

Statistical bulletin

# Business insights and impact on the UK economy: 18 May 2023

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

- More than a quarter (26%) of businesses reported their turnover was lower in April 2023 compared with the previous month, up from 19% in March 2023; in comparison 16% reported their turnover was higher in April 2023, down from 19% in March 2023.
- When asked in early May 2023, more than one in five (21%) trading businesses expect turnover to increase in June 2023, up from 19% for expectations for May 2023.
- More than a third (35%) of trading businesses reported an increase in the prices of goods or services bought in April 2023 compared with March 2023; down from 38% when comparing March with February 2023.
- When looking ahead, 18% of trading businesses expect to raise the prices of goods or services they sell in June 2023, down from 23% for May 2023.
- More than one in six (17%) trading businesses reported their overall performance increased in April 2023 compared with the same calendar month last year, down 2 percentage points from March 2023 compared with March 2022.

## 2 . Headline figures

The data presented in this bulletin are the results from Wave 82 of the Business Insights and Conditions Survey (BICS), which was live from 2 to 14 May 2023.

The data reported within BICS bulletins and datasets are estimates that are subject to [uncertainty](#), such as sampling variability and [non-sampling error](#). Further information on quality is available in our [Business Insights and Conditions Survey Quality and Methodology Information \(QMI\) report](#), and we regularly update the [confidence intervals](#) associated with the survey questions.

Experimental single-site weighted regional estimates up to Wave 74 are available in our [Business insights and impact on the UK subnational single-site economy: February 2023 article](#).

Please note that businesses were asked to exclude seasonal changes when answering questions contained within BICS.

### More about economy, business and jobs

- All ONS analysis, summarised in our [economy, business and jobs roundup](#).
- 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 and/or excluded.
2. Prices: for presentational purposes, the 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.

## Download the data

[.xlsx](#)

The percentage of businesses that reported they were trading was 95% in early May 2023, with 87% fully trading and 9% partially trading (for example, trading with reduced hours or staff numbers). Meanwhile, 3% of businesses reported "temporarily paused trading" and 2% "permanently ceased trading" as their business's trading status.

## 3 . Financial performance

# Turnover

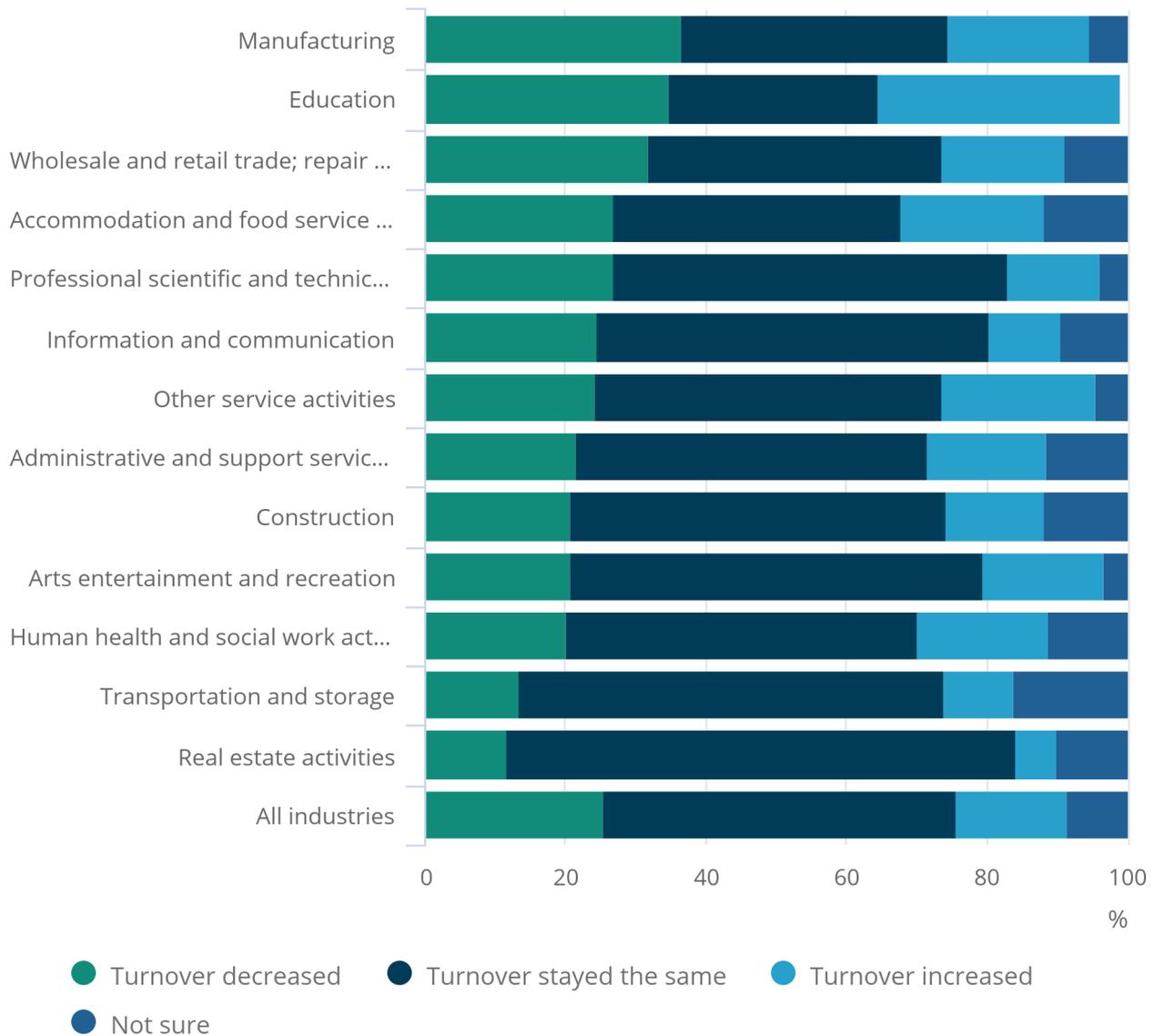
Trading businesses were asked how their turnover in April 2023 compared with March 2023, excluding any seasonality trading.

**Figure 2: More than a quarter (26%) of trading businesses reported lower turnover in April 2023 compared with March 2023**

Impact on turnover, businesses currently trading, broken down by industry, weighted by count, UK, 1 to 30 April 2023

Figure 2: More than a quarter (26%) of trading businesses reported lower turnover in April 2023 compared with March 2023

Impact on turnover, businesses currently trading, broken down by industry, weighted by count, UK, 1 to 30 April 2023



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% being 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 businesses currently trading who reported their turnover had decreased compared with the previous month is up 6 percentage points from the 19% reported in March 2023.

The percentage of businesses that reported their turnover had increased in April 2023, compared with March 2023, was 16%, down 4 percentage points from March 2023. Businesses who reported their turnover had stayed the same was down 3 percentage points over the same period, to 50%.

## Turnover expectations

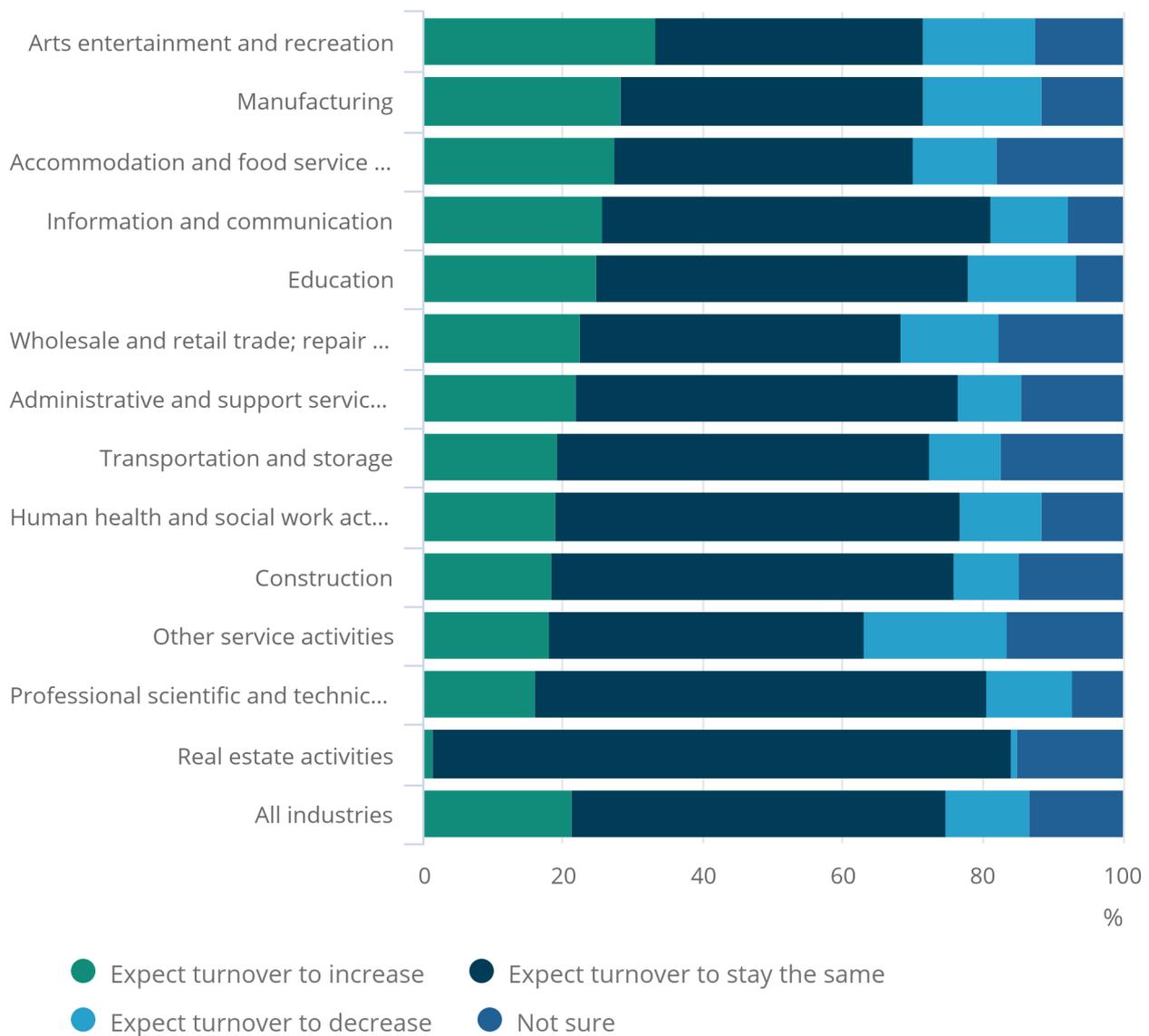
Trading businesses were asked about their turnover expectations for June 2023, excluding any seasonality trading.

**Figure 3: More than one in five (21%) businesses expect turnover to increase in June 2023**

Turnover expectations, businesses currently trading, broken down by industry, weighted by count, UK, 1 to 30 June 2023

### Figure 3: More than one in five (21%) businesses expect turnover to increase in June 2023

Turnover expectations, businesses currently trading, broken down by industry, weighted by count, UK, 1 to 30 June 2023



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% being 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”.
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.

More than one in five (21%) businesses expect their turnover to increase in June 2023, up from 19% for May 2023.

In comparison, one in eight (12%) businesses expect their turnover to decrease in June 2023, while more than half (54%) expect their turnover to stay the same, broadly stable with expectations for May 2023.

## **4 . Prices**

## **Prices bought and sold**

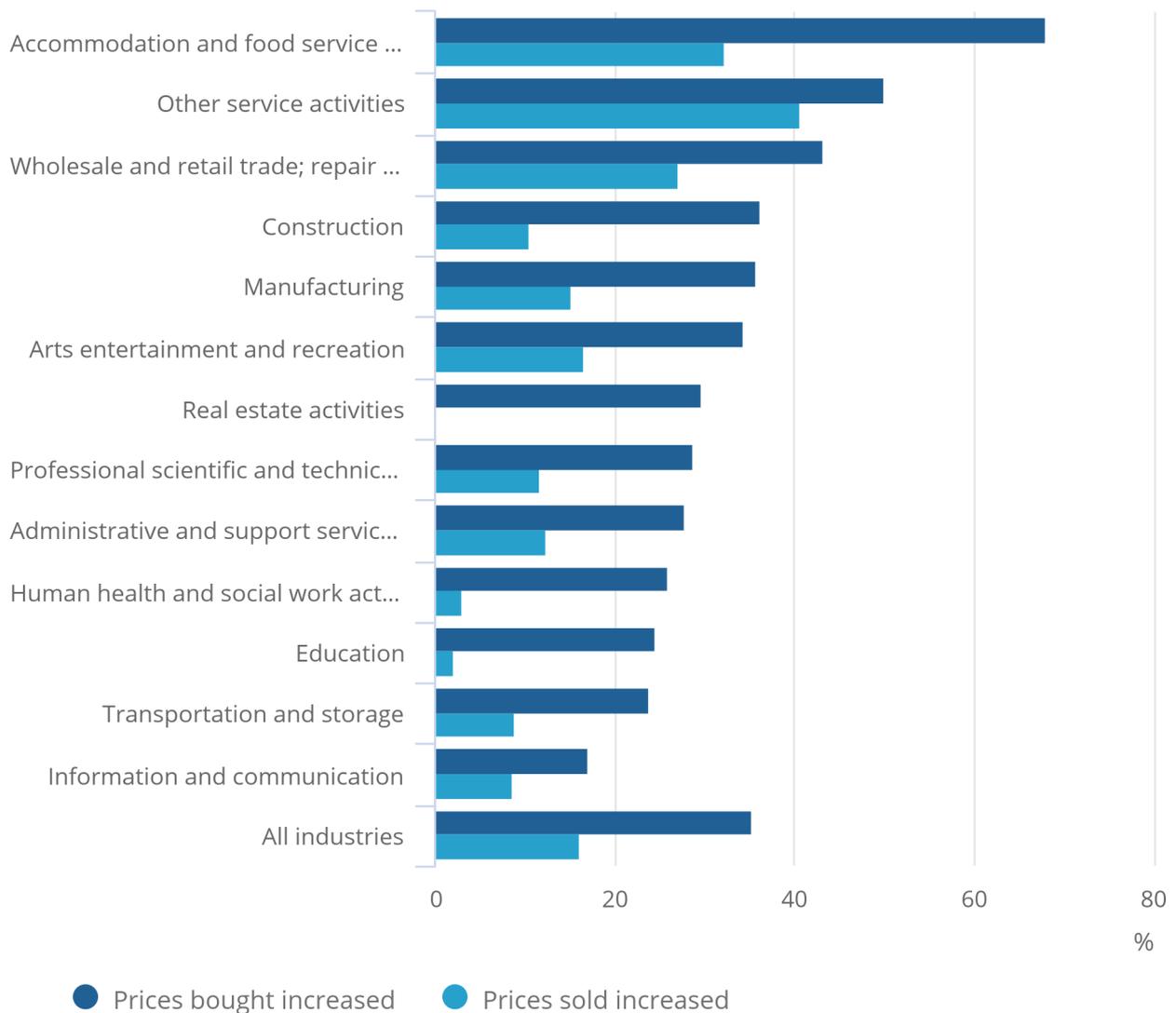
Businesses not permanently stopped trading were asked how the prices of goods or services bought and/or sold by their business in April 2023 compared with the previous calendar month.

**Figure 4: More than a third (35%) of trading businesses reported an increase in the prices of goods or services bought in April 2023 compared with March 2023**

Prices bought and sold increased, businesses currently trading, broken down by industry, weighted by count, UK, 1 to 30 April 2023

Figure 4: More than a third (35%) of trading businesses reported an increase in the prices of goods or services bought in April 2023 compared with March 2023

Prices bought and sold increased, businesses currently trading, broken down by industry, weighted by count, UK, 1 to 30 April 2023



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

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".

The percentage of trading businesses reporting higher prices for goods or services bought in April 2023 compared with March 2023, was 35%, down 2 percentage points from those reporting higher costs in March 2023 compared with February 2023.

Estimates suggest that a number of trading businesses continue to experience an increase each month in the prices of goods or services bought. However, this has steadily decreased since September 2022, and is the lowest percentage reported since the question was updated in March 2022.

## Price expectations

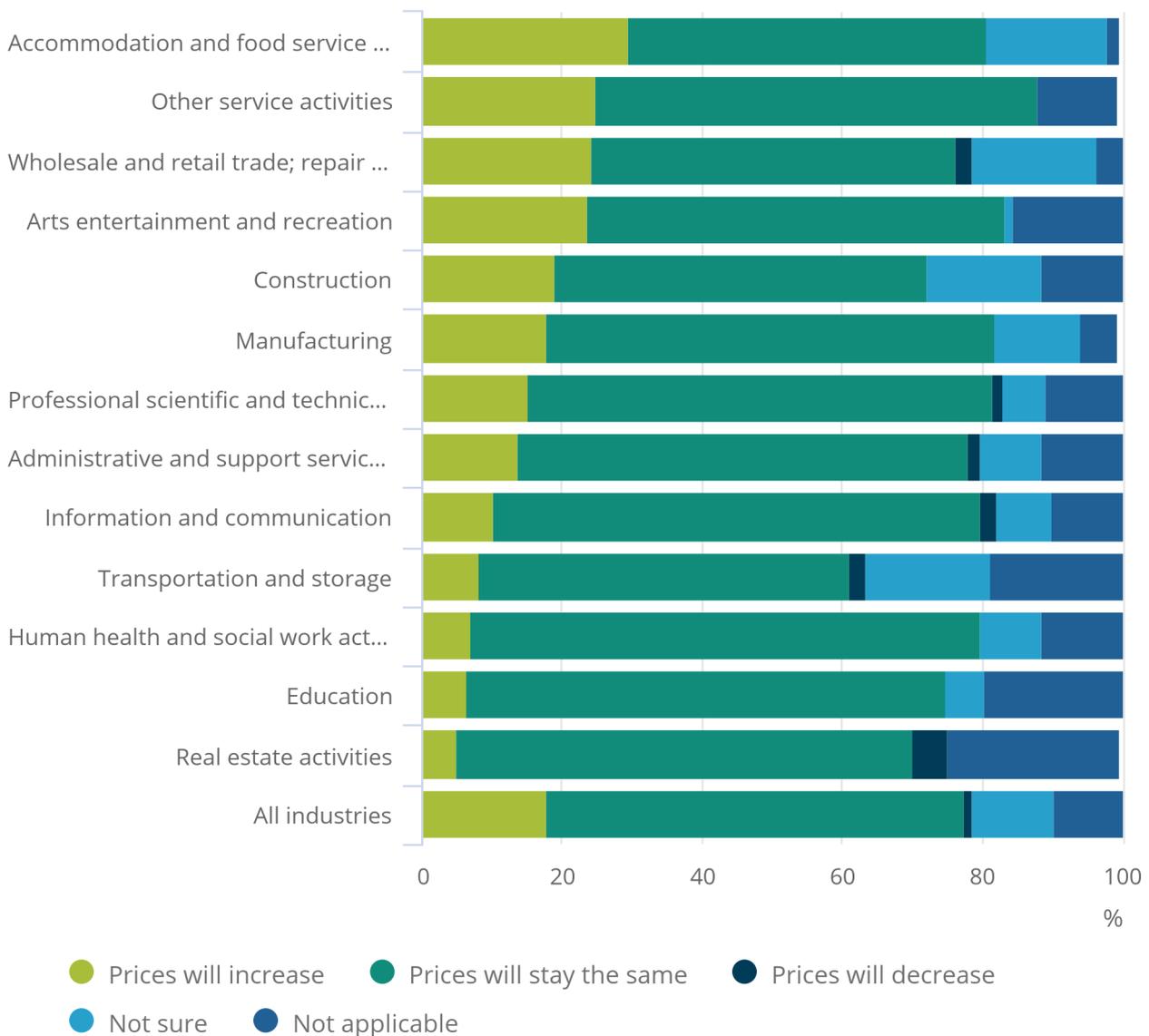
Businesses not permanently stopped trading were asked what their expectations are for the prices of goods or services they sell in June 2023.

**Figure 5: More than one in six (18%) trading businesses expect to raise the prices of goods or services they sell in June 2023**

Price expectations, businesses currently trading, broken down by industry, weighted by count, UK, 1 to 30 June 2023

### Figure 5: More than one in six (18%) trading businesses expect to raise the prices of goods or services they sell in June 2023

Price expectations, businesses currently trading, broken down by industry, weighted by count, UK, 1 to 30 June 2023



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% being 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”.
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.

When asked in early May 2023, more than one in six (18%) trading businesses expected to raise the prices of goods or services they sell in June 2023, down from 23% for May 2023. While the proportion of trading businesses that reported they expect prices will stay the same increased by 7 percentage points to 60% over the same period.

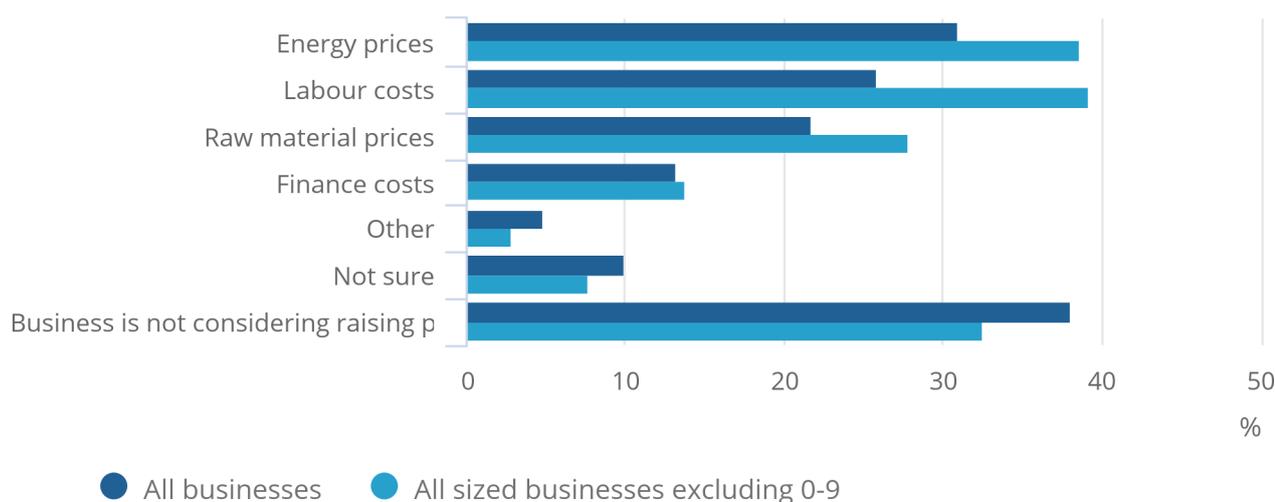
## Price rise reasons

**Figure 6: In early May 2023, data suggest larger businesses are considering raising prices more than smaller businesses because of energy prices**

Reason for price rises, businesses currently trading, broken down by response option, weighted by count, UK, 2 to 14 May 2023

Figure 6: In early May 2023, data suggest larger businesses are considering raising prices more than smaller businesses because of energy prices

Reason for price rises, businesses currently trading, broken down by response option, weighted by count, UK, 2 to 14 May 2023



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

### Notes:

1. Response options may not sum to 100% because of rounding and percentages less than 1% being 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.

Businesses were asked what, if anything, was causing them to consider raising their prices in June 2023. Almost a third (31%) of trading businesses reported energy prices as the top reason for why they are considering doing so. In contrast, 38% reported they are not considering raising prices.

Further details on price expectations broken down by trading status, industry and size band are available in our [accompanying dataset](#).

## Impact of prices

In early May 2023, businesses not permanently stopped trading were asked in which ways, if any, their business had been affected by any price rises they had experienced.

Almost two-thirds (63%) of businesses reported they were affected by general increases in prices in one or more ways; 26% reported they had not been affected by price rises, and 11% were not sure.

The most commonly reported impacts were:

- had to absorb costs – 42%
- had to pass on price increases to customers – 27%
- had to change suppliers – 11%

These were all broadly stable with early April 2023.

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

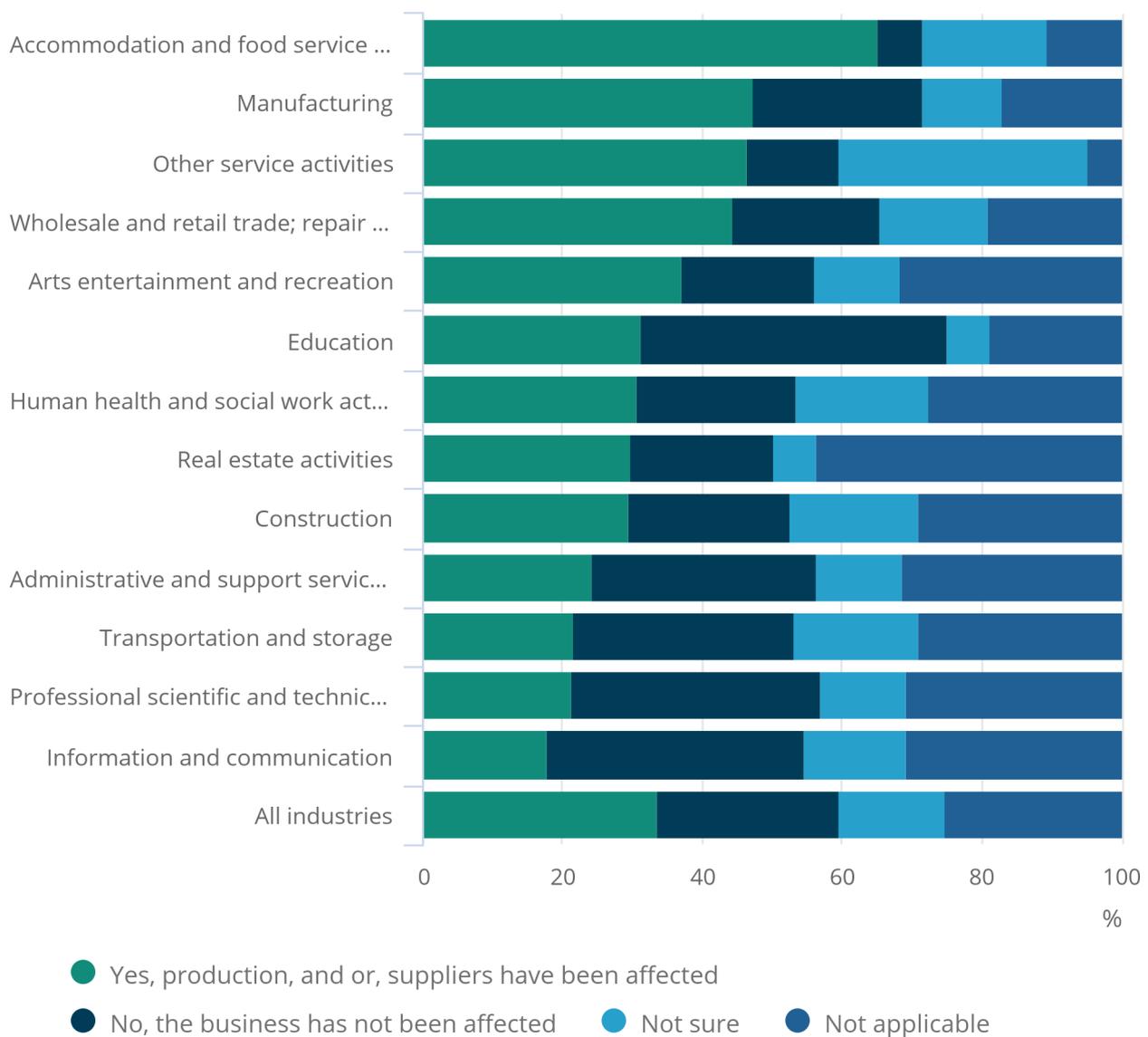
## 5 . Energy prices

**Figure 7: Recent increases in energy prices have affected production and/or suppliers for more than a third (34%) of businesses in early May 2023**

Effect of energy price rises, businesses not permanently stopped trading, broken down by industry, weighted by count, UK, 2 to 14 May 2023

Figure 7: Recent increases in energy prices have affected production and/or suppliers for more than a third (34%) of businesses in early May 2023

Effect of energy price rises, businesses not permanently stopped trading, broken down by industry, weighted by count, UK, 2 to 14 May 2023



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

Notes:

1. For presentational purposes, response options have been combined.
2. Bars may not sum to 100% because of rounding, and percentages less than 1% being removed for disclosure purposes.
3. "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".

In early May 2023, 34% of businesses not permanently stopped trading reported their production and/or suppliers had been affected by the recent increases in energy prices, broadly stable since October 2022.

Further details on the effects of energy price rises broken down by industry and size band are available in our [accompanying dataset](#).

## 6 . Business confidence

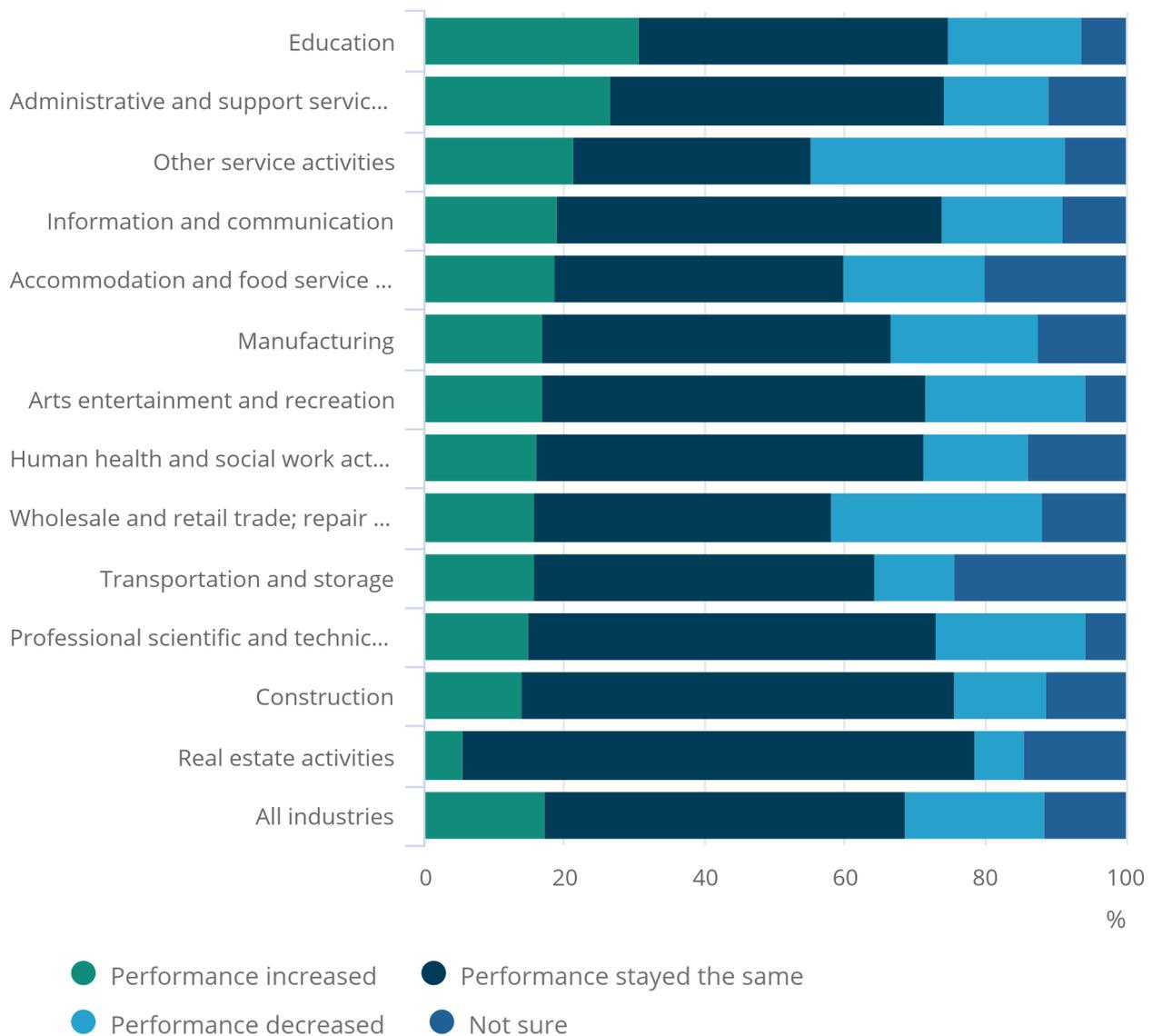
Businesses not permanently stopped trading were asked how they would describe their business's overall performance, such as pricing, trading and workforce, in April 2023 compared with April 2022.

**Figure 8: More than one in six (17%) trading businesses reported their overall performance for April 2023 increased compared with the same calendar month last year**

Business performance, businesses currently trading, broken down by industry, weighted by count, UK, 1 to 30 April 2023

Figure 8: More than one in six (17%) trading businesses reported their overall performance for April 2023 increased compared with the same calendar month last year

Business performance, businesses currently trading, broken down by industry, weighted by count, UK, 1 to 30 April 2023



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% being 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 six (17%) trading businesses reported their overall performance for April 2023 increased compared with April 2022, this was higher at 27% for businesses with 10 or more employees.

In comparison, when asked in early May 2023, more than a quarter (26%) of trading businesses reported they expect their overall performance to increase over the next 12 months, up 3 percentage points from early April 2023.

## 7 . Business Insights and Conditions Survey (BICS) data

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

Dataset | Released 18 May 2023

Weighted estimates from the voluntary fortnightly business 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 27 April 2023

Confidence intervals for weighted estimates from the voluntary fortnightly business survey (BICS) about financial performance, workforce, prices, trade and business resilience.

## Access to microdata

You can access the microdata for Waves 1 to 81 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 our [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 business unit to which questionnaires are sent is called the reporting unit. 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](#), updated on 24 January 2022.

The BICS is voluntary and the results are experimental. More information is available in our [Guide to experimental statistics](#).

Table 1: Sample and response rates for Wave 80, 81 and 82 of the Business Insights and Conditions Survey

Wave	20 April 2023 Publication Wave 80	4 May 2023 Publication Wave 81	18 May 2023 Publication Wave 81
Sample	39,338	39,118	38,950
Response	9,399	10,437	9,558
Rate	23.9%	26.7%	24.5%

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

### Notes

1. Response rates for all waves can be found in our 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 82 survey was live for the period 2 to 14 May 2023. The [BICS survey questions](#) are available.

### Coverage

The Monthly Business Survey (MBS) covers the UK for production and Great Britain (GB) only for services. The Retail Sales Index (RSI) and construction are GB-focused. Therefore, the BICS will be UK-focused for production-based industries but GB-focused for the other elements of the economy covered. The sectors covered are:

- non-financial services (includes professional, scientific, communication, administrative, transport, accommodation and food, private health and education, and entertainment services)
- distribution (includes retail, wholesale, and motor trades)
- production (includes manufacturing, oil and gas extraction, energy generation and supply, and water and waste management)
- construction (includes civil engineering, housebuilding, property development and specialised construction trades such as plumbers, electricians, and plasterers)

The following industries are excluded from the survey:

- 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 [BICS QMI report](#).

## 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 experimental data and analysis on economic activity and social change in the UK. These real-time indicators are created using rapid response surveys, novel data sources and experimental methods.

### [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.

### [COVID-19 question bank](#)

Web page | Updated frequently

This web page provides a bank of questions from multiple Office for National Statistics (ONS) surveys related to coronavirus (COVID-19) to be used in other surveys to further support harmonisation and questionnaire development. This bank also provides users with an understanding of what data the ONS has in relation to the coronavirus pandemic.

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

Article | Released 16 February 2023

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

### [Characteristics of homeworkers, Great Britain: September 2022 to January 2023](#)

Article | Released 13 February 2023

Analysis of homeworkers, including prevalence of hybrid working, and breakdowns by personal characteristics. Data from the Opinions and Lifestyle Survey (OPN).

## 12 . Cite this statistical bulletin

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