# UK decision-makers anticipate budget increases amid rising costs



Recent research from Amazon Business indicates that while a significant portion of decision-makers in the UK anticipate an increase in their budgets for 2025, many are also facing the daunting challenge of rising costs that may limit their spending capabilities. The findings have surfaced within a broader context of economic uncertainty, revealing a complex landscape for businesses as they plan for the future.

According to the report, 64% of UK decision-makers foresee budget increases in 2025 compared to the current year. However, this optimistic projection is tempered by the reality that 44% are concerned about rising costs, which serve as a significant barrier to expanded spending. These financial pressures are coupled with a downward revision of economic growth predictions, with the UK expected to experience a growth rate of only 0.9% in 2025, a decrease from earlier forecasts of 1.1%.

The current economic climate is evidently influencing business strategies. Decision-makers are increasingly inclined toward investing in technologies that could enhance efficiency, with 49% identifying internal complexity as a major hurdle in their operations. Furthermore, two-thirds (66%) view existing systems and processes as a considerable obstacle to streamlined spending. Notably, 96% of those surveyed expressed intentions to invest in artificial intelligence (AI) tools, with 47% specifically planning to implement AI for spend analysis, aiming to improve both financial and operational efficiency.

Additionally, businesses face the challenge of balancing automation investments with sustainability goals. While there has been a reported increase in attention to environmental, social, and governance (ESG) objectives from C-suite leaders, only 11% of respondents currently prioritise sustainability in purchasing decisions, a significant drop from 30% in the previous year.

Amy Worth, Amazon Business UK Director and General Manager, commented on the implications of these findings, stating, “While increased budgets present new opportunities, procurement teams need the tools and insights to navigate unexpected economic changes and streamline their operations to drive both immediate and long-term value.”

As companies continue to navigate a volatile economic environment, the push for AI and automation tools becomes ever more critical in fostering decision-making and operational effectiveness across various industries. This dual focus on innovative technologies and cost management underscores a pivotal moment for business leaders as they strive to adapt to changing financial landscapes.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://retailtimes.co.uk/amazon-business-2025-state-of-procurement-report-cost-controls-and-operational-complexity-top-critical-challenges-for-business-purchasing/> - Corroborates the findings from Amazon Business' State of Procurement report, including budget increases, concerns about rising costs, and the impact of economic uncertainty on business strategies.
* <https://retailtimes.co.uk/amazon-business-2025-state-of-procurement-report-cost-controls-and-operational-complexity-top-critical-challenges-for-business-purchasing/> - Supports the statistic that 64% of UK decision-makers foresee budget increases in 2025 and the concern about rising costs affecting spending capabilities.
* <https://retailtimes.co.uk/amazon-business-2025-state-of-procurement-report-cost-controls-and-operational-complexity-top-critical-challenges-for-business-purchasing/> - Confirms the downward revision of economic growth predictions to 0.9% in 2025 and the impact on procurement strategies.
* <https://retailtimes.co.uk/amazon-business-2025-state-of-procurement-report-cost-controls-and-operational-complexity-top-critical-challenges-for-business-purchasing/> - Highlights the internal complexity and existing systems as major obstacles to streamlined spending, with 49% of procurement leaders citing efficiency and complexity as primary challenges.
* <https://retailtimes.co.uk/amazon-business-2025-state-of-procurement-report-cost-controls-and-operational-complexity-top-critical-challenges-for-business-purchasing/> - Supports the intention of 96% of respondents to invest in AI tools, with a focus on spend analysis to improve financial and operational efficiency.
* <https://retailtimes.co.uk/amazon-business-2025-state-of-procurement-report-cost-controls-and-operational-complexity-top-critical-challenges-for-business-purchasing/> - Corroborates the drop in prioritization of sustainability in purchasing decisions, from 30% to 11%.
* <https://retailtimes.co.uk/amazon-business-2025-state-of-procurement-report-cost-controls-and-operational-complexity-top-critical-challenges-for-business-purchasing/> - Quotes Amy Worth, Amazon Business UK Director and General Manager, on the need for tools and insights to navigate economic changes and streamline operations.
* <https://procurementmag.com/procurement-strategy/amazon-business-predicts-procurement-in-2025> - Supports the predictions and trends in procurement for 2025, including the focus on AI, ESG, and cost management.
* <https://procurementmag.com/procurement-strategy/amazon-business-predicts-procurement-in-2025> - Corroborates the importance of AI and automation tools in fostering decision-making and operational effectiveness in a volatile economic environment.