



The
Growth
Company

Growth Company Business Survey

Results for the 2nd July 2025 to 2nd October 2025

www.growthco.uk

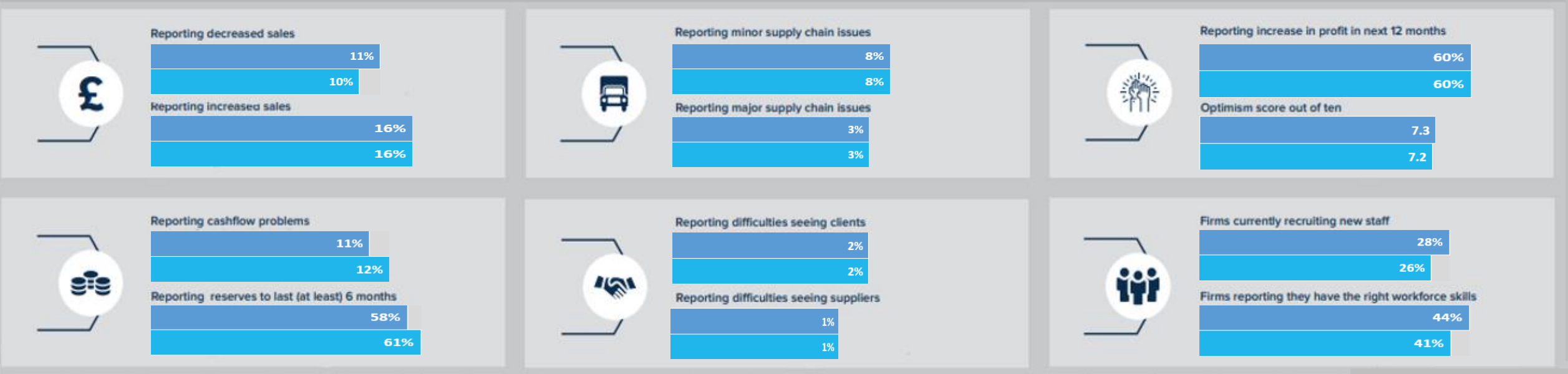
GC Business Survey

The main survey findings reported by businesses on 2nd July 2025 – 2nd October 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 **756 businesses** that participated in our GC Business Survey from **2nd July 2025 and 2nd October 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 Q2 2025, slowing from 0.7% in Q1, with inflation stubborn at 3.8%, driven by food and administered costs. Monthly GDP rose 0.1% in August after a July decline, keeping Q3 growth on track at 0.2–0.3%. Business activity softened, with the Composite PMI at a five-month low and consumer confidence falling to –19. The Bank Rate remains at 4.0%, with no further cuts expected this year. Inflationary pressures persist, while hiring intentions are among the weakest since 2020 — most firms plan to maintain headcount rather than expand, reflecting caution amid rising costs and uncertainty. Labour market stability remains a key challenge for policymakers alongside inflation control.

Survey Summary

The GC-BCI dipped slightly to 7.2, indicating a modest decline in confidence. Optimism remains strong in BFPS, Construction, DCTs, and Hospitality, while sectors such as Retail, Green Tech, Life Sciences, and Engineering show weaker sentiment. Sales and profit expectations are generally stable, with growth anticipated in BFPS, DCTs, and Retail, though Construction, Education, and Health Care are less positive.

Investment and Workforce Trends

Capital investment intentions have risen modestly, led by Engineering, Green Tech, Hospitality, and Manufacturing. Workforce development continues to be a priority, especially in Retail, Education, and Health Care. Rising costs, cashflow pressures, and recruitment challenges persist, though most firms report adequate cash reserves, particularly in Education, Construction, and Manufacturing.

Challenges and Future Plans

Accessing new domestic sales opportunities remains the top challenge, notably for DCTs, BFPS, Healthcare, and Green Tech. Other concerns include product development, business model adaptation, and financial management. Smaller firms seek support in planning, marketing, and innovation, while larger firms focus on skills, recruitment, and digital transformation. Innovation activity is strong, with plans for increased R&D investment, workforce development, and AI adoption in analytics, marketing, and customer support. Skill gaps persist in technical expertise, sales, and leadership.

Key Findings

GC Business Confidence Index (GC-BCI): Business confidence dropped to 7.2 (down from 7.3); confidence higher in BFPS, Construction, DCTs, Hospitality; lower in Retail, Green Tech, Life Sciences, Engineering.

Sales and Profits: 16% reported increased sales; 10% reported decreased sales; 60% expect profit growth; 2% expect profit decline.

Investment: 33% plan to increase capital expenditure; 30% plan to invest in workforce development; optimism highest in Engineering, Green Tech, Hospitality, Manufacturing, Retail.

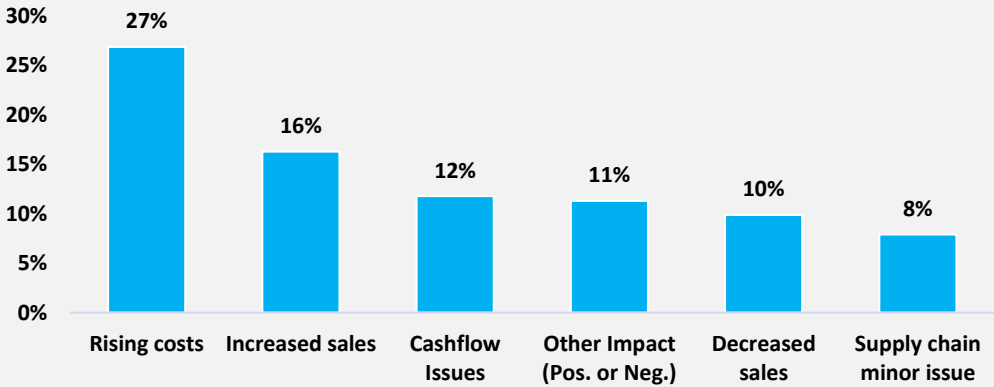
Cashflow Issues: 12% reported cashflow problems; micro firms most affected, especially in DCTs, Manufacturing, Hospitality.

Trade: 22% export goods/services; 17% expanding into new markets; 12% looking to grow in current overseas markets.

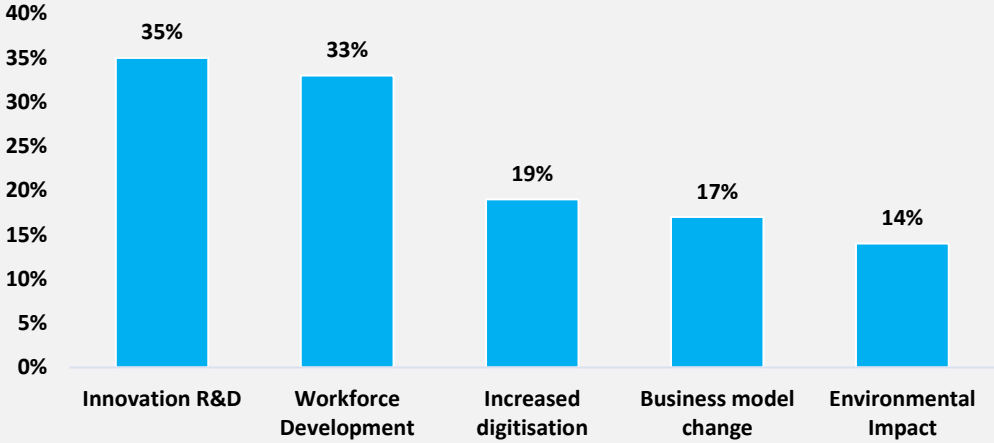
Future Support Needs: Business planning 36%, sales & marketing 31%, innovation 33%, workforce development 30%, financial advice 24%.

Recruitment and Skills: 26% of firms recruiting; higher among SMEs; most active in BFPS, Manufacturing, Education, Green Tech, Retail.

Main Impacts

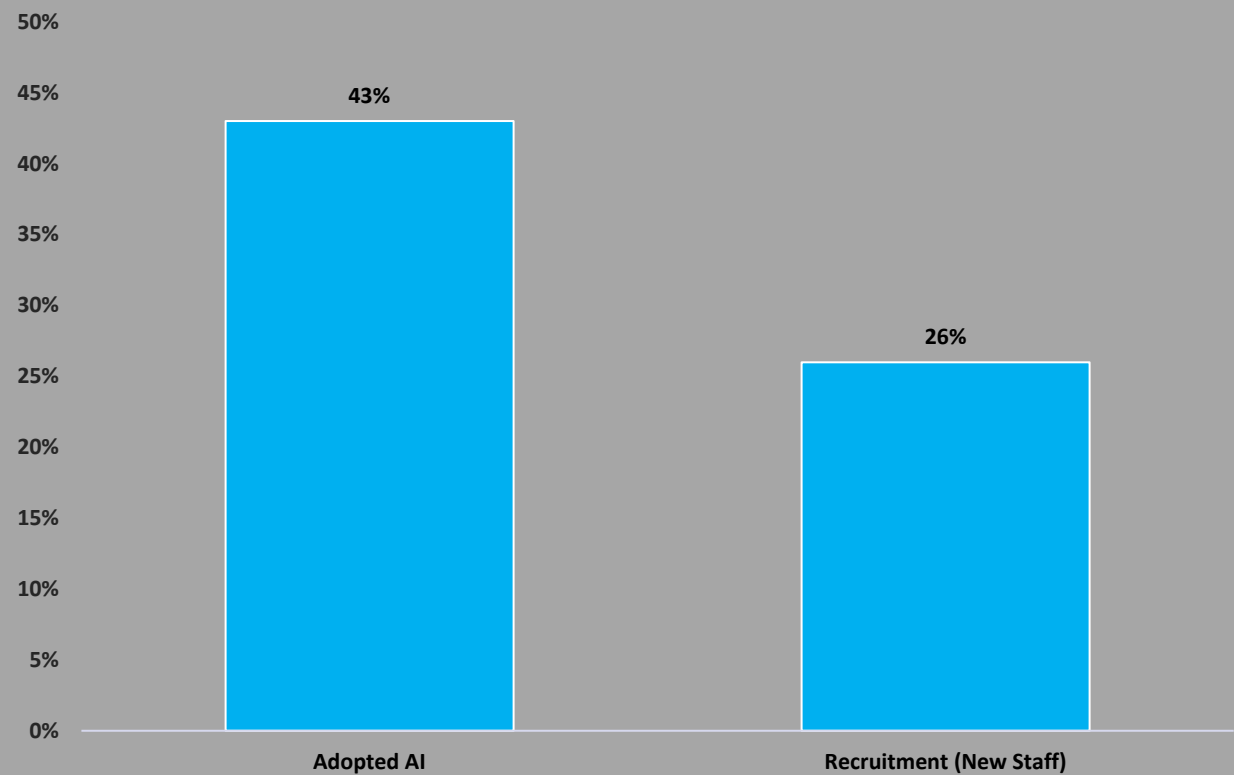


Areas to increase investment

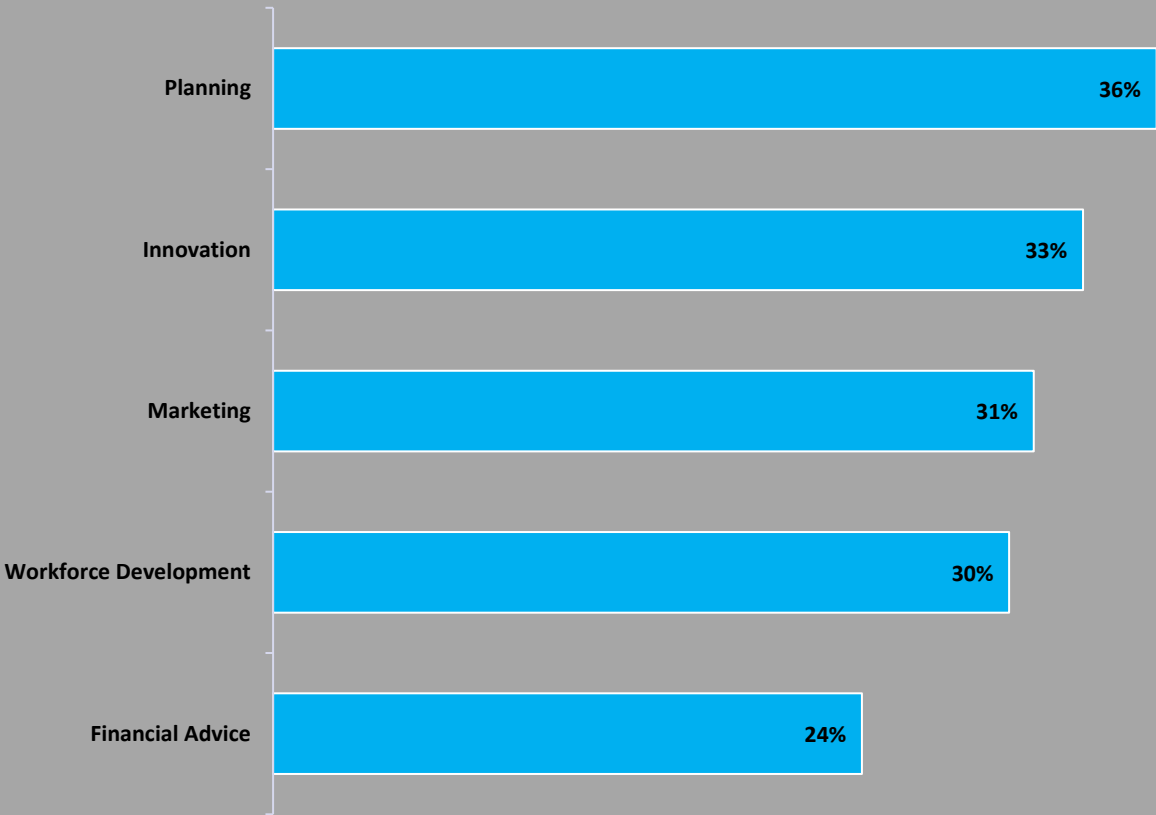


Interest in business support

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.spire@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>

