

Business Monitor Survey Q3 2012



Business
Confidence

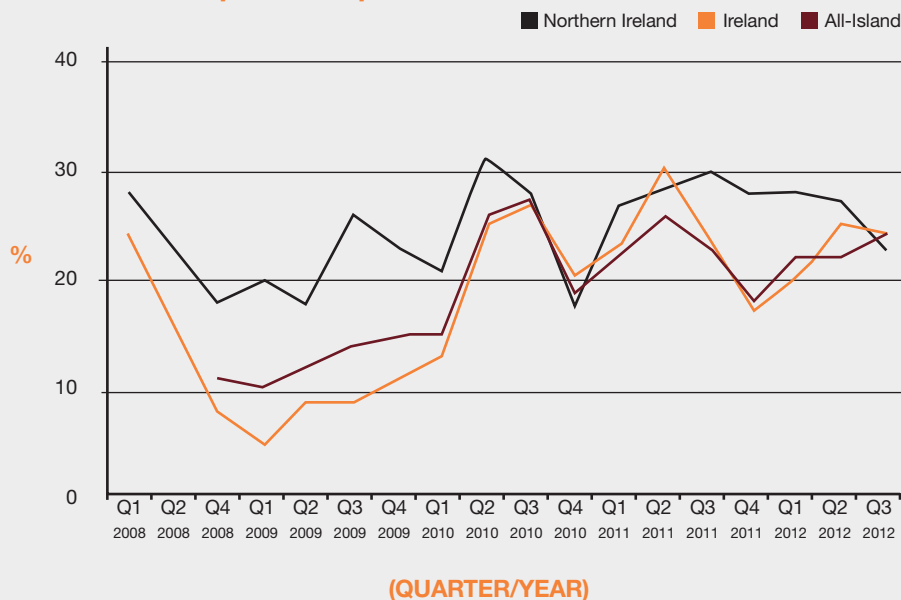
Key Findings Q3 2012

<p>Less than a quarter (24%) of businesses reported an increase in sales in Q3 2012, far outweighed by more than two fifths (43%) reporting a decrease.</p>	<p>Manufacturing and Business Services firms (both 29%) out-performed every other sector in sales increases in Q3 2012, something consistently found in every quarter in 2012.</p>
<p>There continues to be more businesses decreasing staff numbers than increasing them in Q3 2012, the relative figures being 15% and 6%.</p>	<p>Half of all businesses (50%) report that they are contracting, fighting for survival or winding up with less than one in six (15%) reporting they are currently in growth mode.</p>
<p>There is a large rise in the number of firms (to 39% in Q3 2012) citing rising energy costs as a large issue for their firm, closely followed by other overheads (36%).</p>	<p>Almost half of all firms (47%) say the financial position of their business is worse than it was in 2010 while 21% say it has improved.</p>
<p>Two thirds of businesses (65%) do not export, a figure that has remained consistent in recent quarters.</p>	<p>Despite all the bad news businesses continue to be resilient with a third (33%) expecting to increase sales in the next year.</p>

Sales increases...

The number of business (24%) who reported an increase in sales in Q3 2012 shows a small rise on last quarter (22%). For only the second time in five years fewer businesses in Northern Ireland (23%) than those in Ireland (24%) reported an increase in sales. Many more large firms (38%) increased their sales than small ones (22%) and Manufacturing, Business Services and Hotels and Leisure were the best performing sectors with the last possibly being explained by a seasonal pick-up in sales. Exporting firms outperformed non-exporting ones.

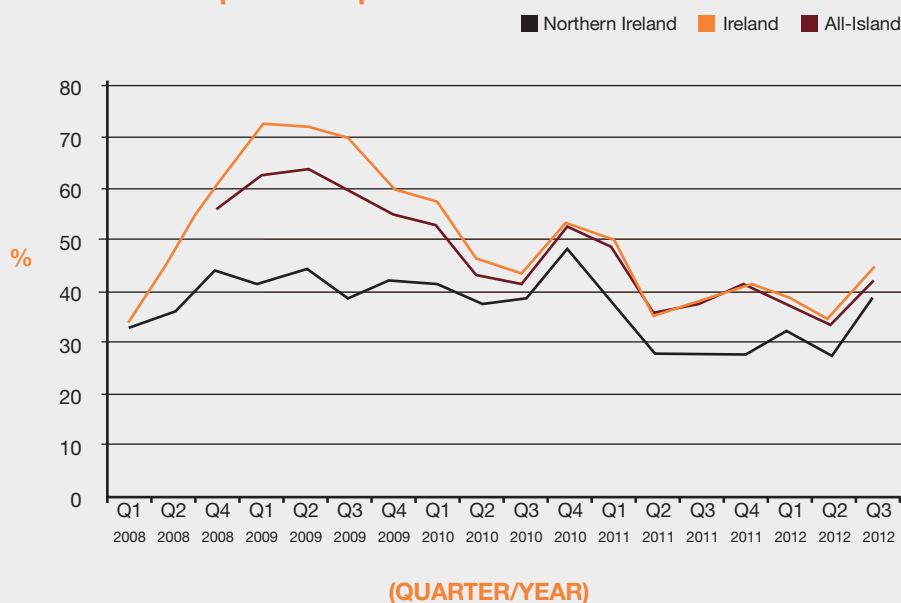
Percentage of businesses reporting an increase in sales in previous quarter



Sales decreases...

There was a sharp rise in the number of businesses (43%) reporting a decrease in sales in Q3 2012. The gap between firms in Ireland (45%) and their peers in Northern Ireland (39%) has closed greatly over the past few quarters. Small firms (45%), businesses who trade only in their local market (46%) and those in retail (50%) and agriculture (45%) all report higher than average decreases in sales in the last quarter.

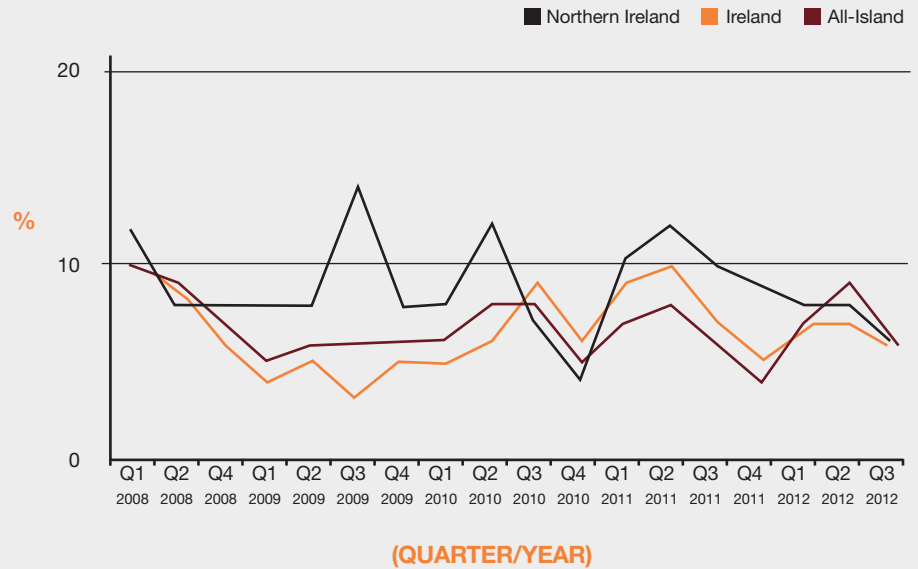
Percentage of businesses reporting a decrease in sales in previous quarter



Employment increases...

The number of businesses reporting an increase in staff numbers in Q2 2012 has remained stubbornly low (6%) and has fallen from last quarter's results. Large firms (26%), business services companies (9%), exporters (9%) and cross-border traders (9%) are the only ones bucking the trend. Domestically focussed firms (4%), retailers (4%) and micro-enterprises (4%) are less likely to be recruiting staff.

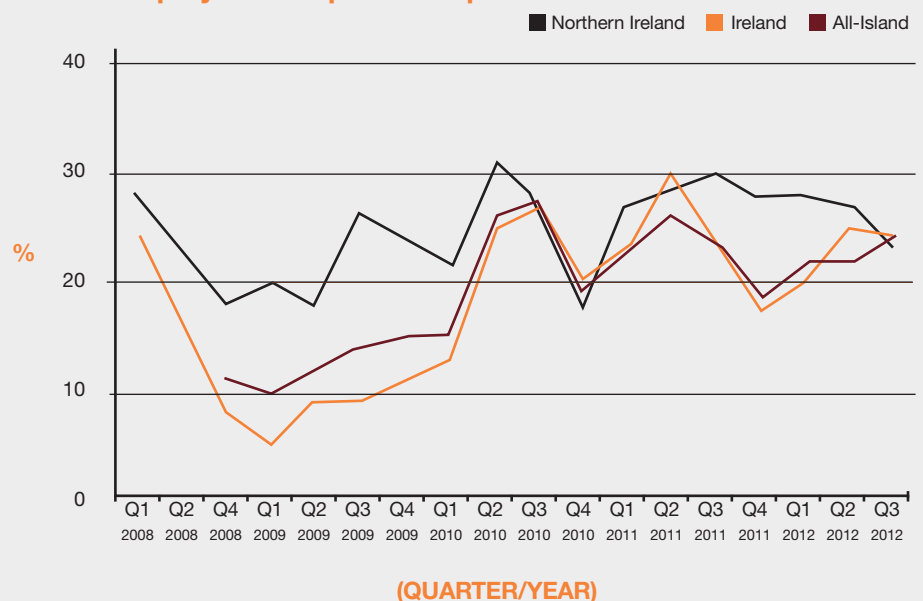
Percentage of businesses reporting an increase in employment in previous quarter



Employment decreases...

One in seven firms (15%) reported that they had decreased the size of their workforces in the previous quarter. This figure rose for the first time in four quarters and this was caused by the growing number of firms in Ireland (16%) letting people go. Mid-sized (17%), construction (19%) and retail firms have been more active in decreasing numbers than small firms (11%) or business services companies (9%).

Percentage of businesses reporting a decrease in employment in previous quarter



About the Business Monitor

InterTradeIreland commissioned Perceptive Insight Market Research to conduct the quarterly Business Monitor. Each quarter interviews are conducted with 1,000 business owner/managers across the island of Ireland. The sample is stratified by number of employees, sector, region (Ireland/Northern Ireland) and the data weighted at the overall reporting level to reflect the profile of businesses.

About us

InterTradeIreland is the only organisation which has been given responsibility by both Governments to boost North/South economic co-operation to the mutual benefit of Northern Ireland and Ireland. By encouraging better use of our collective resources we help to expedite trade and business growth across the island and create an environment where it is easier to do business. We support SMEs across the island to identify and develop North/South trade and innovation opportunities.

We do this through:

- Business programmes
- Research and statistics
- Networks and partnerships

InterTradeIreland will endeavour to facilitate requests for alternative formats of this publication including Irish Language, Ulster Scots, Braille, disk and audio cassette.

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