The Growth Company

Growth Company Business Survey

Results for the 2nd May 2026 to 2nd August 2026

www.growthco.uk

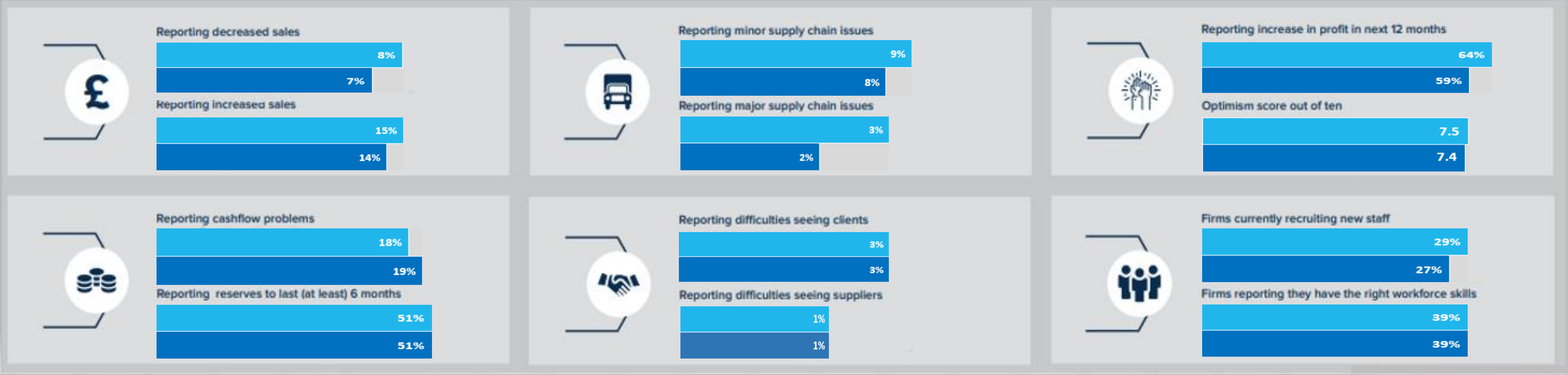
GC Business Survey

The main survey findings reported by businesses on 2nd May 2026 – 2nd August 2026

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 **753 businesses** that participated in our GC Business Survey from **2nd May 2026 and 2nd August 2026.**

The main impacts of the current economic climate on businesses



Previous month Current Month

UK Economic Performance
Despite some improvement in global conditions, geopolitical tensions, particularly in the Middle East, continue to pose risks to the UK economy. Periods of ceasefire and diplomatic progress have supported financial markets and business confidence, but energy prices remain volatile and above pre-conflict levels. Businesses continue to cite economic uncertainty and energy costs as key challenges, while the inflation outlook remains sensitive to further developments in global energy markets.

UK inflation has eased to 2.6%, helping to improve consumer and business sentiment, with both the GfK Consumer Confidence Index and Lloyds Business Barometer showing stronger readings in July. Lower inflation, easing energy costs, and greater political optimism have boosted confidence, although households and firms remain cautious due to ongoing cost pressures, uncertain demand, and the possibility of renewed international disruption.

Survey Summary
The latest Greater Manchester Business Confidence Index shows continued resilience among local businesses, with confidence rising to 7.5 and firms reporting improving sales, profit expectations and investment intentions. Growth expectations remain strongest in sectors such as Engineering, Construction, Education, Hospitality, Digital, Creative and Tech, and Logistics, while more businesses are planning to invest in capital expenditure and workforce development despite wider economic uncertainty. Overall financial resilience remains stable, although cost pressures and access to new domestic sales continue to be significant challenges.

Labour market activity strengthened further, with recruitment increasing across several sectors, while innovation and technology adoption remain key growth drivers. AI adoption reached a record high of 60%, particularly for analytics, automation and data processing, alongside rising investment intentions in R&D and digital technologies. However, businesses continue to face skills shortages in technical, leadership and advanced IT roles, and demand remains high for support in business planning, sales and marketing, innovation, training and financial management to sustain future growth.

Key Findings

GC Business Confidence Index (GC-BCI): Business confidence for July 2026 stood at 7.5 out of 10, (7.4 in June). Confidence levels are above average for Engineering, Construction, Education, Hospitality, DCTs and Logistics and lower in BFPS and Life Sciences.

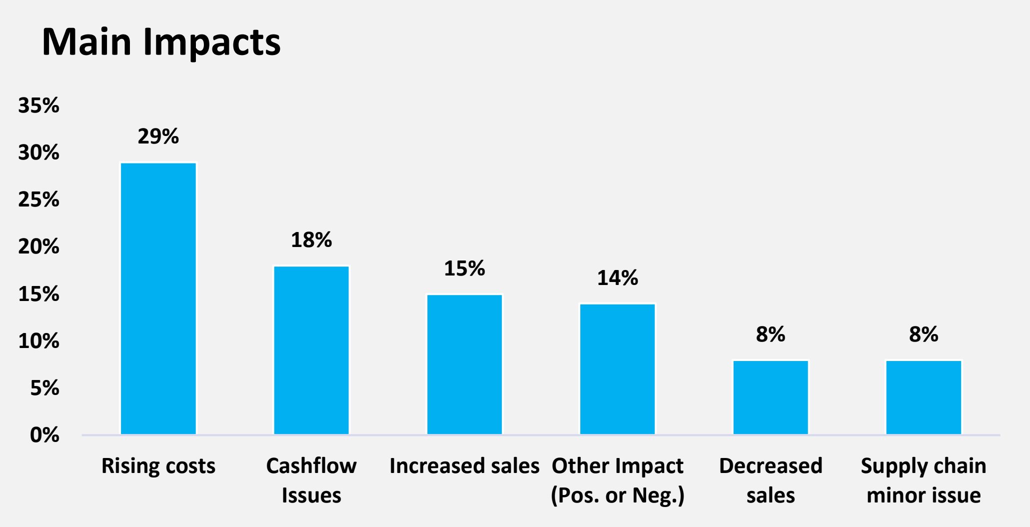
Investment: 41% (vs 40%) of firms expect to increase capital expenditure in the year ahead. Sectors most optimistic about increasing investment are Utilities / LCEGs, Manufacturing, Life Sciences, Retail, Hospitality, DCTs and Other Services; and lowest in in BFPS, Engineering, Education, Construction, Health Care.

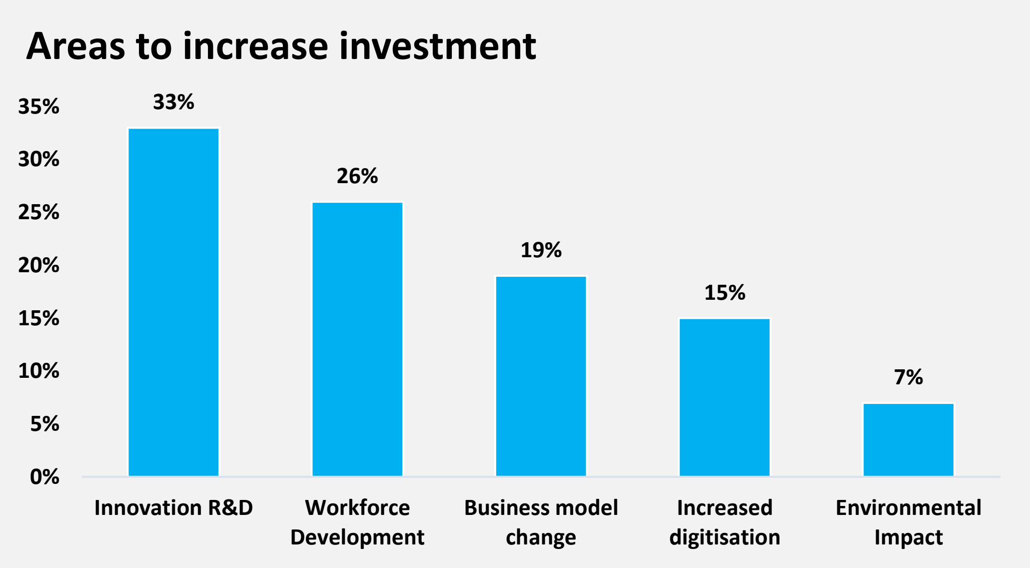
Cashflow Issues: 18% (vs 19%) of firms reported cashflow problems and higher risk reported in Engineering, Retail, Logistics, Tourism, DCTs, Health Care and Other Services.

Trade: 25% of firms (unchanged) export goods/services, with 18% (unchanged) expanding into new markets, a trend particularly notable in the Manufacturing & Engineering, Life Sciences, Retail, and DCTs sectors.

Future Support Needs: Sales & marketing 37% (vs 36%), business planning 39% (vs 35%), innovation 35% (vs 34%), workforce development 31% (unchanged), and financial advice / guidance 33% (unchanged).

Recruitment and Skills: 29% (vs 27%) of firms recruiting; higher among SMEs; most active in Utilities / LCEGs, Construction, Life Sciences, Tourism, Education, BFPS, and Other Services. Sectors least likely to be recruiting are DCTs, Engineering, and Healthcare.





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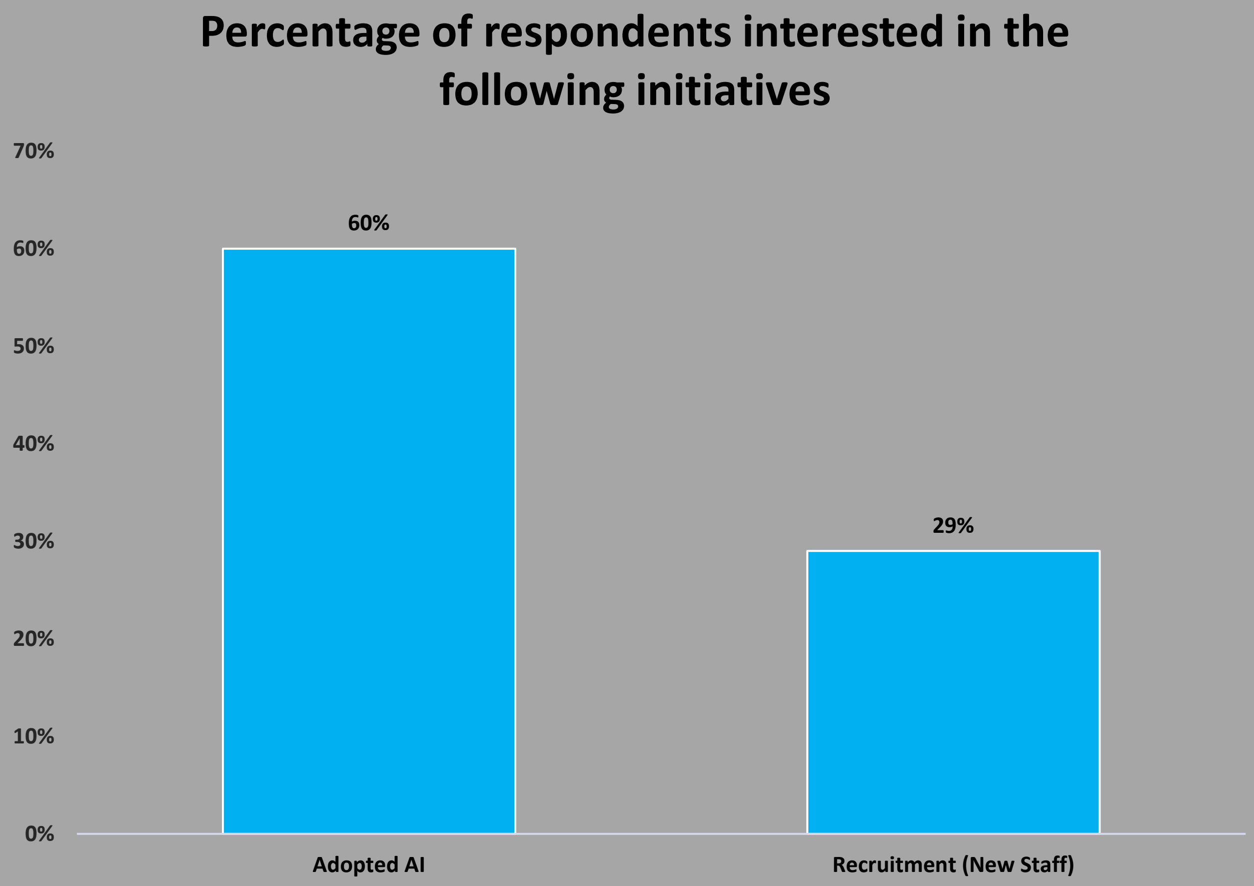
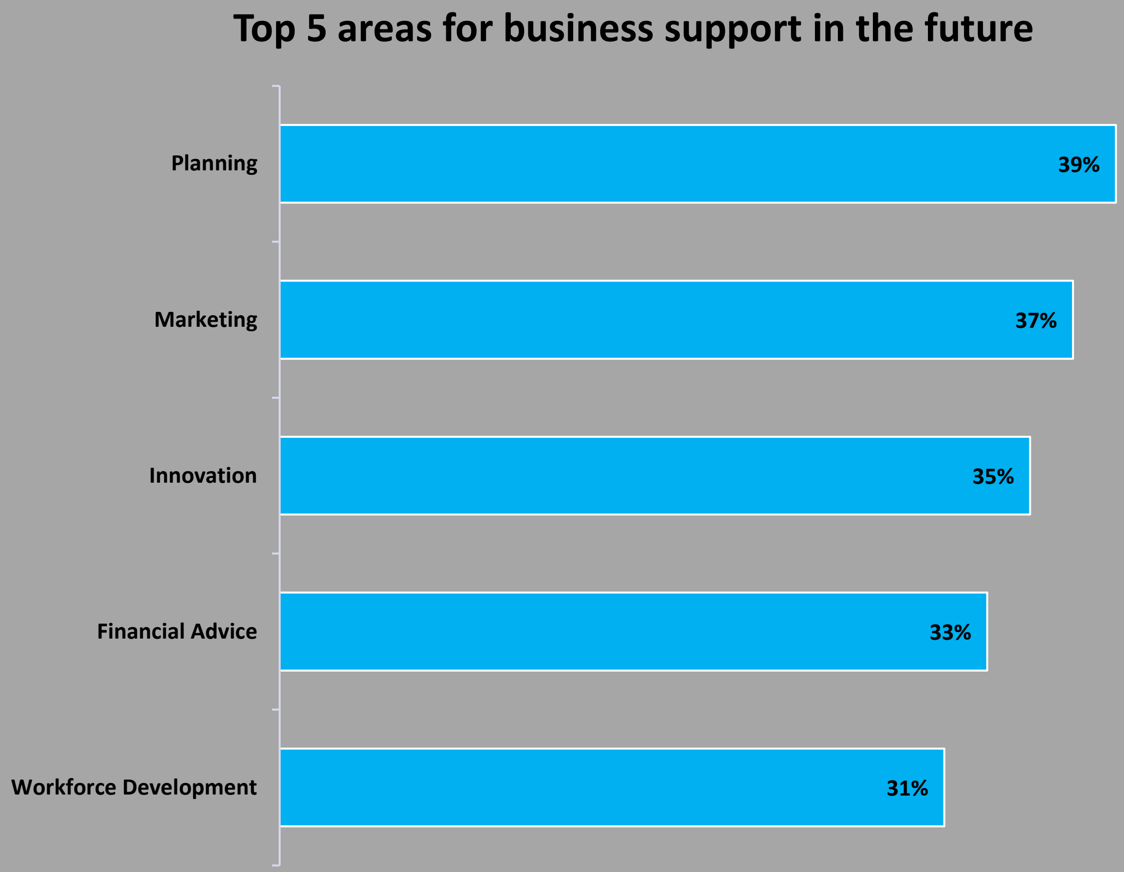
Interest in business support and AI adoption





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: Rupert.Greenhalgh@growthco.uk or Atharva.Joshi@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

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