

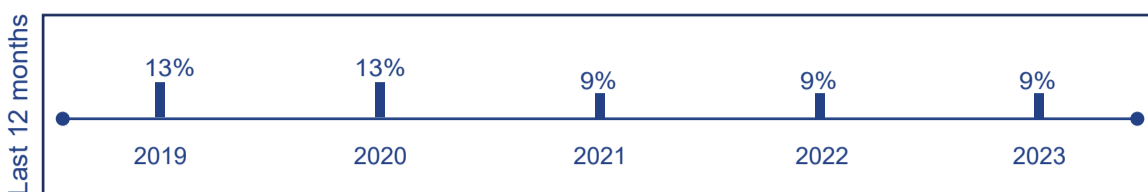
Longitudinal Small Business Survey 2023

Business without employees

4.1 million businesses without employees across the UK: estimated 70% that are not registered for VAT

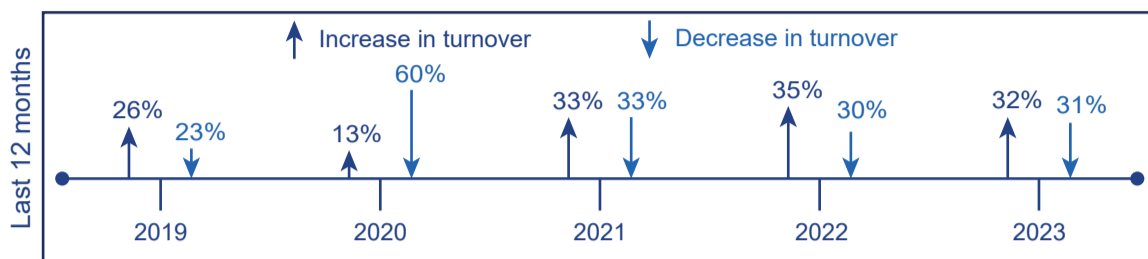
Business growth

Businesses without employees who reported that they employed someone a year ago...



Expect to employ someone in 12 months

Sales turnover in the last 12 months...



Next 12 months



expected increase



expected decrease

Businesses without employees reporting a profit...

78%
2019

67%
2020

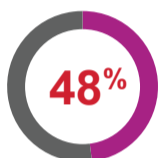
70%
2021

75%
2022

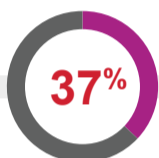
73%
2023

A sustained recovery for profit levels since 2021

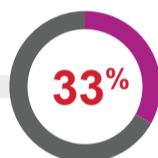
Obstacles to business success and growth



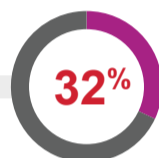
Energy prices



Competition



Cost issues other than energy



Regulations/red tape



Taxation

Cost Increases

15%

cited increase in cost of imports as an obstacle

32%

reported plans for growth-related activities affected by rising costs

14%

reported energy costs affecting growth-related activities

25%

reported other costs affecting growth-related activities

Use of technologies/web-based software

To sell to customers online

in 2022

> 19%

in 2023

> 22%

For managing the business

in 2022

> 27%

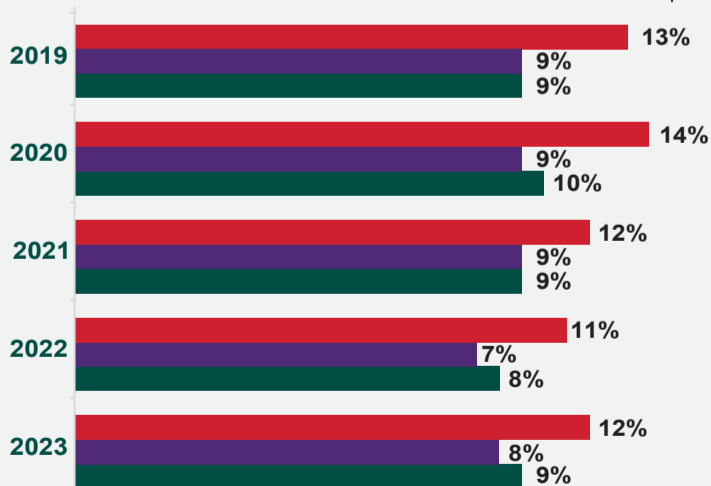
in 2023

> 35%

Trading with overseas customers and suppliers

Exporting steady

Exports
EU exports
Non-EU exports



6%

plan to increase export activity

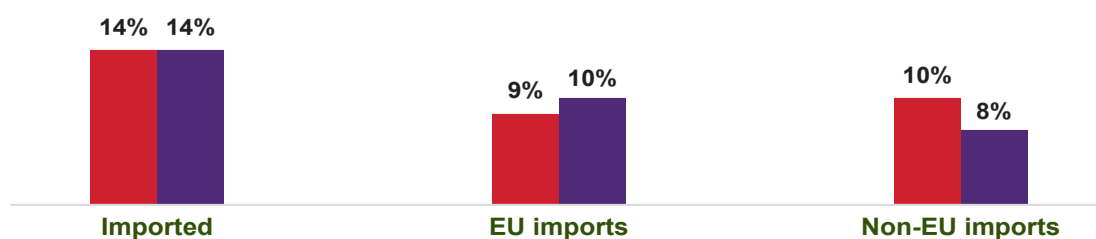


5%

plan to start exporting

Importing steady

2022 ■ 2023 ■



Full report available at:

<https://www.gov.uk/government/collections/small-business-survey-reports>