

SMALL BUSINESS SPOTLIGHT: CHASE SURVEY INSIGHTS

APRIL 2025

Overall

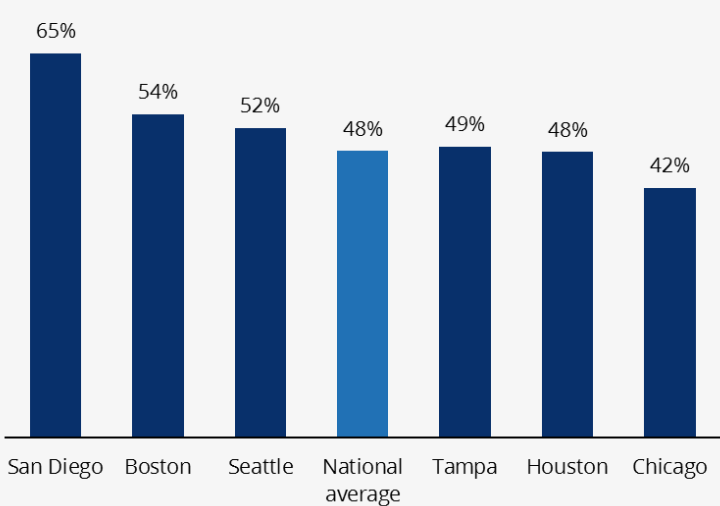
Young, dynamic businesses across the US are **investing in technology and adapting supply chains in response to an increasingly uncertain economy**. They are putting money to work – and it's paying off – with their revenues rising and results even better than expected.



Optimism on the decline

Small business optimism has taken a hit since the beginning of the year. The share of small businesses that are optimistic about the future declined 14ppts since January.

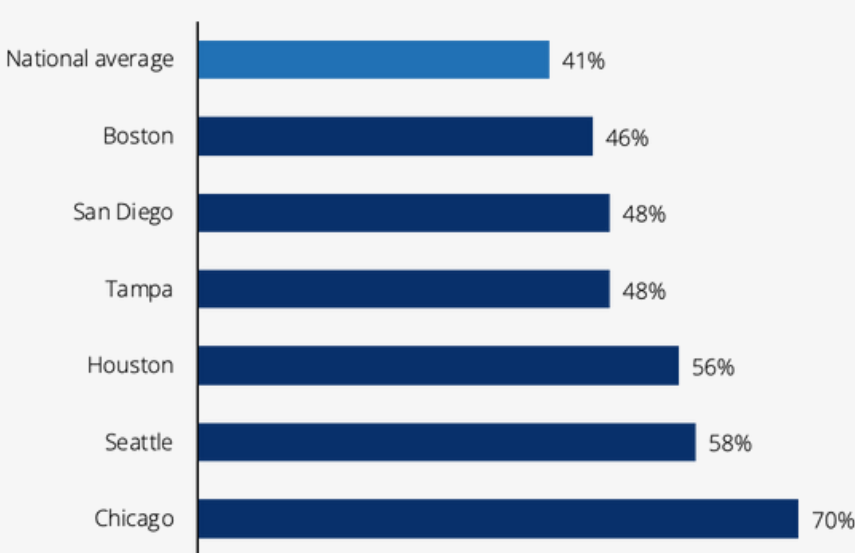
Share of small businesses that say macro conditions have forced a change in how they conduct business



Uncertainty is running high as businesses face new problems, and old ones.

52% said macro conditions forced a change in how they conduct business vs. 48% nationally

Share of small businesses in 'growth mode'



Some small businesses are bucking the trend



Young, dynamic businesses in key spots across the country are responding to the economy differently. **Who are they?**

- Growing small businesses in major MSAs
- Nationally, 41% of SMBs are in growth mode vs. 54% in our MSA national sample

They are changing their businesses in response to a shifting macro landscape

1.4x buying local

1.4x more likely than the national average to buy local

1.4x

1.3x

1.3x investment in employee retention

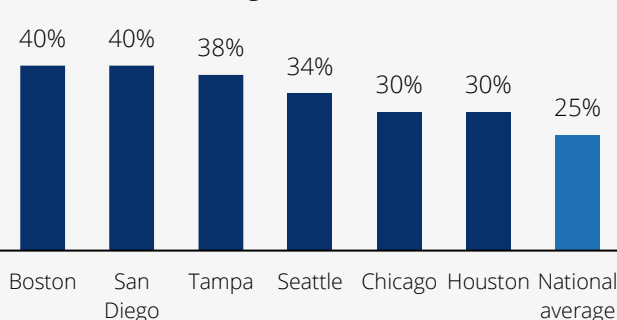
1.3x more likely to invest in employee retention vs. nationally

1.4x more likely to have integrated AI tools

- The MSAs above are 1.4x more likely than the national average to have integrated AI tools
- 1.5x more likely to say digital transformation has been crucial to their post-pandemic success
- 1.6x more likely to have increased use of social media marketing

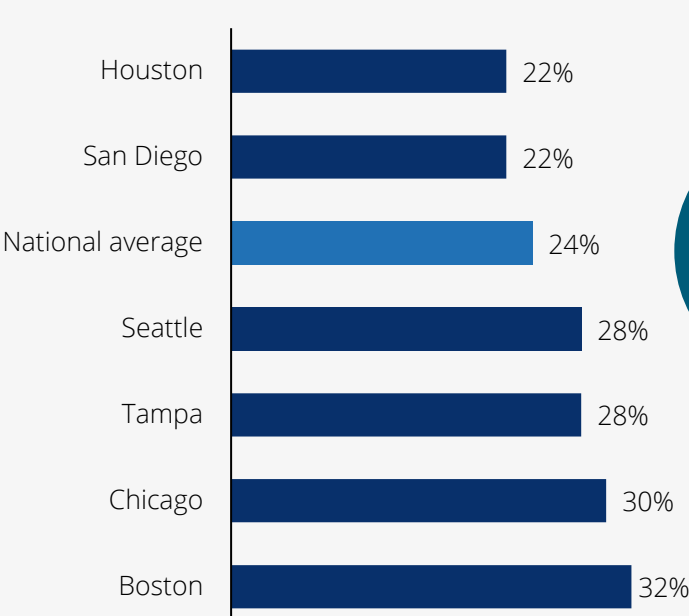
1.4x

Share of small businesses with integrated AI tools



They are paying down existing debts

Share of small businesses that are paying down existing debt



27%

of the MSA sample said they are **paying down existing debt**

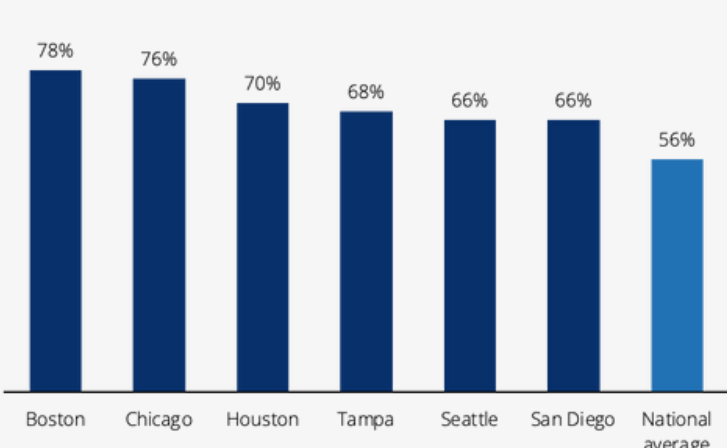
...and seeing revenues rise

71%

of the MSA sample said their business performance was **better than they expected** in March – vs. 56% nationally.

As a result, these young, dynamic businesses are able to **invest in their businesses' futures**.

Share of small businesses with business results better than expected



- These small businesses are 10ppts more likely to say it's important to continue to invest in the business during challenging market conditions
 - Over 90% of respondents in Chicago and Tampa held this view (vs. 78% nationally)
- And continuing to hire – particularly in Houston where small businesses were 1.6x more likely to have hiring plans than the national average

Conclusion



While the macro environment is challenging and uncertain, there are many nimble small businesses taking important steps to adapt and succeed.