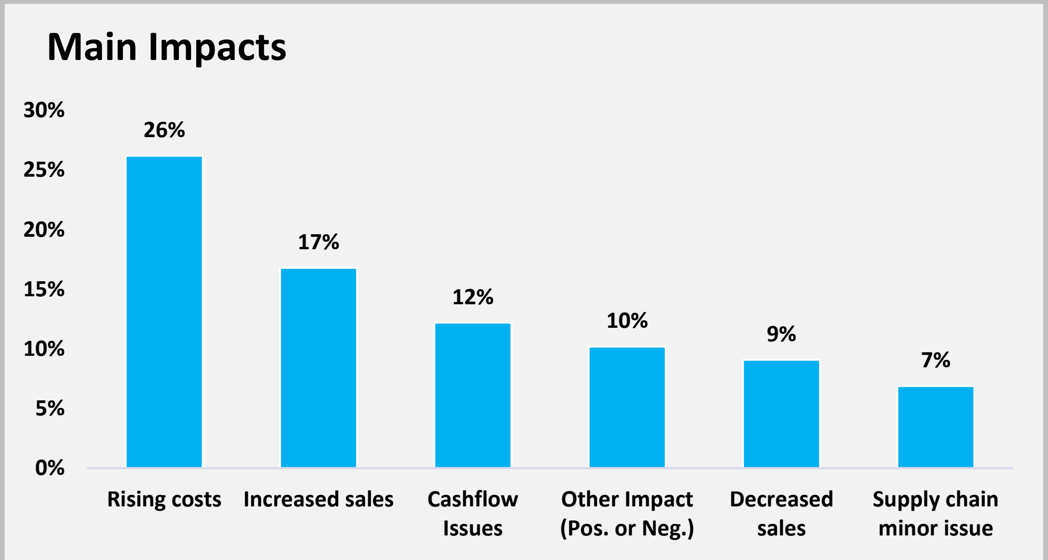
Investment: 32% (vs 33%) of firms expect to increase capital expenditure in the year ahead; 32% (vs 30%) of firms plan to increase workforce development investment. Sectors more likely to report an increase in future are BFPS, Service Activities, Green Tech, Retail, and Education

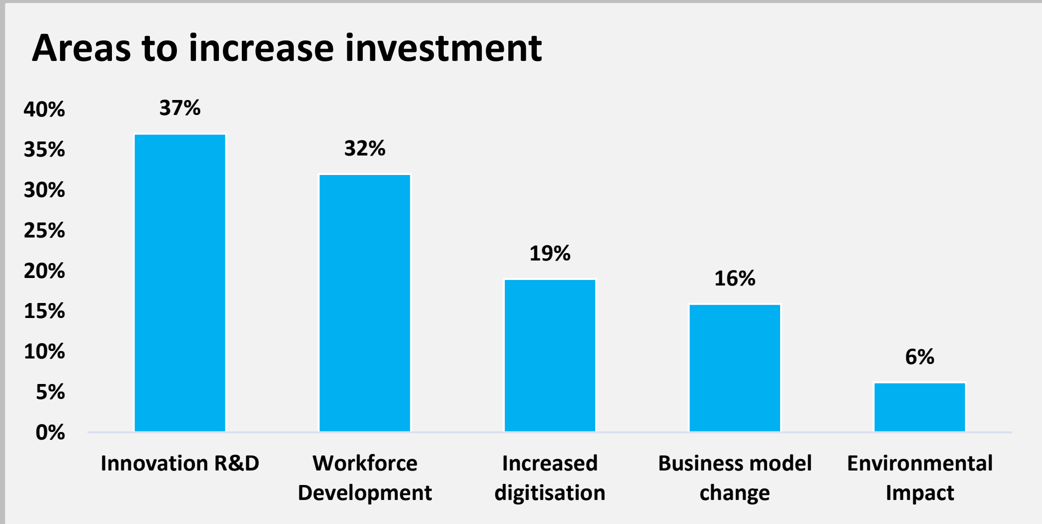
Cashflow Issues: 12% (unchanged) of firms reported cashflow problems and higher risk reported in Construction, DCTs, Manufacturing, and Health Care.

Trade: 24% of firms (vs 22%) export goods/services, with 18% (vs 17%) expanding into new markets

Future Support Needs: Business planning 31%, sales & marketing 30%, innovation 31%, workforce development 30%, financial advice 22%.

Recruitment and Skills: 25% of firms recruiting; higher among SMEs; most active in BFPS, Education, Green Tech, and Retail.

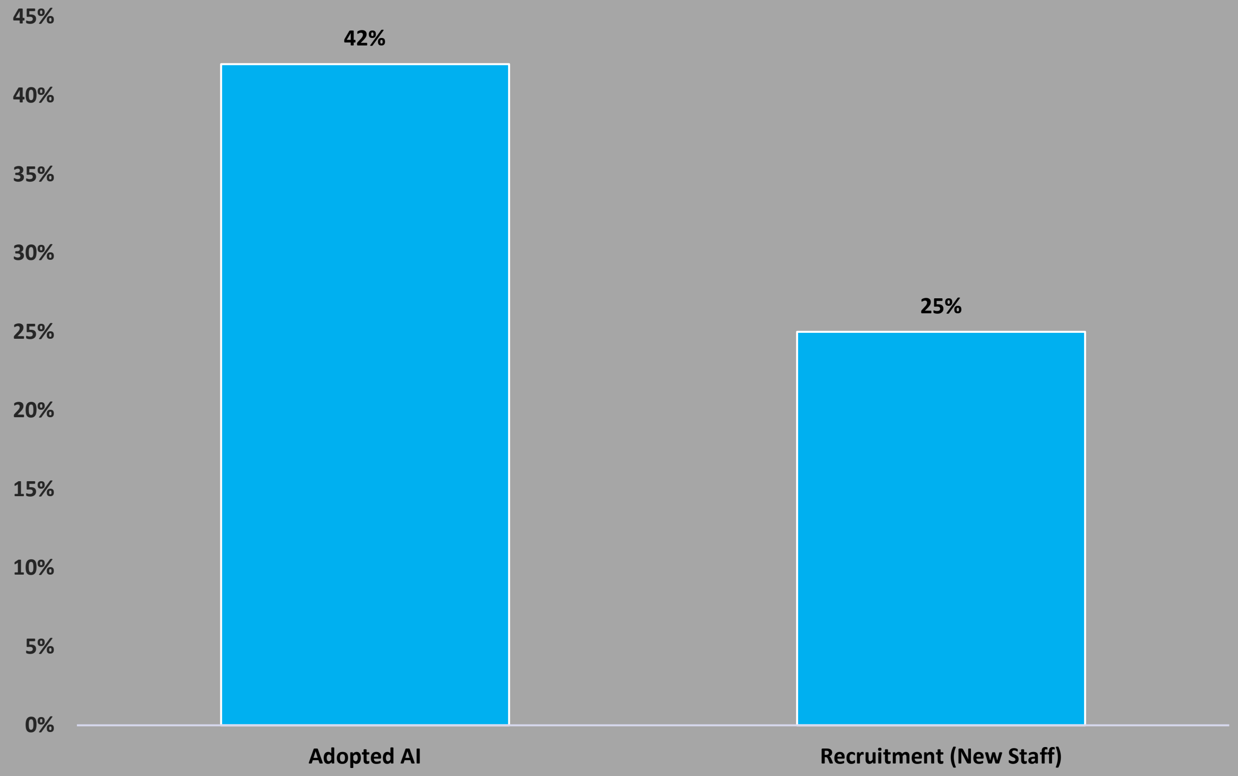




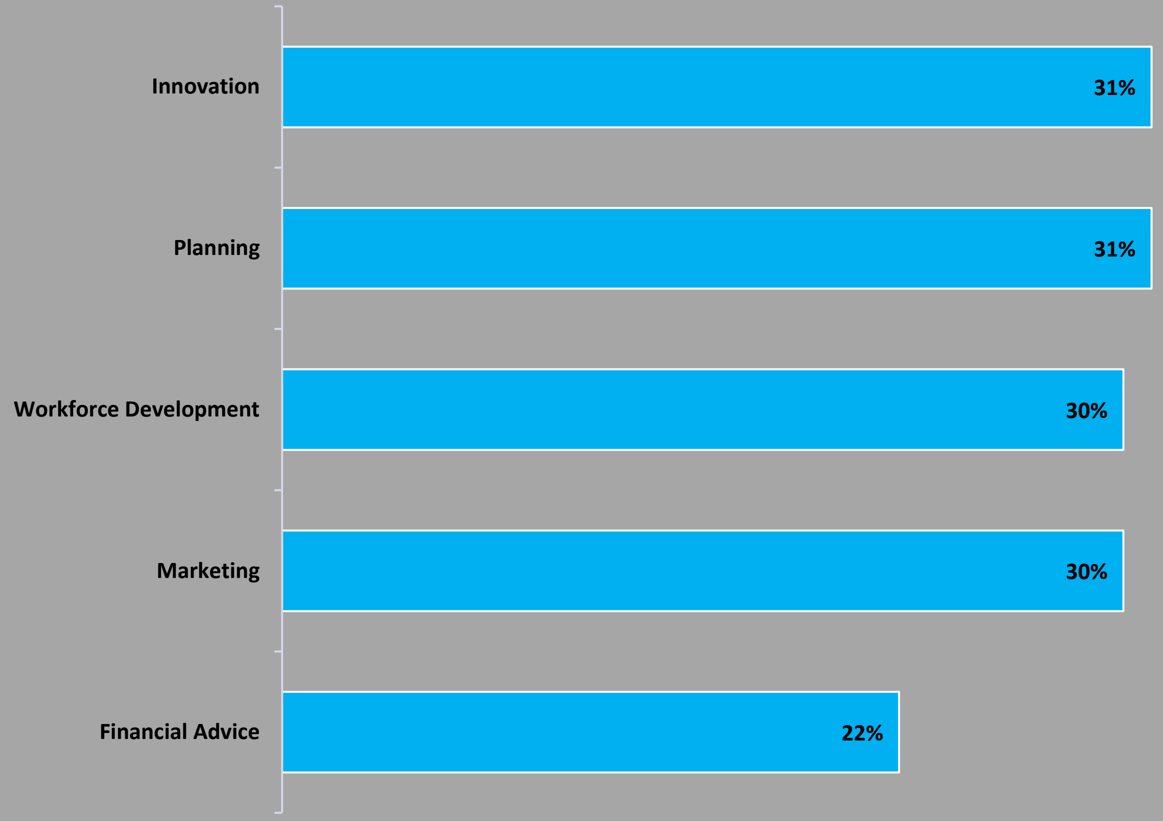
The Growth Company

Interest in business support

Percentage of respondents interested in the following initiatives



Top 5 areas for business support in the future



Access support from the Growth Company

As a market leader in business and economy surveys, the Growth Company has engaged with firms throughout the pandemic and remains uniquely placed to provide invaluable intelligence on the challenges faced by business.

Our survey intelligence reports provide regular weekly input to central Government, as well as supporting a variety of local stakeholders in planning their response.

For more information on the results presented here, or to take part in future surveys, please contact: Jake.spires@growthco.uk

Here are some of the ways we can support you:

- Guidance and practical business support
  https://www.businessgrowthhub.com/support/services
- Help for training staff and finding new talent:
  https://www.businessgrowthhub.com/support/services/people
- Advice to reduce carbon, boost your competitiveness, and save money
  https://www.businessgrowthhub.com/support/services/sustainability