AYRSHIRE CHAMBER OF COMMERCE REPORT

QUARTERLY ECONOMIC SURVEY



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Research Chamber & ayrshire chamber of commerce & industry

Q4 2025

Outlook

New insight for Ayrshire as businesses navigate pressure and potential

This edition of the Ayrshire Quarterly Economic Survey marks the first release of a first ever report from Ayrshire Chamber of Commerce, reflecting a commitment to provide clearer and more meaningful insight for businesses across the region. As the largest non-city Chamber in Scotland, we are focused on ensuring that firms of every size – from sole traders to major employers – have access to robust evidence that supports better decisions and stronger economic leadership.

Established in 1989, the Quarterly Economic Survey is the UK's largest and longest-running independent business sentiment survey. The latest wave gathered 4,644 responses nationwide from companies employing more than one million people. In Ayrshire, 115 businesses employing over 18,000 staff took part, giving a strong and representative picture of local trading conditions.

The findings highlight both the resilience and the challenges within the Ayrshire economy. Cost pressures remain the dominant issue, particularly labour, utilities, raw materials and taxation, limiting the scope for investment and growth. Cashflow is more fragile locally than across the UK, underlining the need for practical support and stable operating conditions.

Recruitment continues to be a constraint, with many firms struggling to fill technical, managerial and semi-skilled roles. While most businesses expect staffing levels to remain steady in the months ahead, fewer are planning to expand, reflecting a cautious but determined labour market.

Infrastructure and connectivity are recurring themes. Businesses point to transport, digital capacity, energy networks and planning processes as areas where improvement would directly strengthen competitiveness. There is also a clear call for more coordinated economic leadership across East, North and South Ayrshire – a shared "One Ayrshire" approach that aligns strategy with delivery.

Encouragingly, the survey also shows firms continuing to adapt. Many are investing in innovation and digital technology to reach new customers and improve efficiency. Turnover and profitability expectations are broadly in line with the UK picture, demonstrating that ambition remains strong despite headwinds.

The message from Ayrshire businesses is constructive and consistent. The region has significant assets, talent and opportunity, but growth depends on stability, collaboration and delivery. This new-look QES report is part of the Chamber's role in bringing those voices together – providing independent evidence to inform partners, shape policy and support the success of our members.

Ayrshire Chamber will continue to work with local authorities, enterprise agencies and the Scottish and UK Governments to ensure that the barriers identified here are addressed and that the region's full potential can be realised.

Key findings at a glance

- Cost pressures dominate: 69% of Ayrshire firms cite taxation as a growing concern and 65% inflation, with labour and utilities driving price rises
- Cashflow fragile: Only 16% report improved cashflow versus 23% nationally, while 38% saw a decline
- Recruitment challenges persist: 74% of businesses attempting to hire experienced difficulties, particularly for skilled manual and professional roles
- Investment mixed: Some firms continue to invest in plant and equipment, but a larger share than the UK average have reduced spend
- Infrastructure matters: Transport, digital connectivity, energy capacity and planning delays remain key barriers to competitiveness
- Innovation growing: Over half of businesses are using digital technology or innovation to reach customers and improve efficiency

Methodology

The QES was managed by Research Chamber, the research agency within Aberdeen & Grampian Chamber of Commerce.

The field period for this survey ran between 10th November – 5th of December 2025, QES Q4.

In Ayrshire 115 responses were received, with the total number across the UK being 4,644. Regionally, businesses that completed the survey employ over 18,000 individuals.

Of the total sample, 87 businesses (76%) completed the survey prior to the UK Budget announcement on 26 November, with a further 28 (24%) responding afterwards.

The Quarterly Economic Survey (QES) asks businesses to report whether they have experienced an **increase, decrease or no change** across a range of key business indicators compared to the previous quarter. These indicators include domestic sales, export activity, cashflow, investment intentions, workforce changes, and confidence in turnover and profitability.

To ensure results are **statistically robust and reflective of local economic conditions**, we secure a representative sample of businesses across the region—covering a wide range of sectors, sizes and geographies. This robust regional base enables meaningful **comparison with national trends**, as our data is fed into the UK-wide QES coordinated by the British Chambers of Commerce. The national survey is recognised by the UK Government, Bank of England and Treasury as a leading indicator of business sentiment.

All responses are collected via an online survey over a three-week fieldwork window and are analysed to produce both headline and detailed results. These findings provide timely insights into the business landscape and inform economic planning and policymaking at regional and national levels.

Important note on tracking data

Where this report shows trend data from 2024 Q1–Q4 and 2025 Q1–Q3, these figures are drawn from the previous Ayrshire Chamber Quarterly Economic Indicator (QEI) survey rather than the British Chambers of Commerce Quarterly Economic Survey (QES) methodology now in use. The two surveys are closely aligned in theme but not identical in design or sampling. As a result, any historical comparisons should be regarded as **indicative only** and not as a direct like-for-like tracking series. This edition establishes the first full baseline using the BCC QES framework.

Following this, narrative points and insights are limited to current data set (Q4 2025) only or contrasted not with previous quarters but current national data alone.



The headlines

In Ayrshire, businesses are most concerned about taxation (69%) and inflation (65%), highlighting a strong cost-driven pressure locally. Concerns over competition, business rates, interest rates and exchange rates are lower.

Compared with the UK overall, Ayrshire firms report greater pressures from taxation and inflation but share similar themes in current business concerns.

Q: Please indicate which of these following factors are more of a concern to your business than 3 months ago?



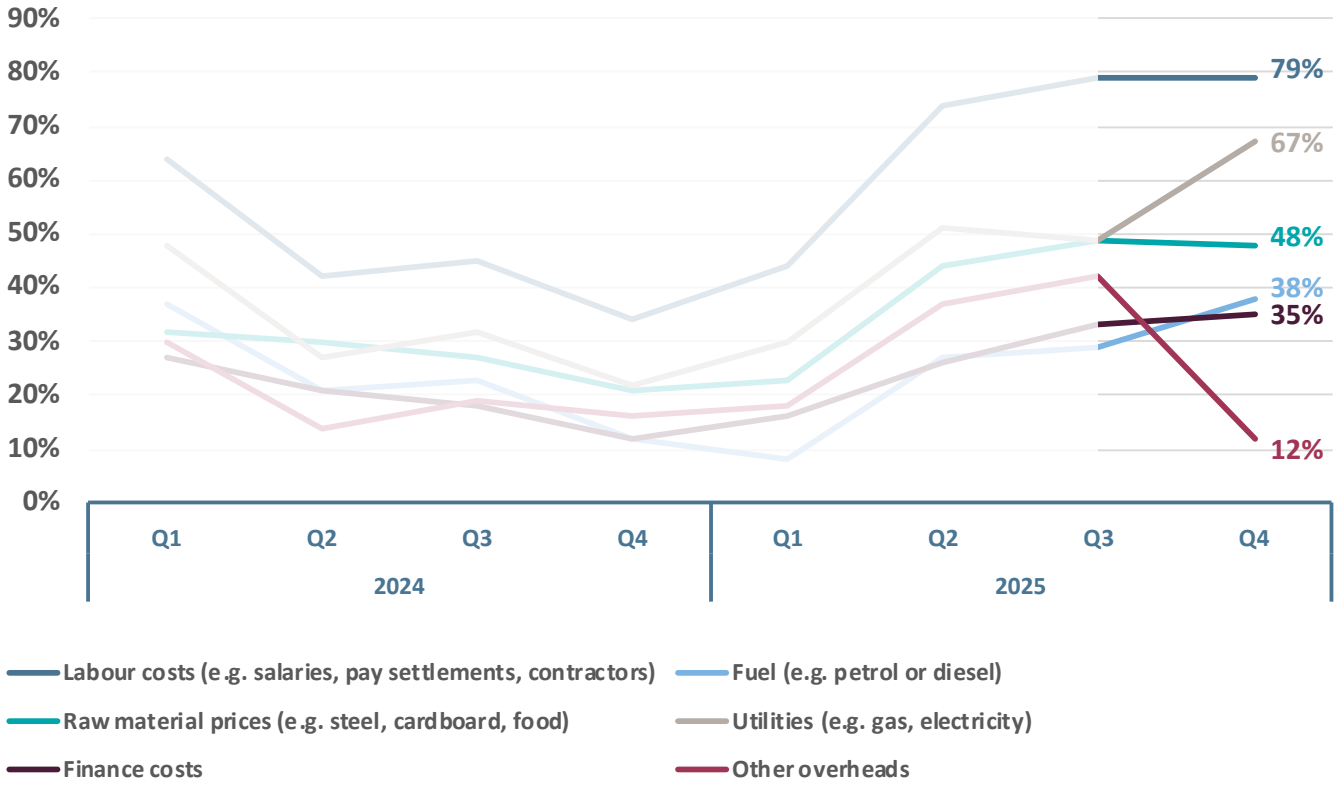
	Taxation	Inflation	Competition	Business rates	Interest rates	Exchange rates
Ayrshire	69%	65%	30%	23%	21%	17%
UK	63%	56%	35%	34%	27%	16%



N.B. figures are rounded to the nearest whole number/percentage; consistent with previous survey editions.

Ayrshire businesses are experiencing strong cost pressures, particularly from labour, utilities, and raw materials.

Q: Is your business currently suffering pressures to raise its prices from any of the following?



	Ayrshire	UK	% point difference, region v UK
Labour costs	79%	72%	+7
Utilities	67%	52%	+15
Raw materials	48%	36%	+12
Fuel	38%	29%	+9
Finance	35%	28%	+7
Other	12%	38%	-26

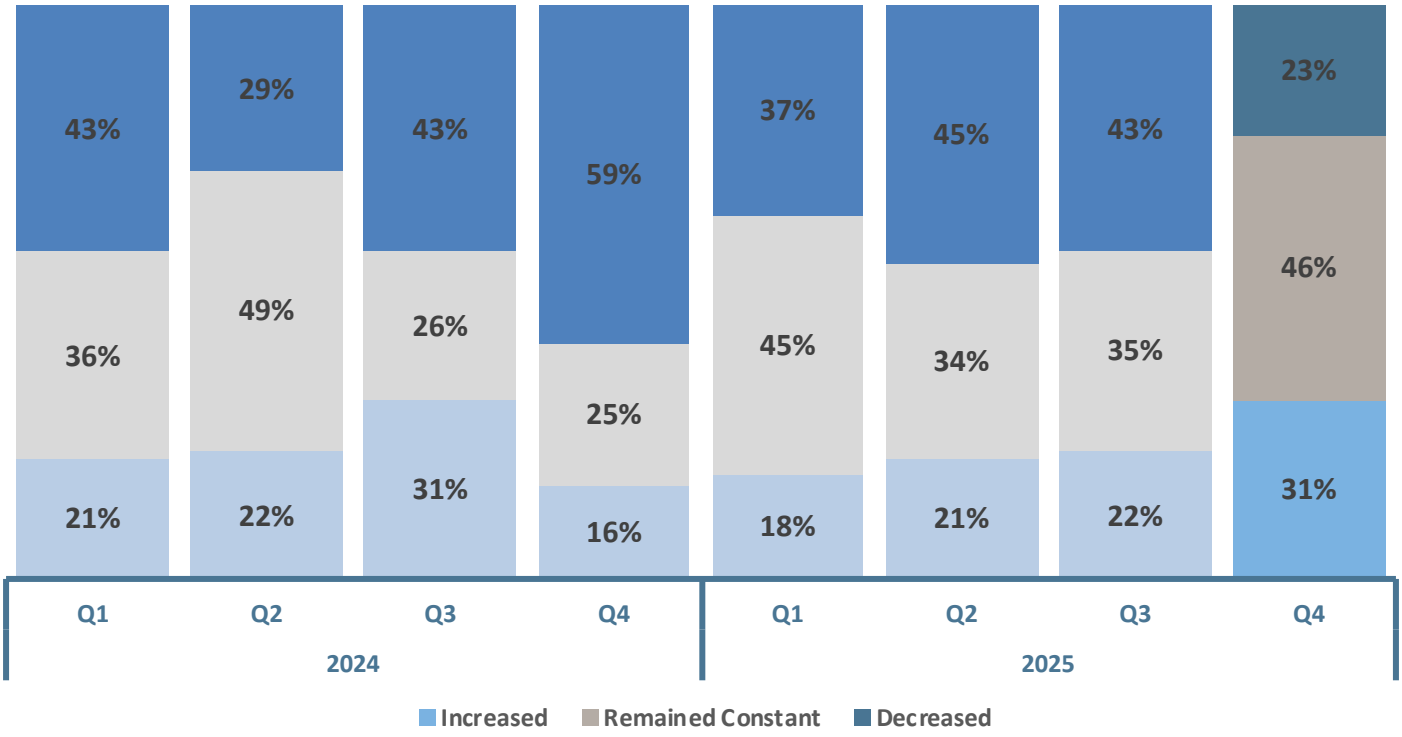


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Domestic outlook – cautious but resilient

Ayrshire firms are experiencing slightly more stable and positive current sales trends than the UK average, alongside marginally weaker growth in forward demand. However, a larger share of businesses report stable activity compared with the UK overall, pointing to a cautious but resilient trading environment.

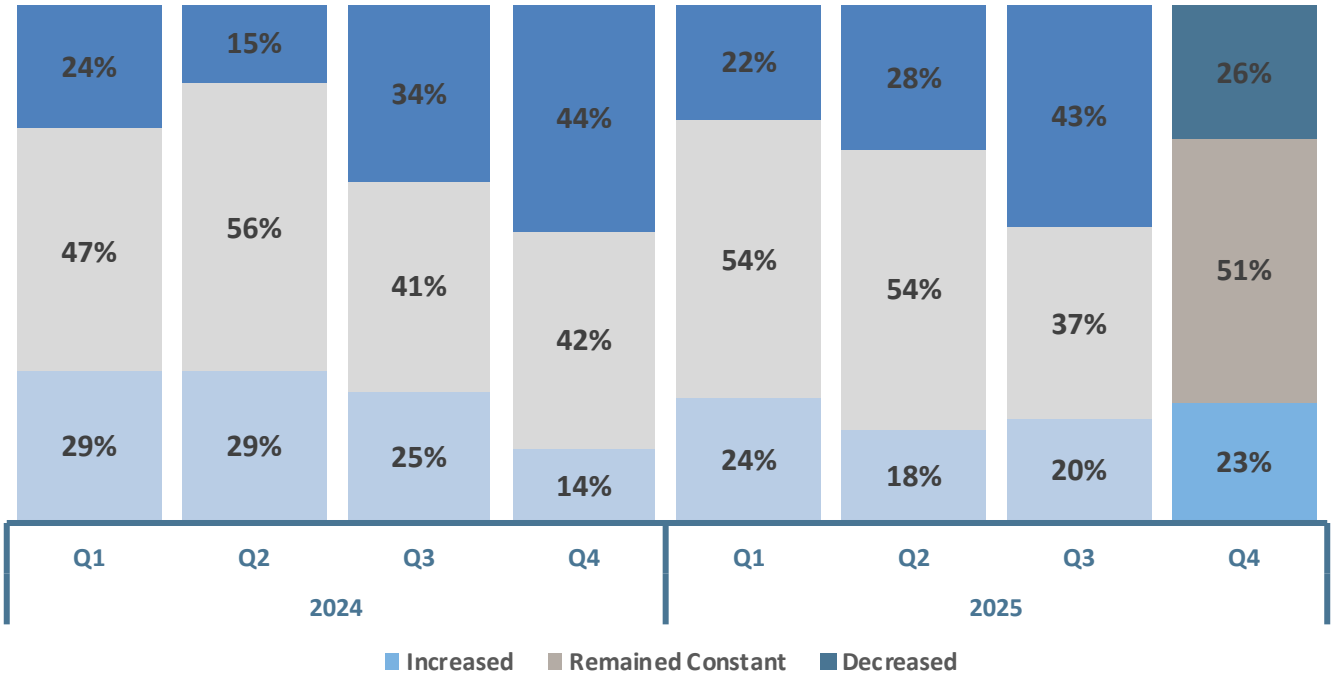
Q: Excluding seasonal variations, over the past 3 months 'UK sales/custom/bookings' have...



	Ayrshire	UK	% point difference, region v UK
Increased	31%	29%	+2
Remained Constant	46%	43%	+3
Decreased	23%	28%	-5

N.B. figures are rounded to the nearest whole number/percentage; consistent with previous survey editions.

Q: Excluding seasonal variations, over the past 3 months 'UK orders/advance custom/ bookings' have...



	Ayrshire	UK	% point difference, region v UK
Increased	23%	25%	-2
Remained Constant	51%	45%	+6
Decreased	26%	30%	-4

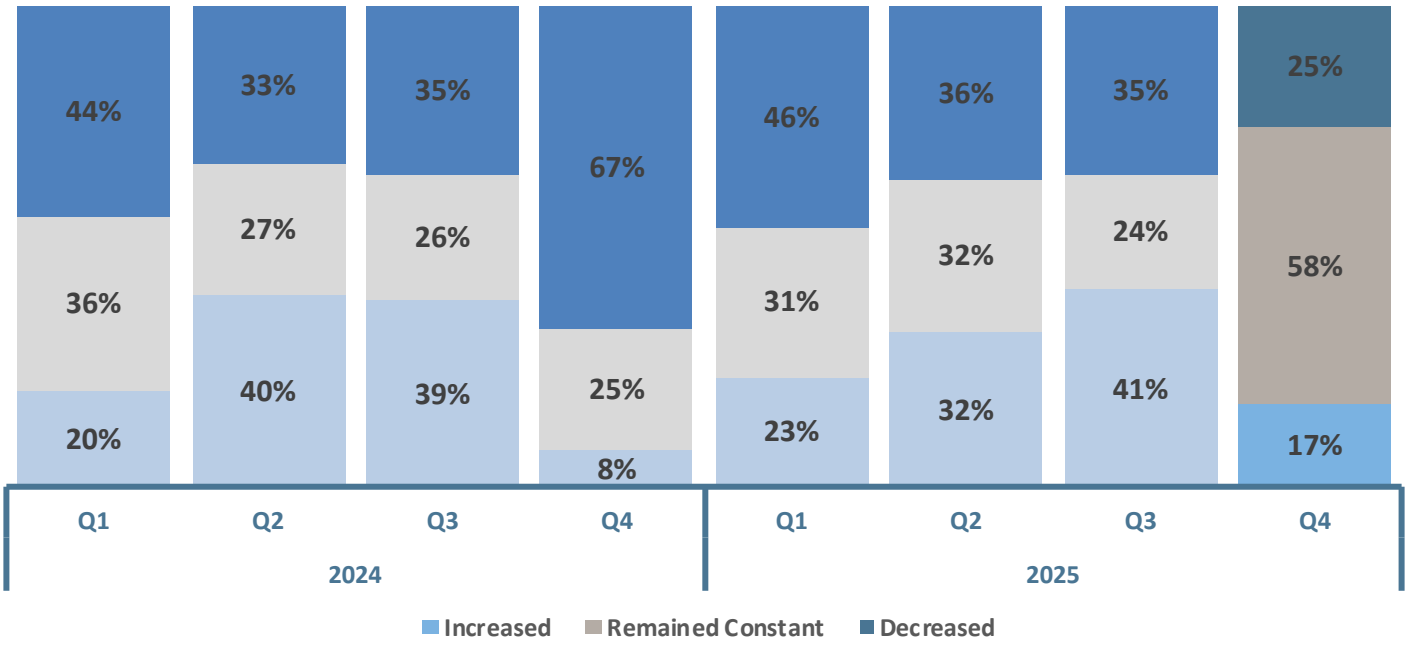


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International demand largely stable – but stronger nationally

International demand among Ayrshire firms remains largely stable but weaker than the UK overall. While most businesses report unchanged overseas sales, fewer are seeing growth compared with the national picture, indicating a more subdued international trading environment locally.

Q: Excluding seasonal variations, over the past 3 months 'Overseas sales/custom/bookings' have...



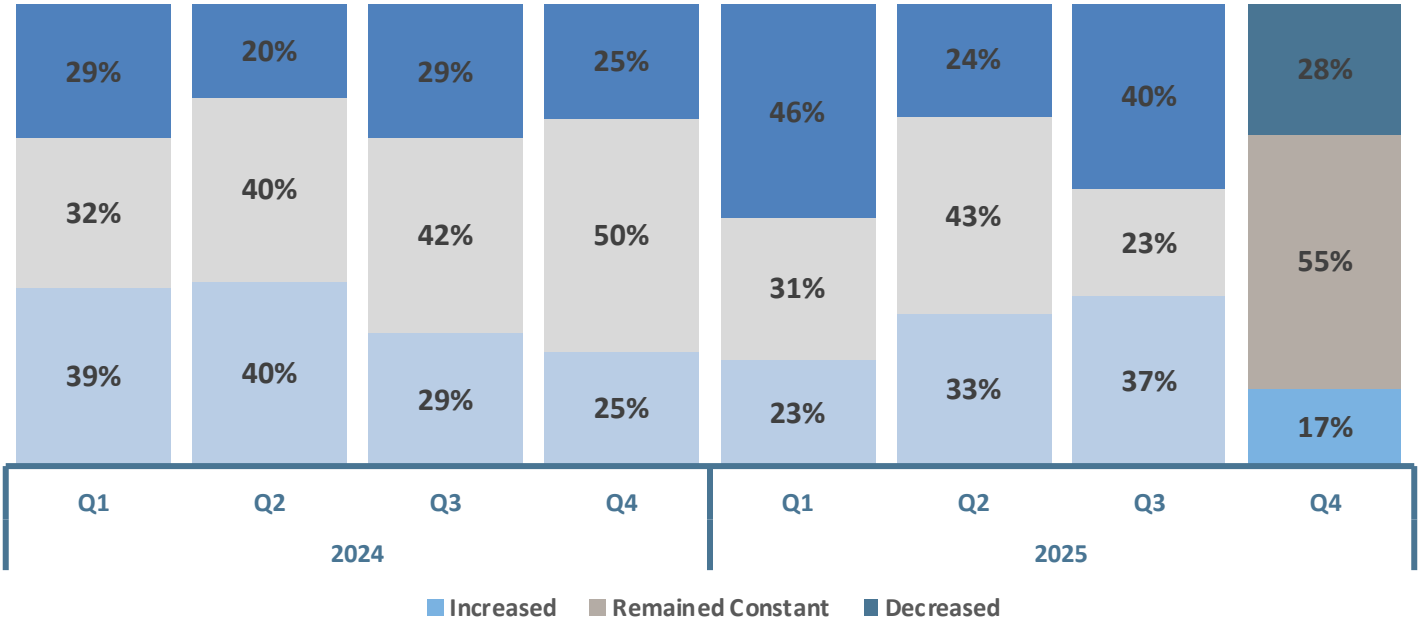
	Ayrshire	UK	% point difference, region v UK
Increased	17%	24%	-7%
Remained the same	58%	51%	+7%
Decreased	25%	25%	-



N.B. figures are rounded to the nearest whole number/percentage; consistent with previous survey editions.

Ayrshire firms report stable but softer international demand prospects than the UK overall. While most businesses are seeing unchanged overseas orders, fewer are experiencing growth, suggesting more cautious or subdued export expectations locally despite similar levels of downside risk.

Q: Excluding seasonal variations, over the past 3 months 'Overseas orders/advance custom/ bookings' have...



	Ayrshire	UK	% point difference, region v UK
Increased	17%	22%	-5%
Remained Constant	55%	50%	+5%
Decreased	28%	28%	-

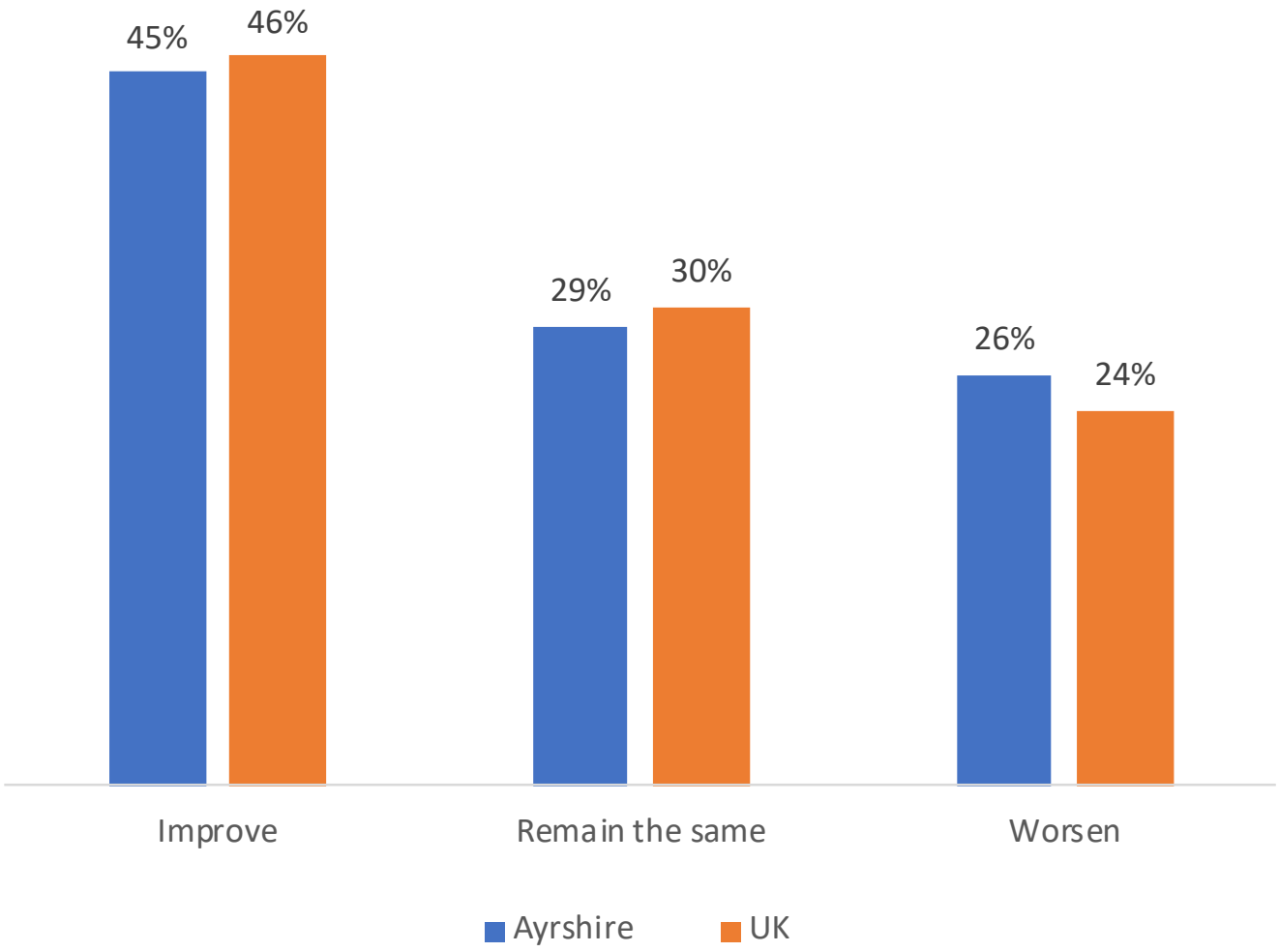


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Turnover confidence; in line with the UK

Turnover expectations in Ayrshire mirror the UK. While optimism about growth is similar to the national average, a marginally higher share of Ayrshire businesses anticipate worsening conditions.

Q: Over the next 12 months, do you believe your business's turnover will...



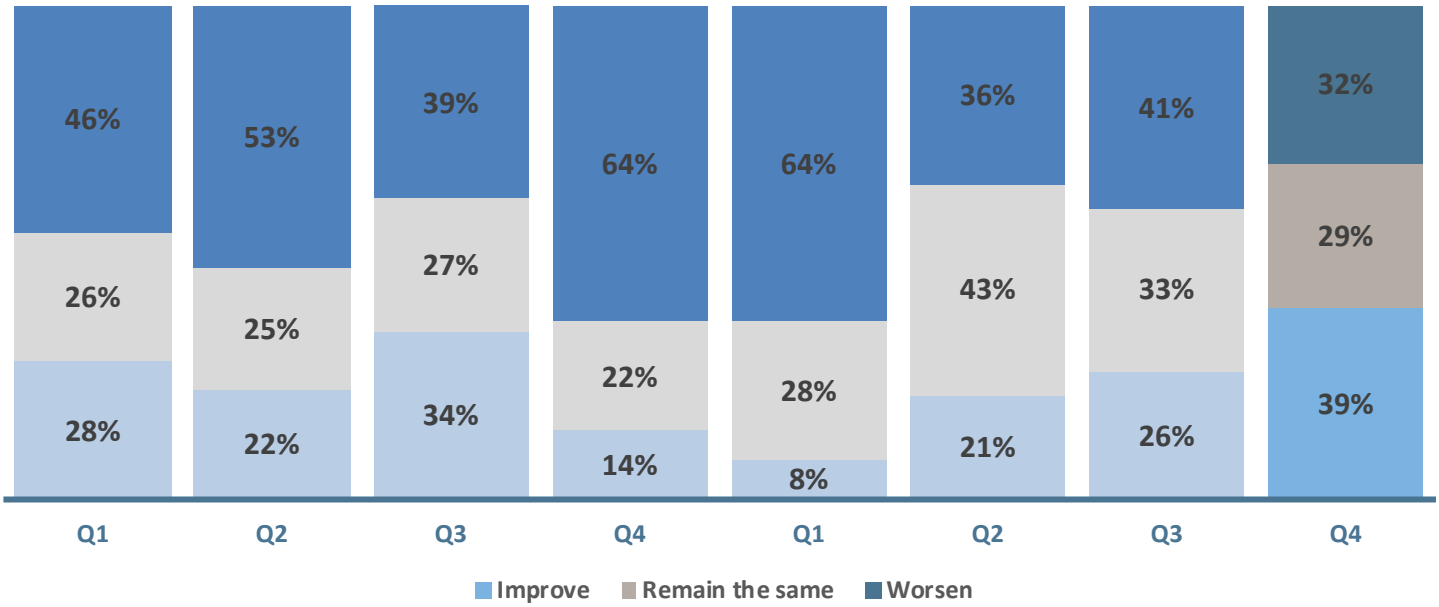
	Ayrshire	UK	% point difference, region v UK
Increased	45%	46%	-1%
Remained the same	29%	30%	-1%
Decreased	26%	24%	+2%

N.B. figures are rounded to the nearest whole number/percentage; consistent with previous survey editions.

Profitability outlook

Just under two in five Ayrshire businesses expect profitability to improve over the next 12 months, marginally higher than the UK average.

Q: Over the next 12 months, do you believe your business's profitability will...



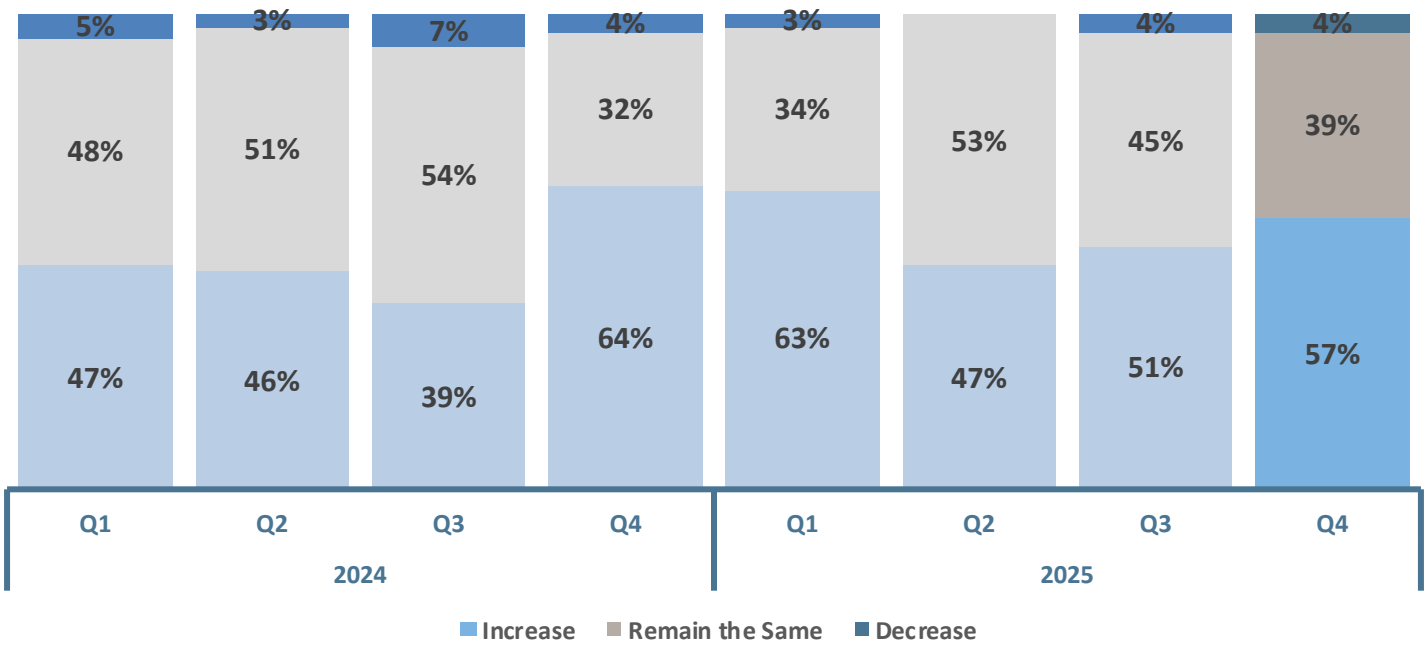
	Ayrshire	UK	% point difference, region v UK
Increased	39%	37%	+2%
Remained the same	29%	32%	-3%
Decreased	32%	31%	+1%



N.B. figures are rounded to the nearest whole number/percentage; consistent with previous survey editions.

Price pressures seem elevated in Ayrshire. Nearly six in ten businesses expect to raise prices over the next three months, a higher proportion than across the UK which points to stronger local cost pressures.

Q: Over the next 3 months, do you expect the price of your goods/services to...



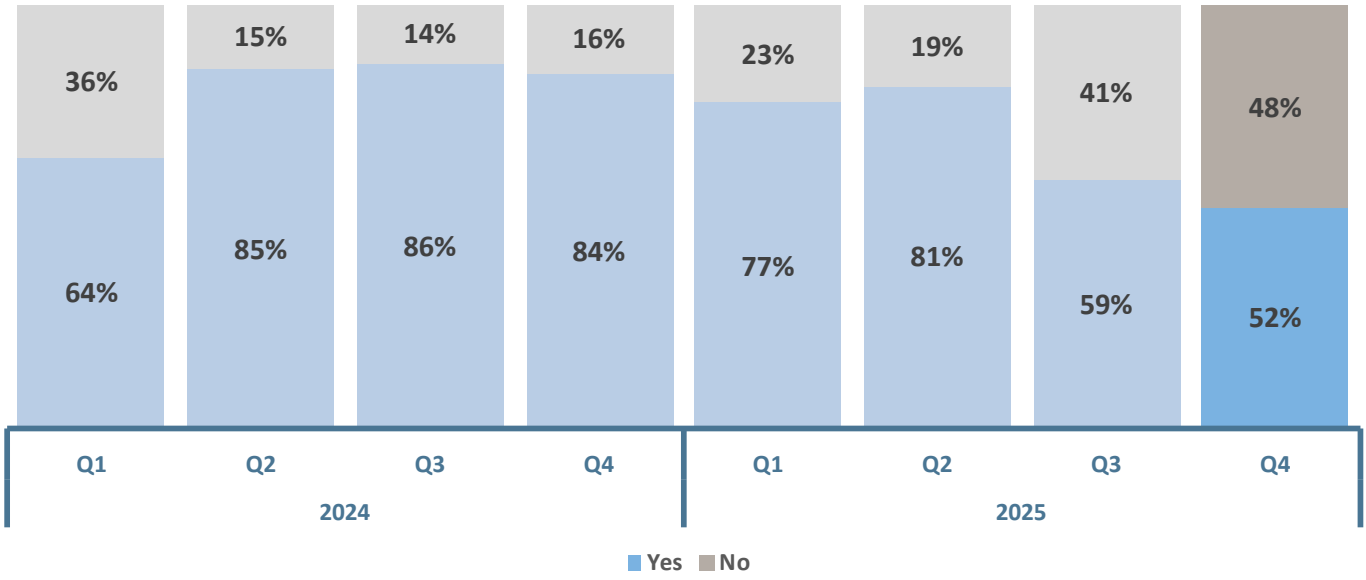
	Ayrshire	UK	% point difference, region v UK
Increased	57%	52%	+5
Remained the same	39%	45%	-6
Decreased	4%	3%	+1



N.B. figures are rounded to the nearest whole number/percentage; consistent with previous survey editions.

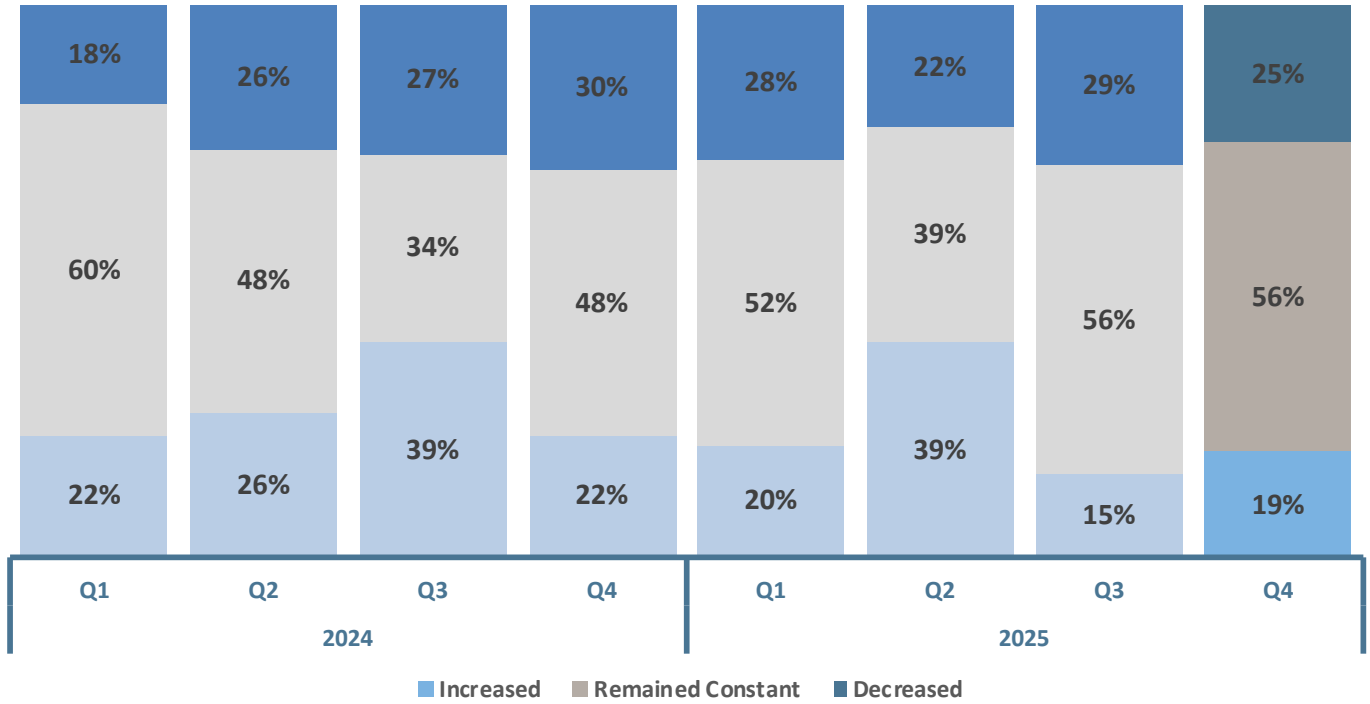
What does this mean for the labour market?

Q: Have you attempted to recruit staff over the past 3 months?



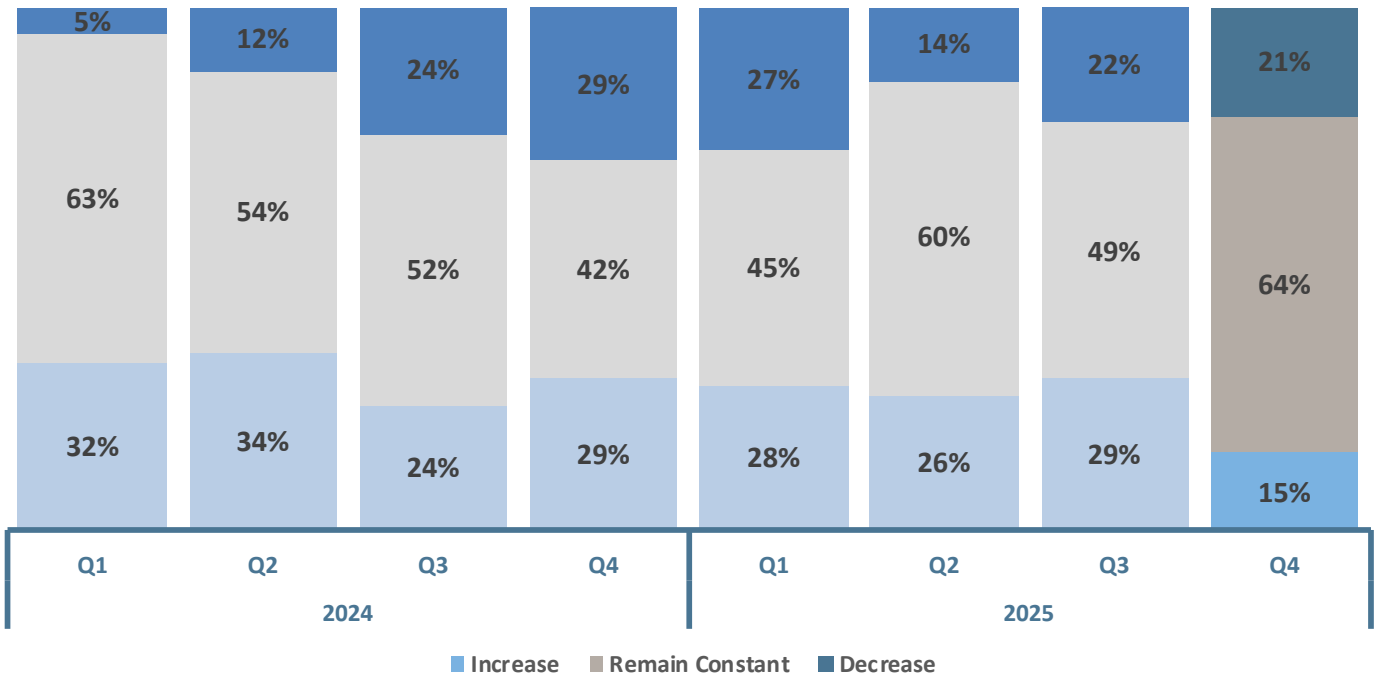
Recruitment activity in Ayrshire remains broadly in line with the UK. A higher share of Ayrshire businesses are cutting staff than the national data but regionally the picture remains fairly constant. Suggestions could be that cost pressures and uncertainty are leading to a more cautious employment market locally?

Q: Over the past 3 months, has your workforce...



N.B. figures are rounded to the nearest whole number/percentage; consistent with previous survey editions.

Q: Over the next 3 months, do you expect your workforce to...



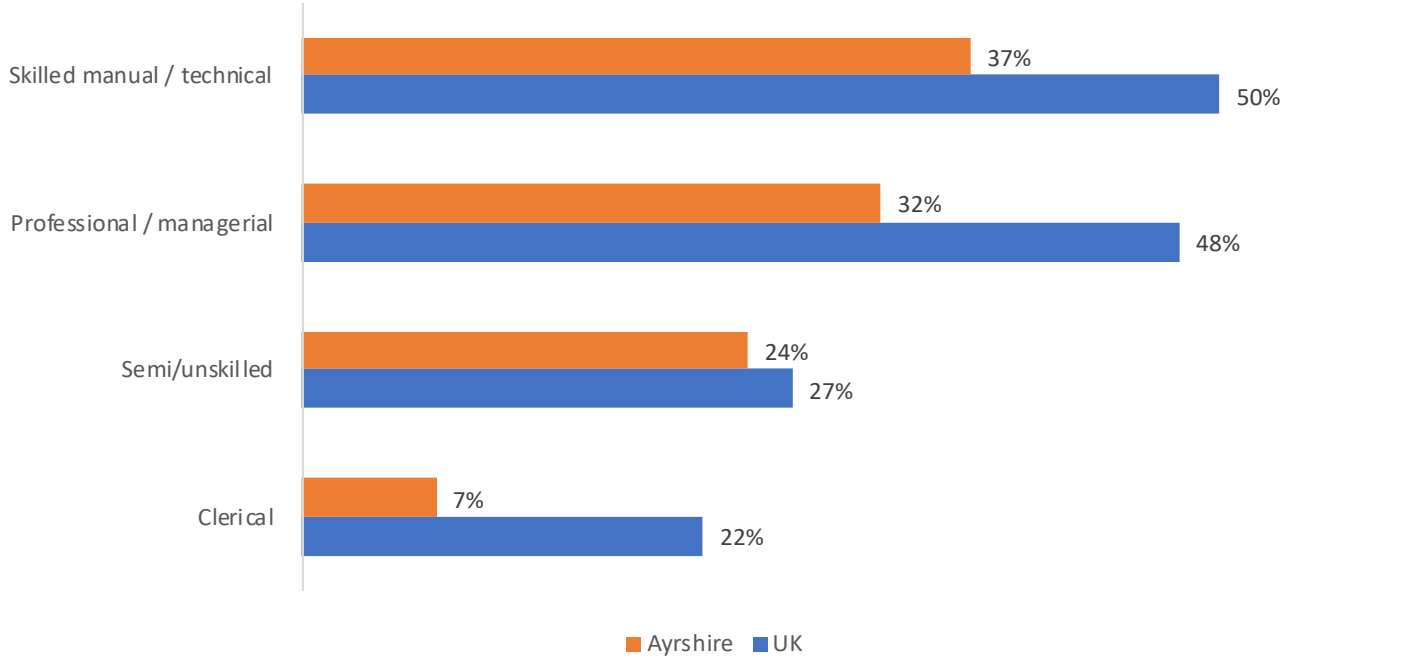


N.B. figures are rounded to the nearest whole number/percentage; consistent with previous survey editions.

Recruitment challenges

At regional level, 74% of businesses reported difficulty recruiting suitable staff in Q4, which is almost the same as national level (70%). Also recruitment pressures remained widespread, particularly for skilled manual/technical (37%) and professional/managerial roles (32%). Difficulties are less pronounced for semi/unskilled (24%) and clerical (7%) roles. Broadly, it seems less difficult to recruit at a regional level compared with nationally.

Q: If you attempted to recruit, did you experience any difficulties finding suitable staff? If yes, for which of the following categories of employee?

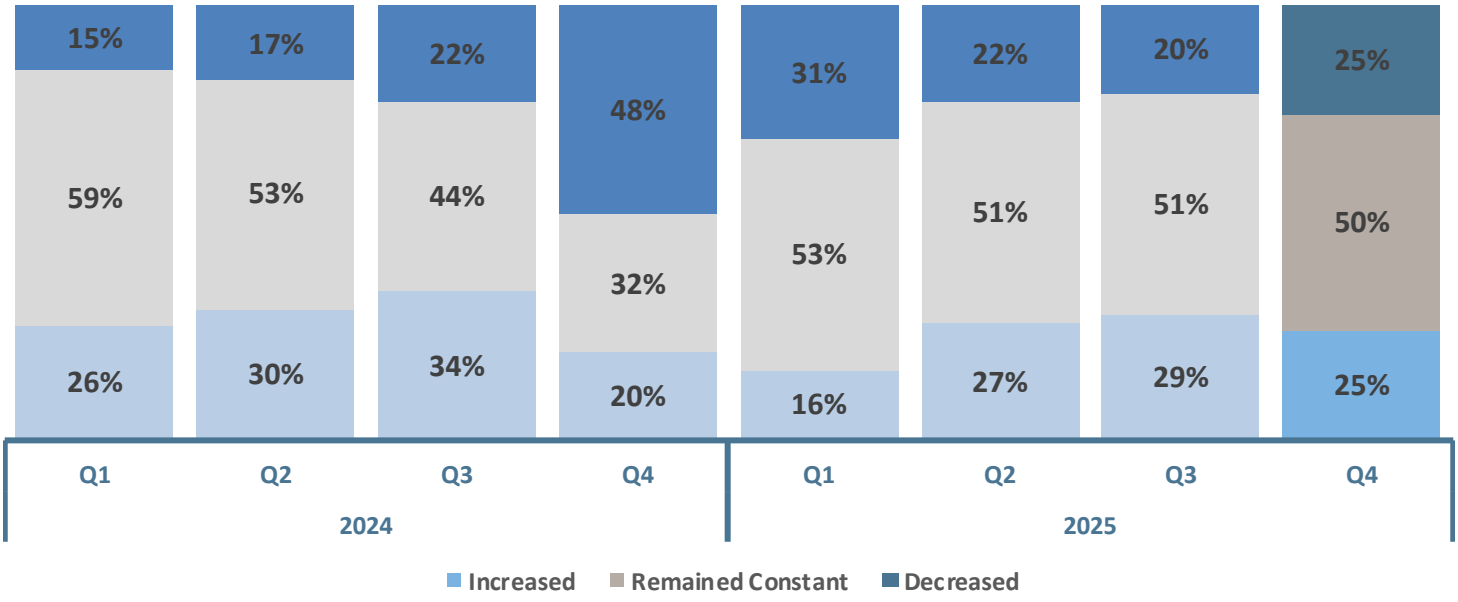




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Ayrshire broadly mirrors the UK trend on training investment. In both cases, most businesses are maintaining current levels, with a similar split between those increasing and reducing spend. The slightly higher proportion of Ayrshire firms at both ends of the scale suggests marginally greater volatility locally, rather than a fundamentally different trajectory.

Q: Over the past 3 months, investment plans for training have...



	Ayrshire	UK	% point difference, region v UK
Increased	25%	21%	+4%
Remained the same	50%	57%	-7%
Decreased	25%	22%	+3%

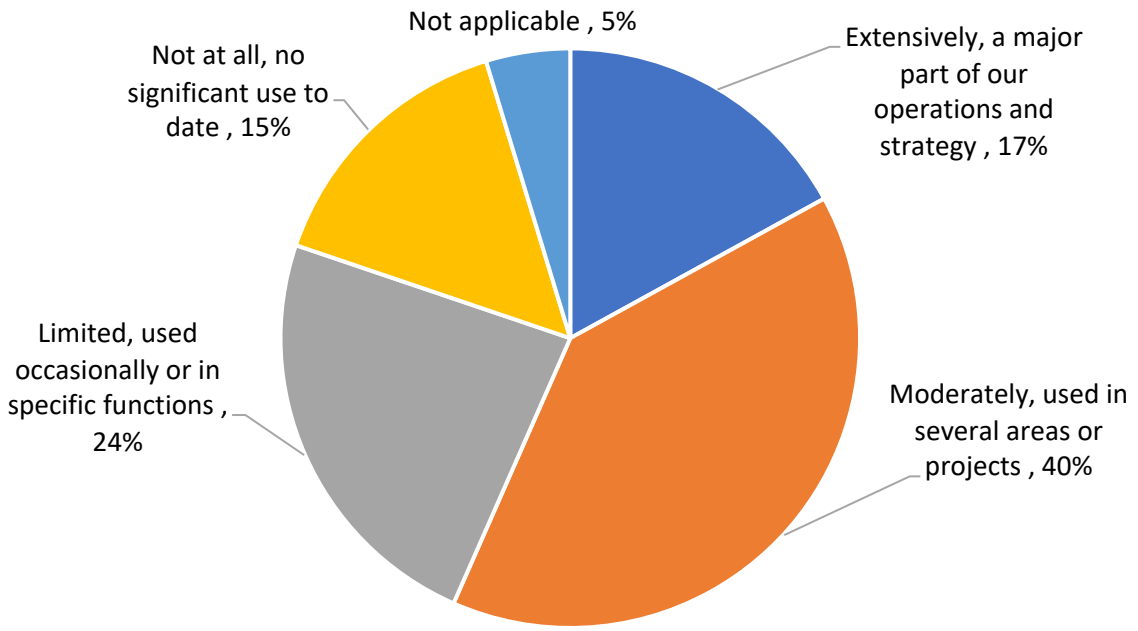


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Regional Focus

More than half of businesses use innovation or digital technology extensively or moderately across several areas in order to remain competitive and/or reach new customers. Around a third use it occasionally, while only 5% have not adopted it, highlighting that digital tools and innovation are now a central part of strategy for an increasing number of organisations.

Q: Over the past year, how much has your organisation used innovation or digital technology to remain competitive or reach new customers?



Briefly describe the most effective innovation or technology your organisation has adopted and the impact it has had.

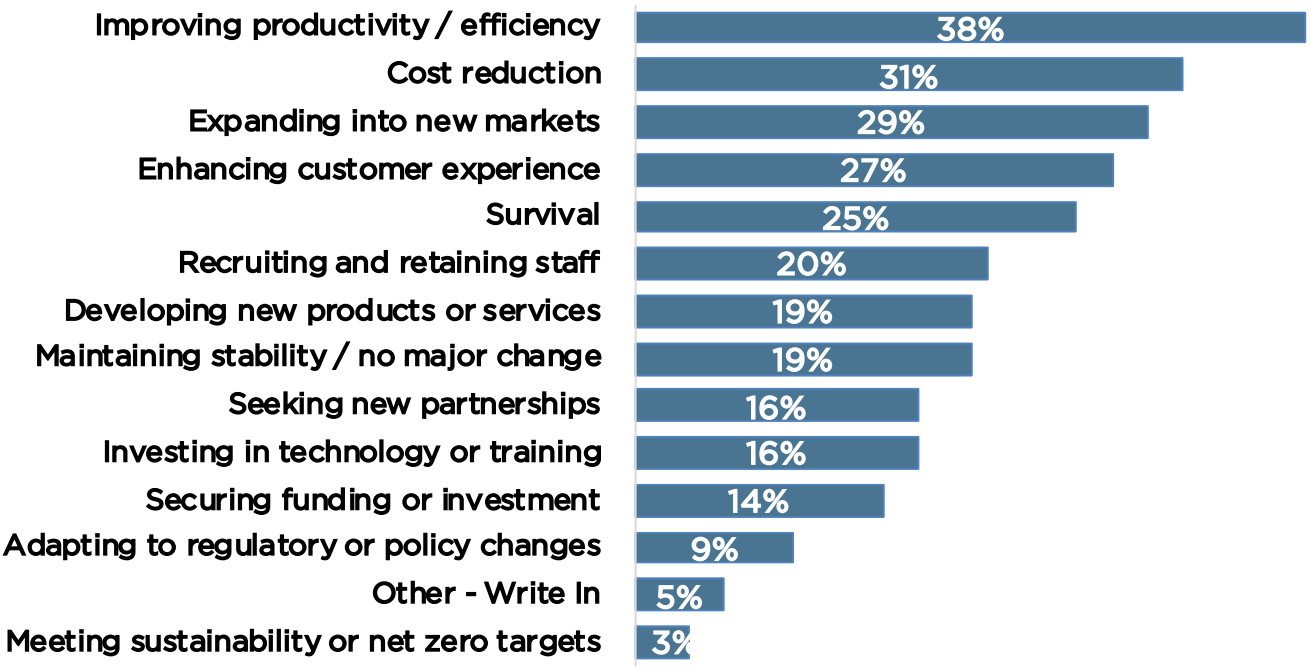
Ayrshire businesses are actively using innovation to improve efficiency, reach customers and stay competitive, with AI and automation emerging as the most commonly cited examples. Alongside this, firms are investing in digital systems and customer-facing technologies, while a smaller but significant group is adopting physical and technical innovations such as 3D printing, energy technologies and specialist equipment.

Theme	Examples / Notes	Number of responses
AI / Automation	ChatGPT for business planning, documents, tenders and marketing; AI call handling and route planning; AI for SEO, imagery, tone checking, diagnostics, guest sentiment and data analysis	35%
Digital systems / Software	CRM systems (HubSpot, Monday.com), booking engines, payroll and stock systems, compliance and reporting platforms, cloud migration, automation and workflow improvements	27%
Customer engagement / Digital marketing	Social media and online advertising, websites and e-commerce, video, digital avatars, WhatsApp/Google/ Facebook engagement, esports and event promotion	22%
Physical / Technical innovation	3D printing and visualisation, laser engraving, energy dashboards, solar and battery technology, carbon reporting tools, specialist diagnostics and sector-specific technology	16%

N.B. figures are rounded to the nearest whole number/percentage; consistent with previous survey editions.

What are your business's top priorities for the next 12 months?

Almost 1/4 of businesses say their key business priority is survival.



The follow up depth question tells a clear story: **businesses are in defensive mode first, growth-seeking second**. Cost control dominates, but there is strong evidence of resilience — with firms still investing, training staff and pursuing new markets where they can. However, **skills shortages, tax pressure and financial fragility** are significantly limiting confidence and pace of growth.

What key policy interventions would you like to see in 2026, at the UK, Scotland and Ayrshire level, that would support business confidence, investment and growth?

Businesses across Ayrshire are highly consistent in what they say is needed to restore confidence, investment and growth in 2026. From the business priorities we identified six key themes. **The responsibility and influence are split across the different geographies the question asked about; the pain points are consistent, tangible delivery and coordination.**

What Ayrshire businesses are asking for	UK responsibility / influence	Scotland responsibility / influence	Local responsibility / influence
Employment costs, VAT, national taxes	✓		
Business rates reform		✓	✓
Skills and training investment		✓	✓
Housing and planning		✓	✓
Transport, parking, town centres			✓
SME and hospitality support		✓	✓

N.B. figures are rounded to the nearest whole number/percentage; consistent with previous survey editions.

Resilience today, growth tomorrow...

This report shows an Ayrshire economy with real momentum. Businesses are investing in skills, embracing new technology and continuing to serve customers at home and overseas despite a demanding backdrop. The region's strengths – its people, entrepreneurial spirit and diverse business base – remain clear throughout the findings.

The survey also highlights where focused action will make the greatest difference: easing day-to-day cost pressures, strengthening skills pathways, improving infrastructure and delivering a more joined-up One Ayrshire approach. These are practical challenges with practical solutions.

With businesses, councils and partners working together on these priorities, Ayrshire has every opportunity to convert today's resilience into tomorrow's growth and opportunity.



N.B. figures are rounded to the nearest whole number/percentage; consistent with previous survey editions.

National Viewpoint

David Bharier, Head of Research at the British Chambers of Commerce, said:

"Our data shows more clouds have gathered over business confidence, and the outlook for SMEs in 2026 is unsettled.

"Firms tell us they are worried about tax, struggling to invest and fear they'll have to put their prices up in the months ahead. Firms' confidence in their turnover growth has been stuck stubbornly below 50% for the last 12 months.

"After a long period of uncertainty and speculation heading into the Budget, concerns about major new tax rises eased somewhat in the aftermath. However, a Budget fundamentally light on growth measures did little to boost business confidence, and sentiment overall has worsened since the previous quarter.

"It is now critical that 2026 is a year of delivery. The Government needs to turn last year's strategies into action; boost investment, significantly expand trade, and ease the myriad burdens facing businesses. Only then will the economic outlook shift from its current low-growth trajectory."

Ayrshire Chamber Viewpoint

Claire Baird, Chief Executive Officer at the Ayrshire Chamber of Commerce, said:

"Ayrshire has the ingredients of a high-performing regional economy – talent, strong businesses and significant strategic assets. But this survey shows that too many firms are being held back by costs and uncertainty rather than competing on opportunity and innovation.

"Businesses are telling us clearly that the pressure from taxation, labour, utilities and raw materials is now limiting their ability to invest, recruit and grow. Cashflow is weaker here than across the UK as a whole, leaving many SMEs operating with little resilience to further shocks.

"Recruitment difficulties remain widespread, particularly for technical and managerial roles, and that is directly constraining productivity. At the same time, gaps in transport, digital connectivity, energy capacity and planning processes continue to undermine Ayrshire's competitiveness.

"There is also a strong message about leadership. Firms want to see a more coordinated One Ayrshire approach that joins up economic strategy across East, North and South Ayrshire.

"None of these challenges are insurmountable. But businesses need stability and practical action now. That means easing the cumulative burden of taxation, accelerating infrastructure investment and tackling the skills pipeline with urgency.

"Government at every level must recognise that growth will not come from new strategies alone, but from creating the conditions in which existing businesses can expand with confidence. Ayrshire is ready to play its part – what firms need is a framework that allows them to get on with it."

What Ayrshire businesses are telling us

From the latest regional survey results, several consistent themes emerge:

- Strong cost pressures, particularly labour, utilities, raw materials and taxation, are limiting investment and growth
- Recruitment and skills shortages persist across technical, managerial and semi skilled roles, constraining productivity and expansion
- Cashflow challenges are more acute locally than nationally, highlighting financial fragility for many businesses
- Infrastructure gaps — transport, digital connectivity, energy capacity, and local planning delays — remain significant obstacles to regional competitiveness.
- Businesses cite fragmented economic leadership across Ayrshire and a need for a more coordinated “One Ayrshire” approach”





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