

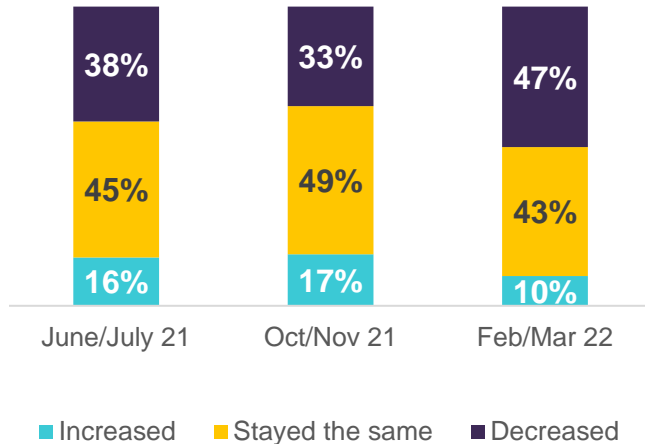
SOSE BUSINESS PANEL SURVEY

WAVE 3: February/March 2022

ECONOMIC CONFIDENCE AND OUTLOOK

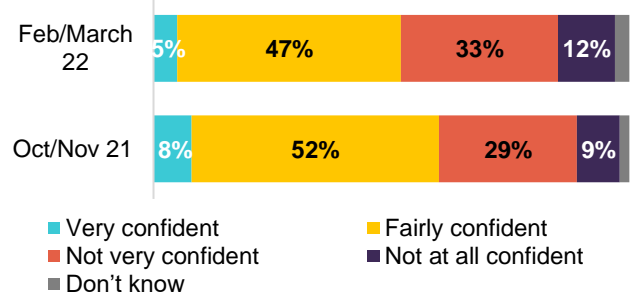
Economic optimism was down on the previous wave. Net confidence* was -33, lower than the past two waves (-16 in Oct/Nov 21 and -22 in June/July 2021.).

Confidence in economic outlook for Scotland over last 6 months

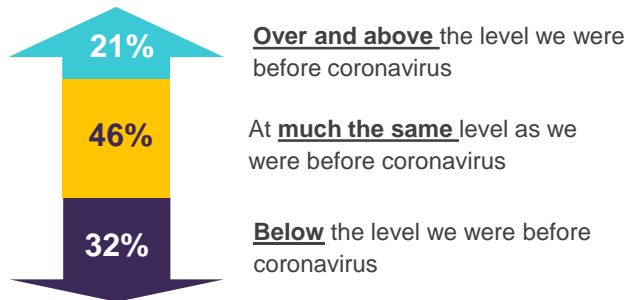


Thinking about the next 12 months, confidence was lower than the previous wave (when 60% were confident and 38% not).

Confidence in economic outlook for Scotland over next 12 months



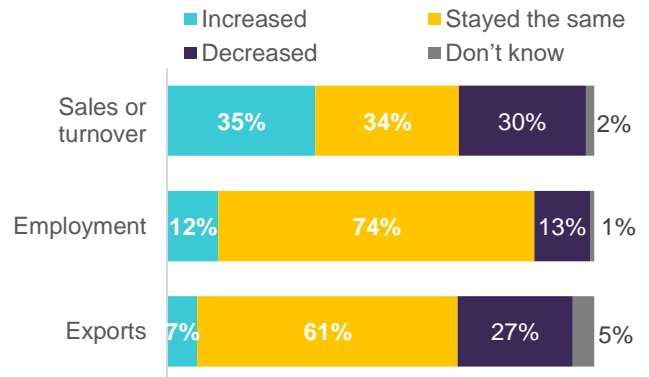
CURRENT OPERATING LEVEL



Levels of current operation remained relatively stable since October/November 2021.

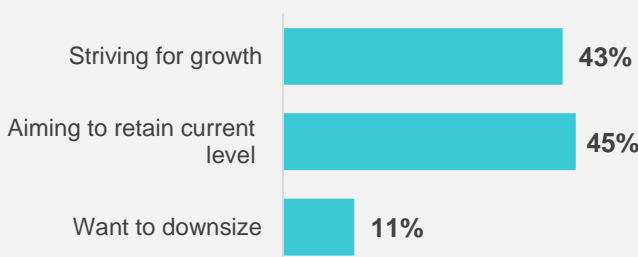
PERFORMANCE

Aspects of business performance over last 6 months



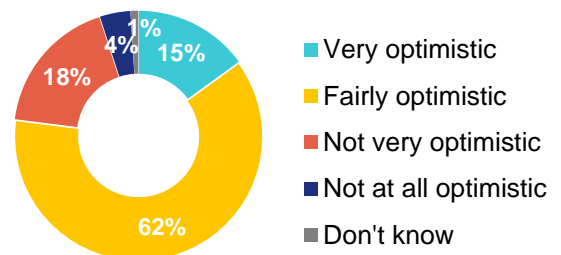
GROWTH ASPIRATIONS

Current aspirations for the business



FUTURE PROSPECTS

77% of businesses were optimistic about their prospects in the next 12 months, 22% were not.



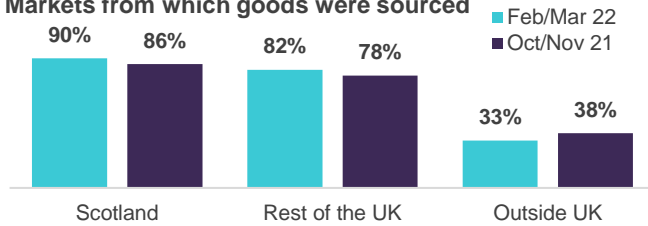
Optimism was in line with the previous wave (when 77% were optimistic and 21% not).

*The net figure is the difference between 'increased' and 'decreased' levels of confidence

MARKETS OF OPERATION

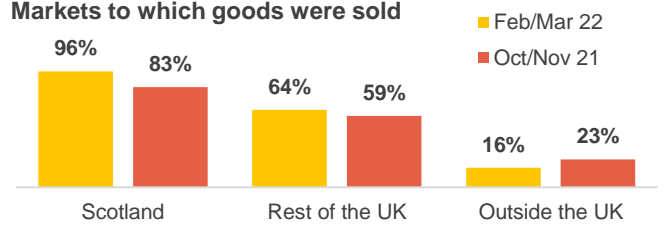
85% were importing from outside Scotland, with 33% importing from outside the UK

Markets from which goods were sourced



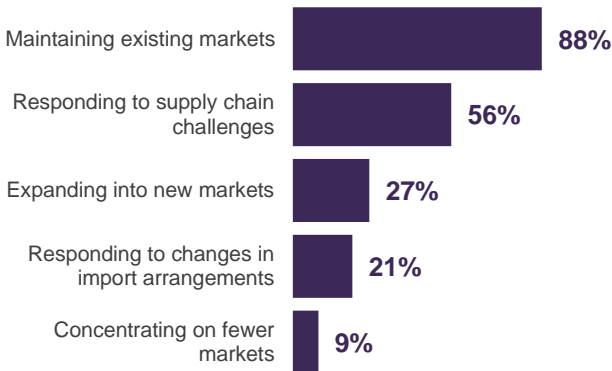
65% were exporting goods or services outside Scotland, with 16% exporting outside of the UK

Markets to which goods were sold

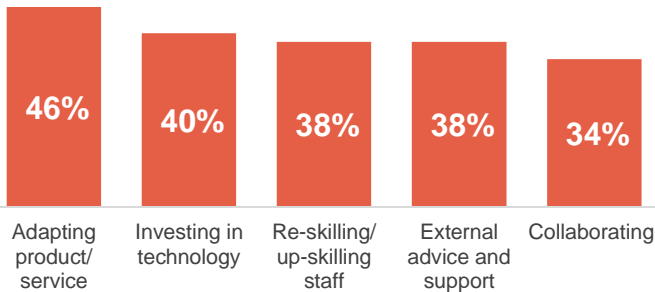


MARKET ACTIVITY

98% of businesses were taking or planning action in relation to their markets.



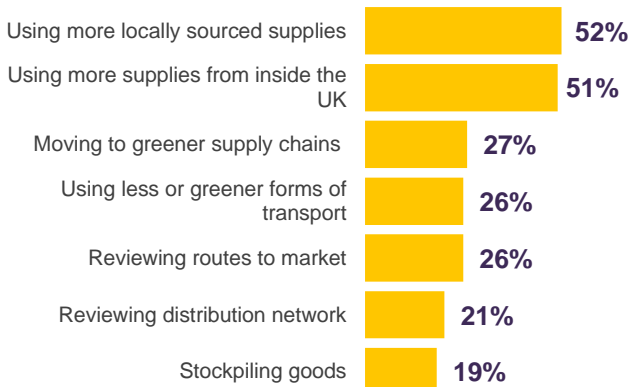
Most important factors in helping achieve market plans (Top 5)



Base: Those with a strategy for their markets (580)

SUPPLY CHAIN ACTIONS

80% of businesses were taking action relating to their supply chain.



COSTS

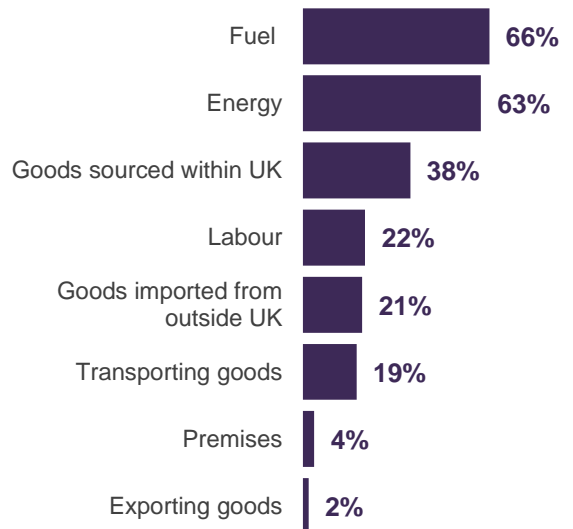
Concern about rising costs:



93%
Very/fairly concerned

7%
Not that/not at all concerned

Costs businesses were most concerned about:

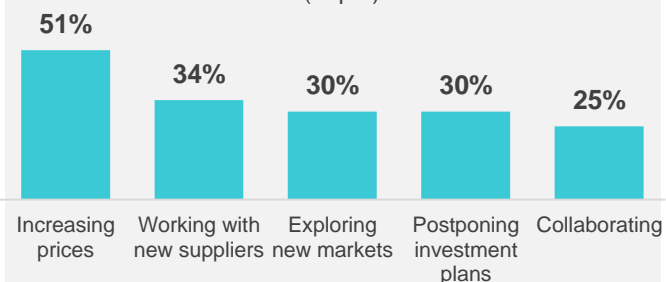


Base: Those concerned about rising costs (565)

RESPONSE TO COST INCREASES

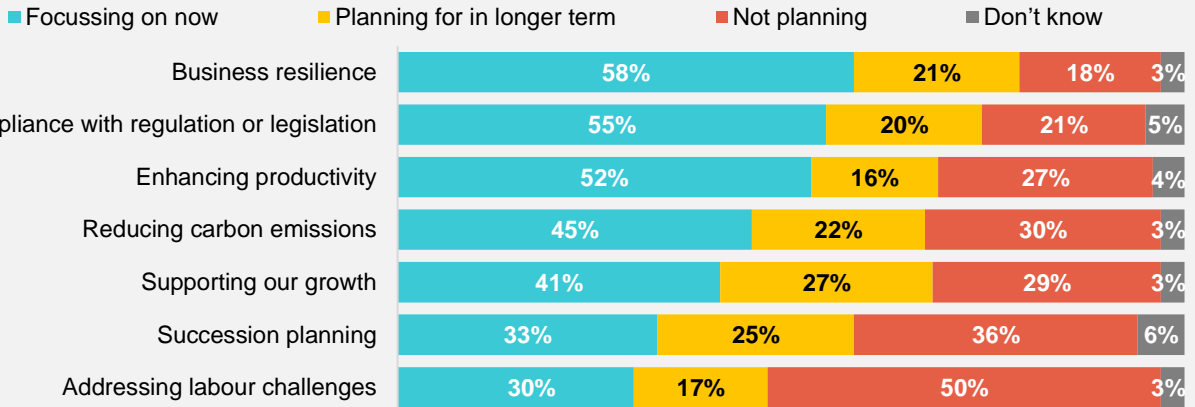
51% were increasing their prices in response to rising costs.

Actions being taken in response to cost increases (Top 5)

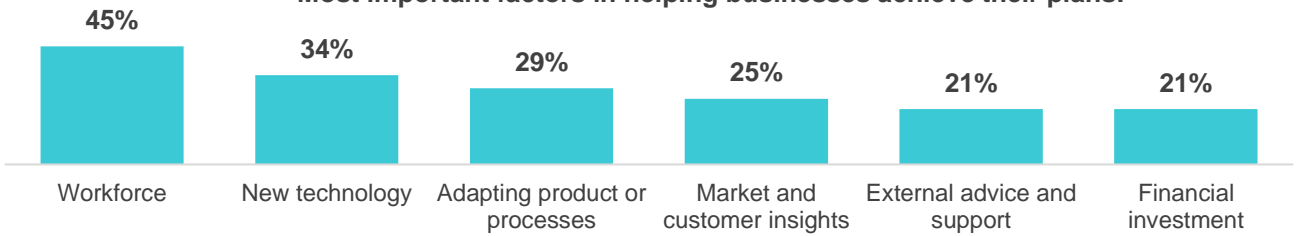


AREAS OF FOCUS

Aspects businesses were focussing on now, in the longer term, or not at all.



Most important factors in helping businesses achieve their plans:



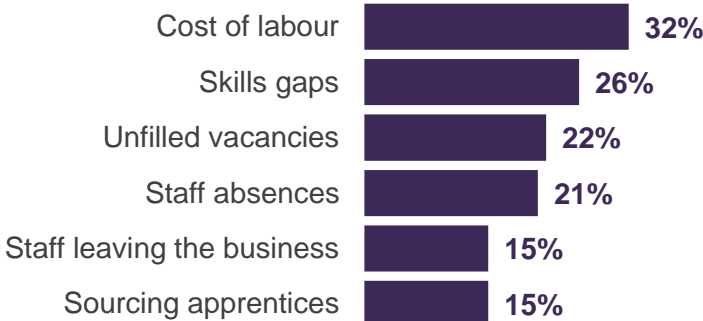
WORKFORCE

22% of businesses described themselves as women-led.



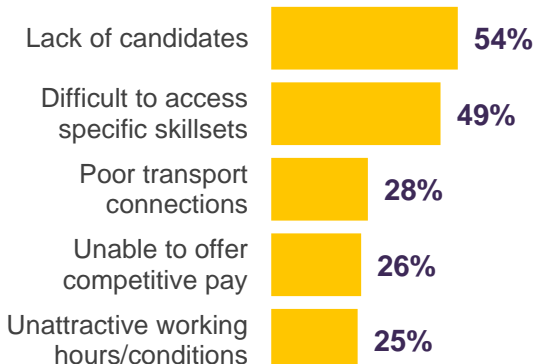
70% of employers were experiencing workforce-related challenges.

Workforce-related challenges



Base: All employers (490)

Factors contributing to workforce challenges (top 5)

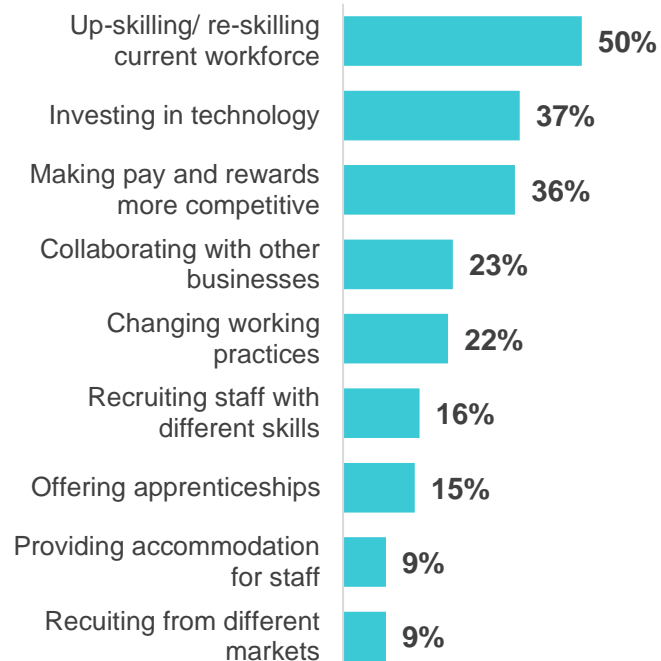


Base: All employers facing workforce challenges (319)

WORKFORCE ACTIONS

Of those employers facing workforce challenges, 66% were confident they could address them, while 32% were not.

Actions being taken in relation to workforce



Base: All employers (490)

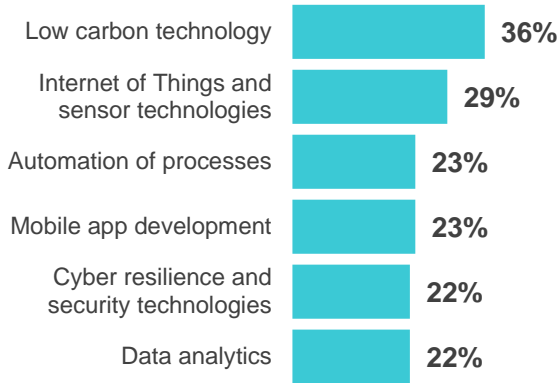
NEW TECHNOLOGY

71% of businesses were using or planning to use new technology

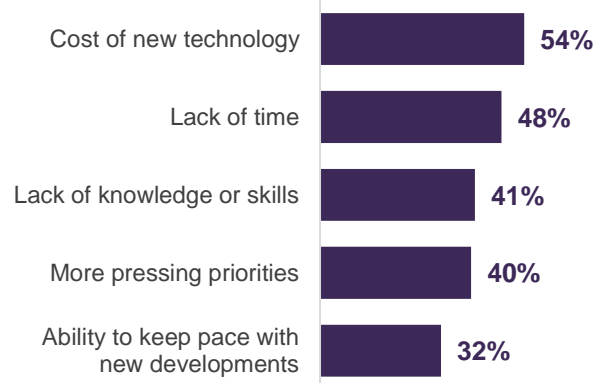
Cost was the most common barrier to adopting new technology



Types of technology being used/planned:



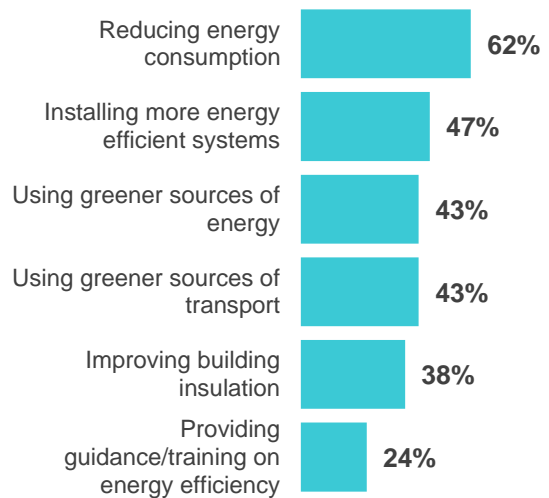
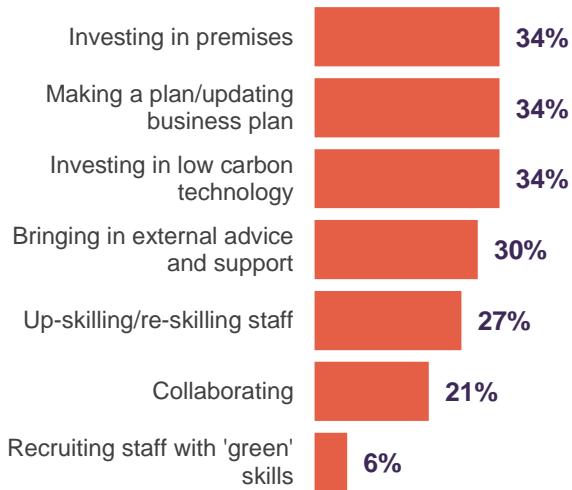
Barriers to adopting new technology (Top 5):



LOW CARBON

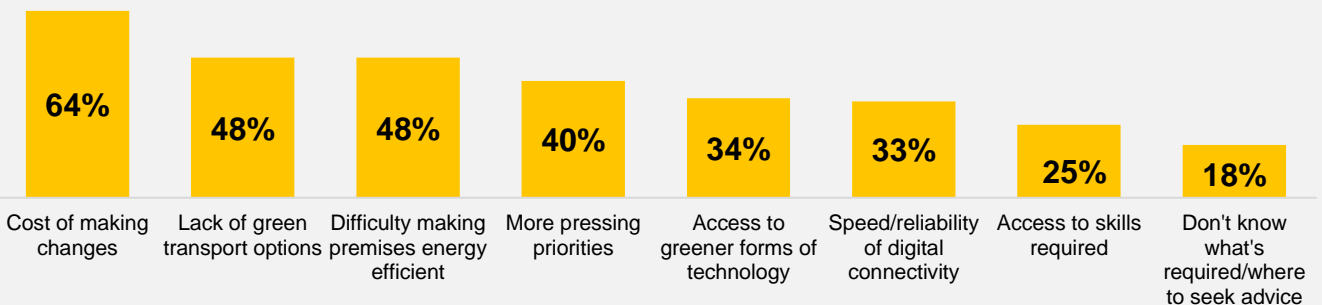
71% of businesses were taking action to help them move to low carbon working

84% were taking or planning to take actions to improve their energy efficiency



Barriers to low carbon working

Cost was the biggest barrier to moving to low carbon ways of working



NOTES: Survey fieldwork was conducted between 7th February and 6th April 2022, using telephone interviewing. In total 604 businesses and social enterprises participated. Findings are weighted to ensure a representative sample of the regional business base. Where percentages do not sum to 100%, this may be due to rounding, the exclusion of 'don't know' categories, or multiple answers