

Small Business Pulse



A summary of key findings from a comprehensive survey of Small Business owners and operators



March, 2024

About This Report

This report is issued by Visa to provide a gauge of small businesses in the United States, including their past-year performance, future outlook and strategic priorities. It is based BizPulse, a quarterly study conducted by Maru Group in partnership with Visa.

Data in this report is taken from 600 Small Business Leaders who were surveyed in January/February, 2024 (“Small Business” is defined as those businesses with fewer than 100 employees). Respondents are described as “Business Leaders” – this means they are at least senior decision-makers with the business, including roughly eight-in-ten who are the business’ primary owner. Responses come from across the United States, and represent a mix of revenue bands, business tenure, industry, etc.

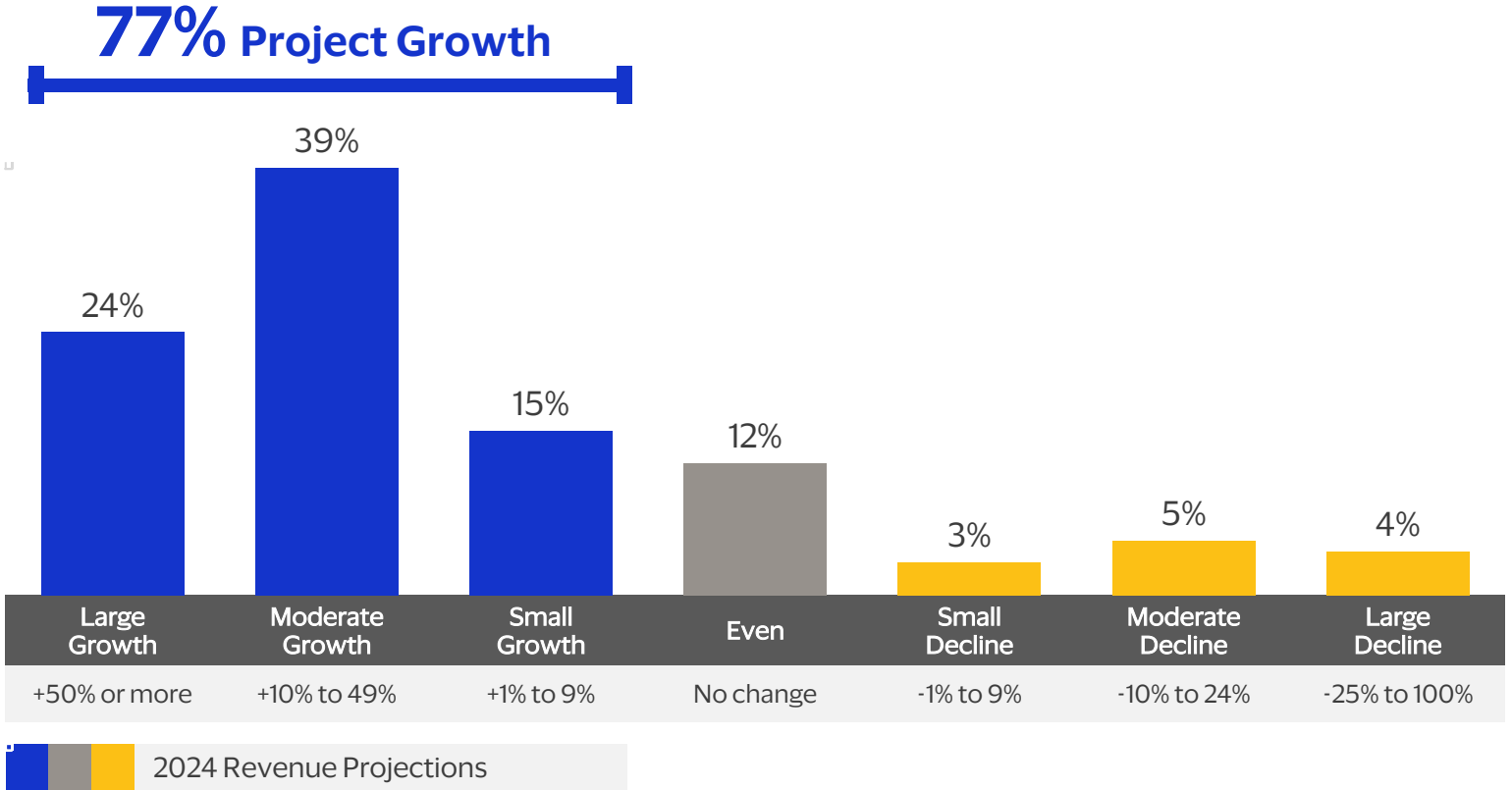
About Visa Inc.: Visa (NYSE: V) is a world leader in digital payments, facilitating payments transactions between consumers, merchants, financial institutions and government entities across more than 200 countries and territories. Our mission is to connect the world through the most innovative, convenient, reliable and secure payments network, enabling individuals, businesses and economies to thrive. We believe that economies that include everyone everywhere, uplift everyone everywhere and see access as foundational to the future of money movement. Learn more at [Visa.com](https://www.visa.com).

About Maru: Maru is a world leading CX and Insights Software & Advisory Services company. Maru was founded to disrupt the data and insights deliver industry with a combination of Software & Advisory Services delivering data in real-time via a unique service model. Maru helps its clients make informed decisions in a near real-time by combining proprietorial software, deep industry experience, and access to the best minds in research. Maru’s flexible service model means our clients can choose to self-serve our Software directly to create, launch, and analyze projects; or choose to utilize our Software with knowledgeable support from insights experts. Maru successfully delivers major national and international CX and CEM programs for Enterprise organizations.

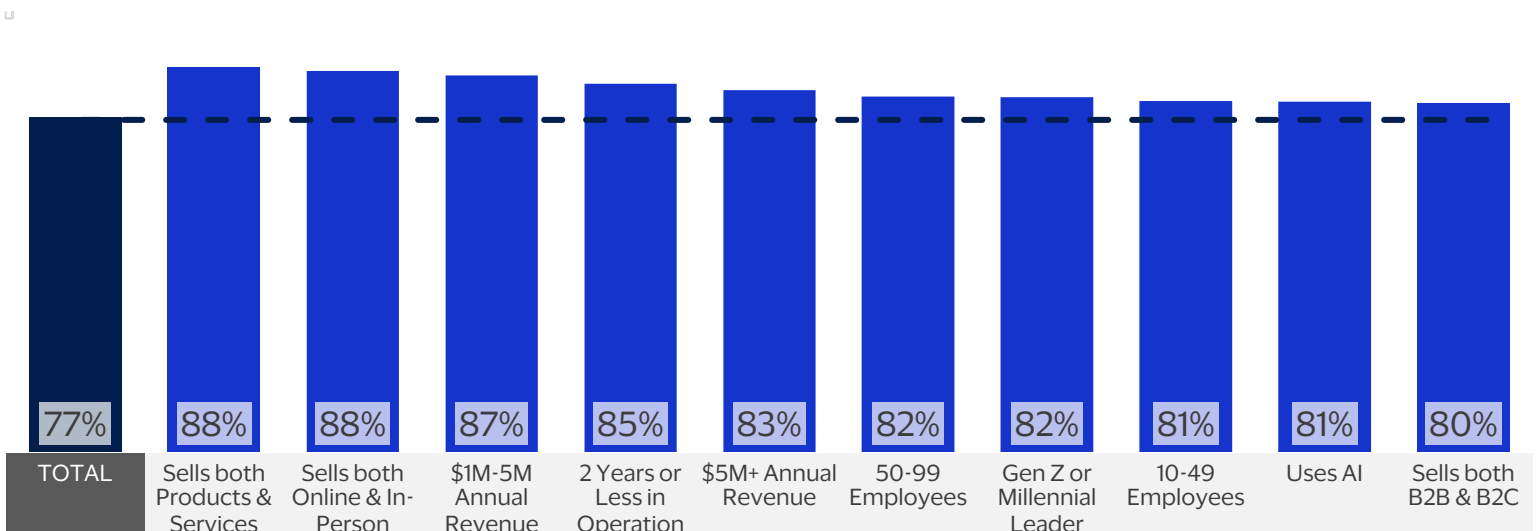
Disclaimer: Case studies, comparisons, statistics, research and recommendations are provided “AS IS” and intended for informational purposes only and should not be relied upon for operational, marketing, legal, technical, tax, financial or other advice. Visa neither makes any warranty or representation as to the completeness or accuracy of the information within this document, nor assumes any liability or responsibility that may result from reliance on such information. The Information contained herein is not intended as investment or legal advice, and readers are encouraged to seek the advice of a competent professional where such advice is required.

Surveyed small business leaders expect similar growth in 2024 as they experienced in 2023

2024 Revenue Growth Projections (vs. 2023)

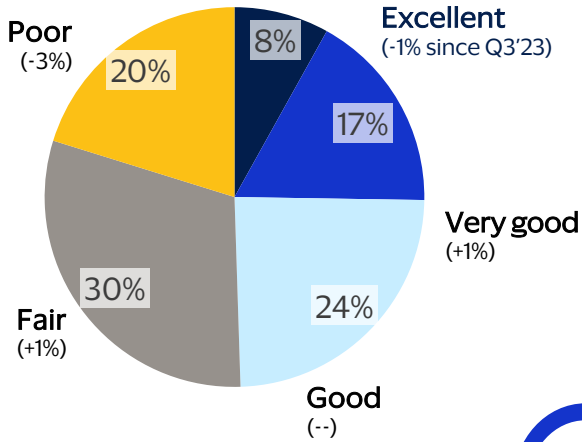


MOST likely to be projecting revenue growth in 2024

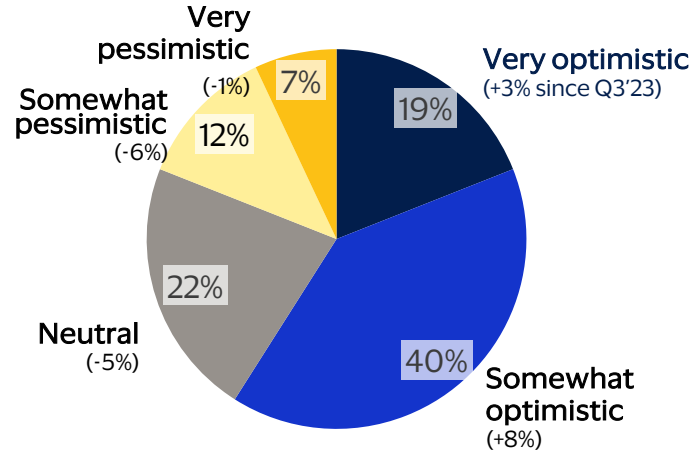


Economic optimism outweighs pessimism; economic concerns on downward trend entering 2024

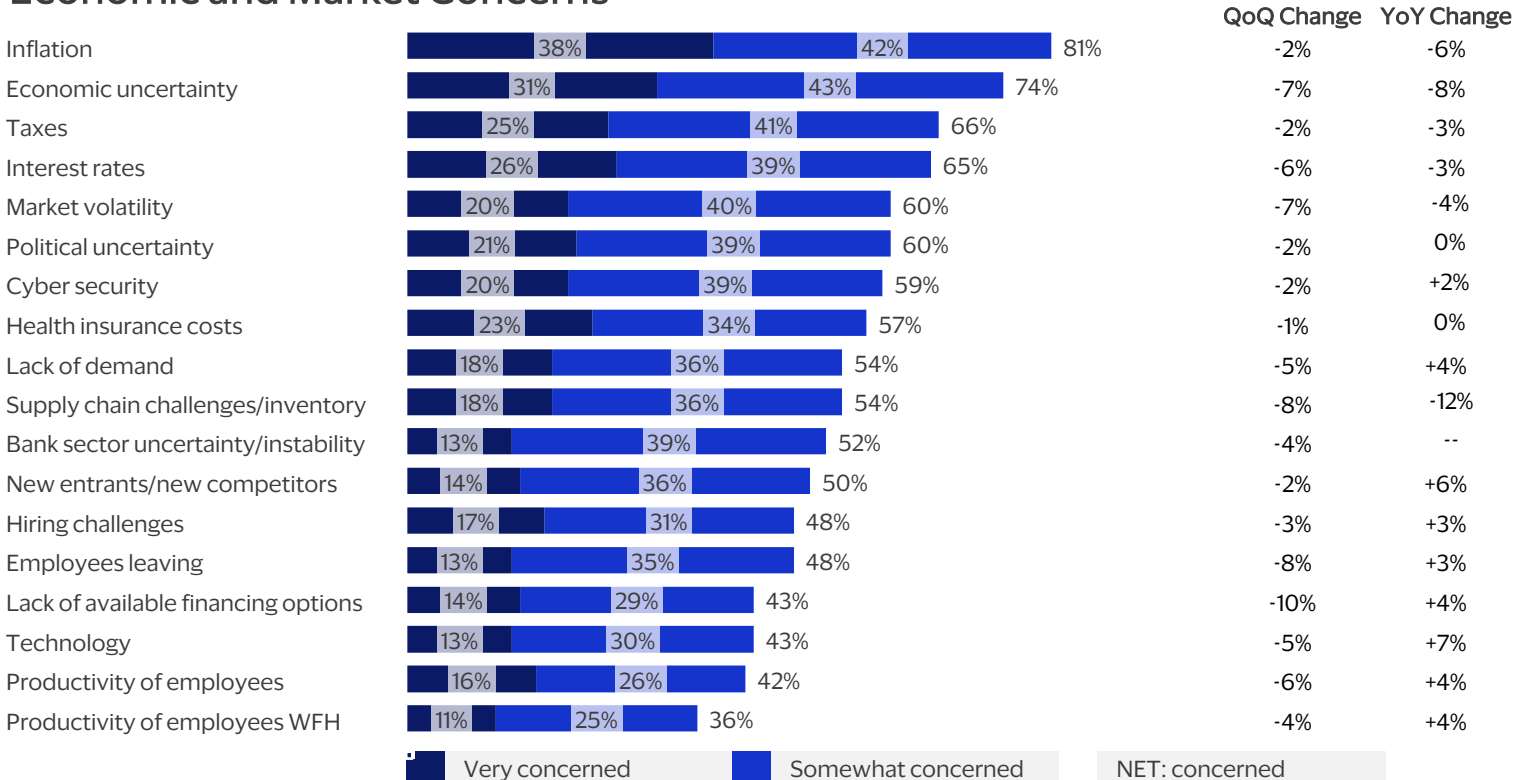
Current Economic Rating



Economic Optimism



Economic and Market Concerns



Surveyed small businesses plan several steps to facilitate growth in 2024

Plans for Growth in 2024 (Definitely Will/Probably Will)

MOST Likely to:



Increase the price on at least one of our products or services

67%

- 50-99 employees
- \$1M-5M annual revenue
- Sells both products and services
- Sells all/mostly products
- Uses AI



Introduce a new product or service to our offering

65%

- 50-99 employees
- 2 years or less in operations
- Sells all/mostly products
- Sells both online and in-person
- Uses AI



Hire new employee(s)

61%

- 50-99 employees
- Uses AI
- 10-49 employees
- \$1M-5M annual revenue
- Sells both online and in-person



Enter into a new strategic partnership with another business

41%

- 50-99 employees
- Uses AI
- Gen Z or Millennial leader
- Sells both online and in-person
- Sells both B2B and B2C



Sell products or services in a NEW Province or Country

40%

- 50-99 employees
- Uses AI
- Sells both online and in-person
- Sells all/mostly products
- Sells both B2B and B2C

Surveyed small business leaders expect to continue to evolve at a fast pace in 2024

Plans for Action in 2024
(Definitely Will/Probably Will)

64%



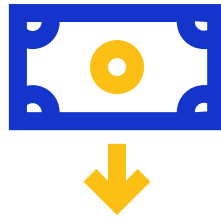
Plan to invest in cost-saving technology.



63%



Plan to reduce spending in at least one key area.



63%



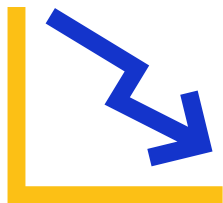
Plan to increase their budget for digital marketing.



62%



Plan to pay down business debt MORE than the minimum required.



58%



Will travel by airplane for a business trip.



46%



Plan to obtain financing from a new source.



44%



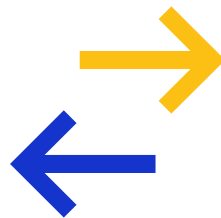
Plan to increase the proportion of their revenue made up by subscriptions.



41%



Plan to switch a major vendor or supplier to a new supplier.



36%

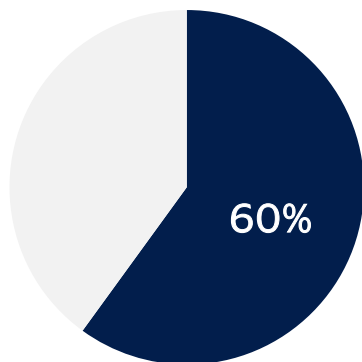


Plan to remove a product or service from their offering.



Nearly six-in-ten surveyed are using AI, and those that are see it as being largely helpful to their business

AI Usage Among Small Businesses



	Overall	60%
Org. Size	Owner-only	31%
	1 to 9 Employees	53%
	10 to 49 Employees	72%
	50 to 99 Employees	83%
Revenue	Under \$100k	37%
	\$100k - \$999k	61%
	\$1M - <\$5M	76%
	\$5M+	70%
Tenure	2 Years or Less	83%
	3-9 Years	69%
	10+ Years	39%
Age of Owner/Leader	Gen Z + Millennial	76%
	Gen X	59%
	Boomers+	26%

Top AI Uses Among Small Businesses

Among the 58% of Surveyed Small Businesses that are currently using AI



27%

Improving our sales and marketing decisions



23%

Data collection and analysis



22%

Consumer behavior forecasting and product recommendations



20%

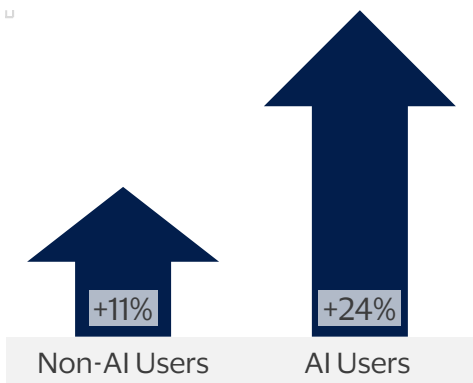
Helping with bookkeeping and accounting



19%

Fraud detection

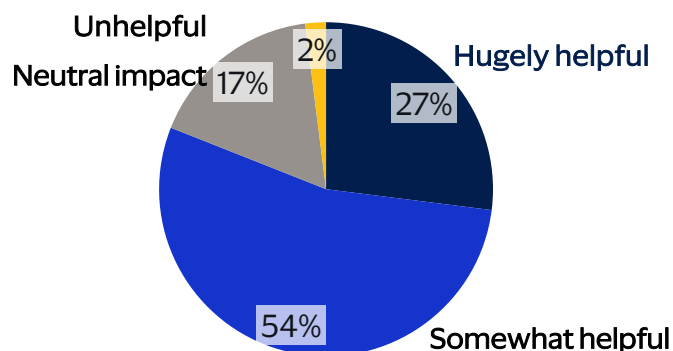
2023 Revenue Growth by AI Usage



Small businesses using AI saw revenue growth more than double the rate of those not using AI.

Helpfulness of AI

Among the 58% of Small Businesses that are currently using AI



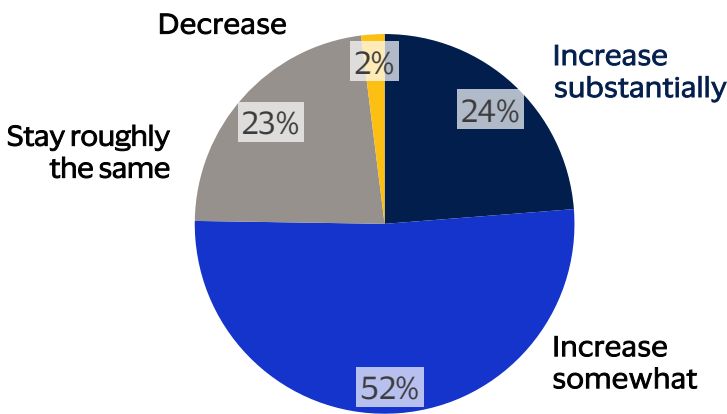
AI usage is likely to grow; however mostly among current users, not among new users

Among the nearly six-in-ten surveyed small businesses using AI, there is strong interest in increasing usage in 2024 and beyond. However, it appears as though most companies who are open to AI have already begun using it; intention to start using is very low among companies that are not currently using AI.

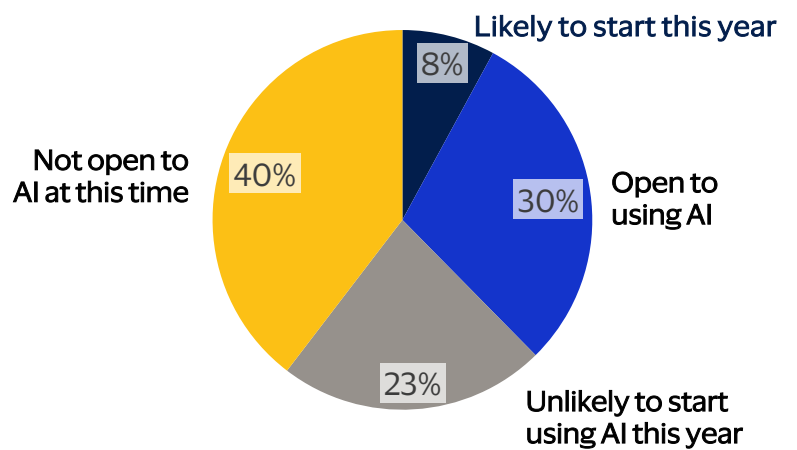
While AI is seen as mostly a positive, there is still apprehension; and can be seen as risky, scary, and difficult to integrate.



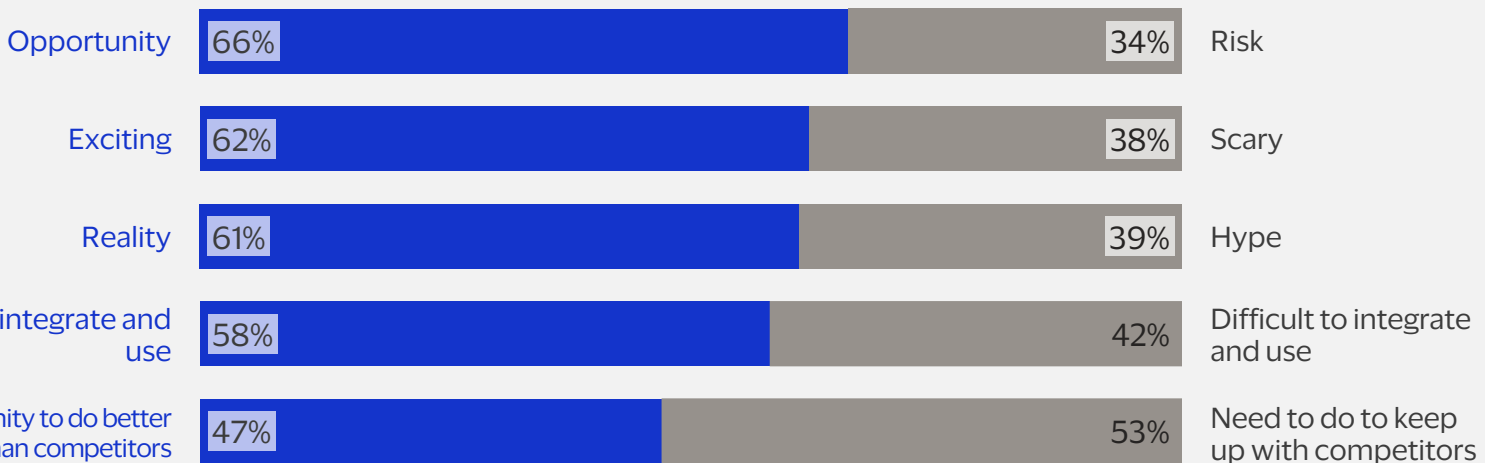
AI Growth Intentions



Intentions to Start Using AI

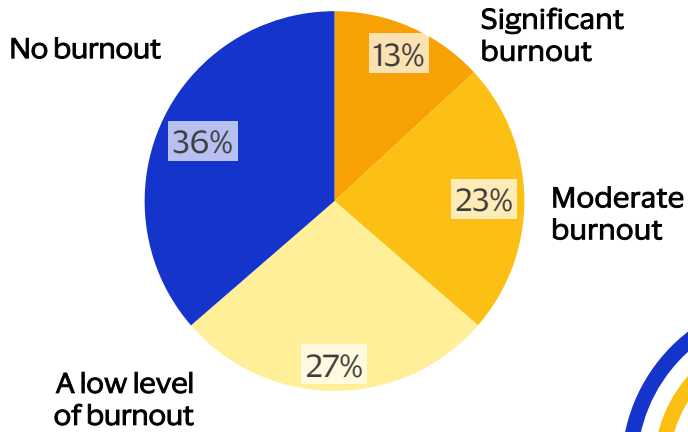


Would You Describe AI As...

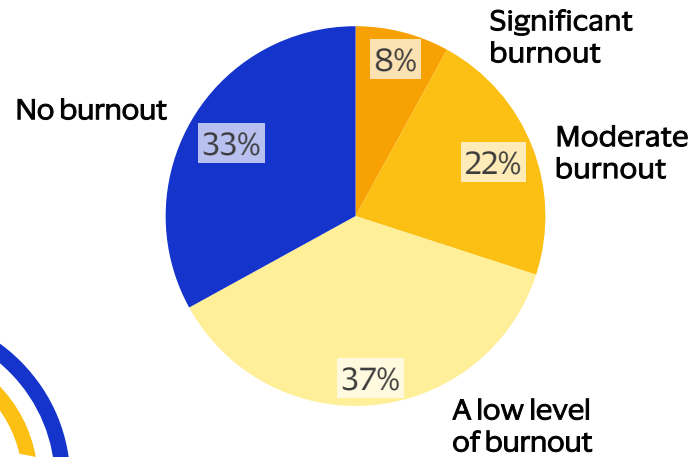


Nearly three-quarters of surveyed small business leaders are feeling some burnout

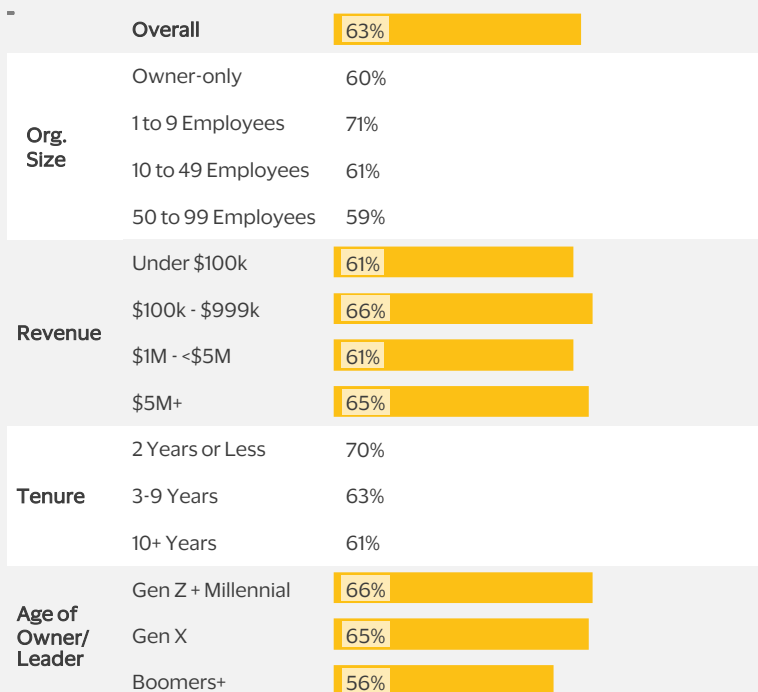
Business Leaders' Burnout



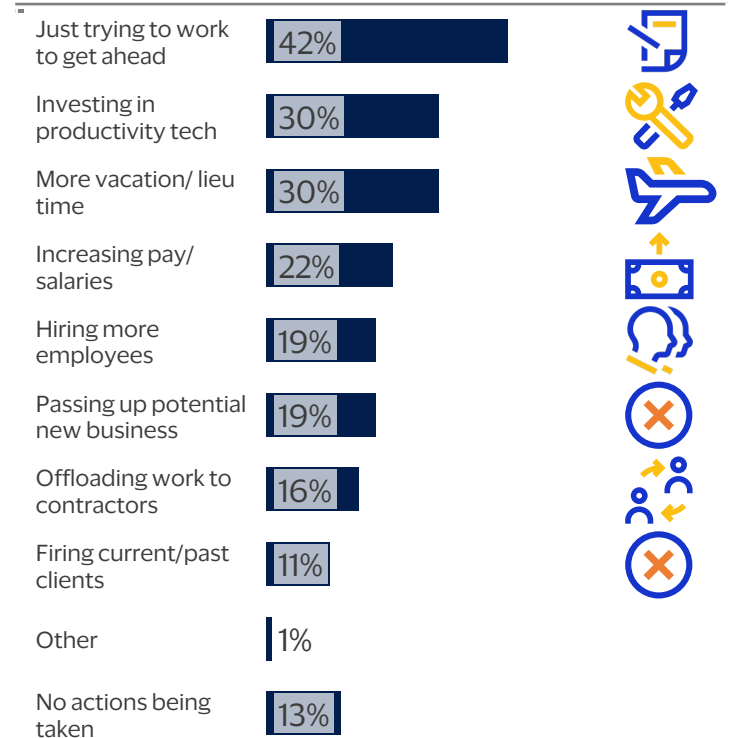
Employees' Burnout



Feeling Some Level of Burnout

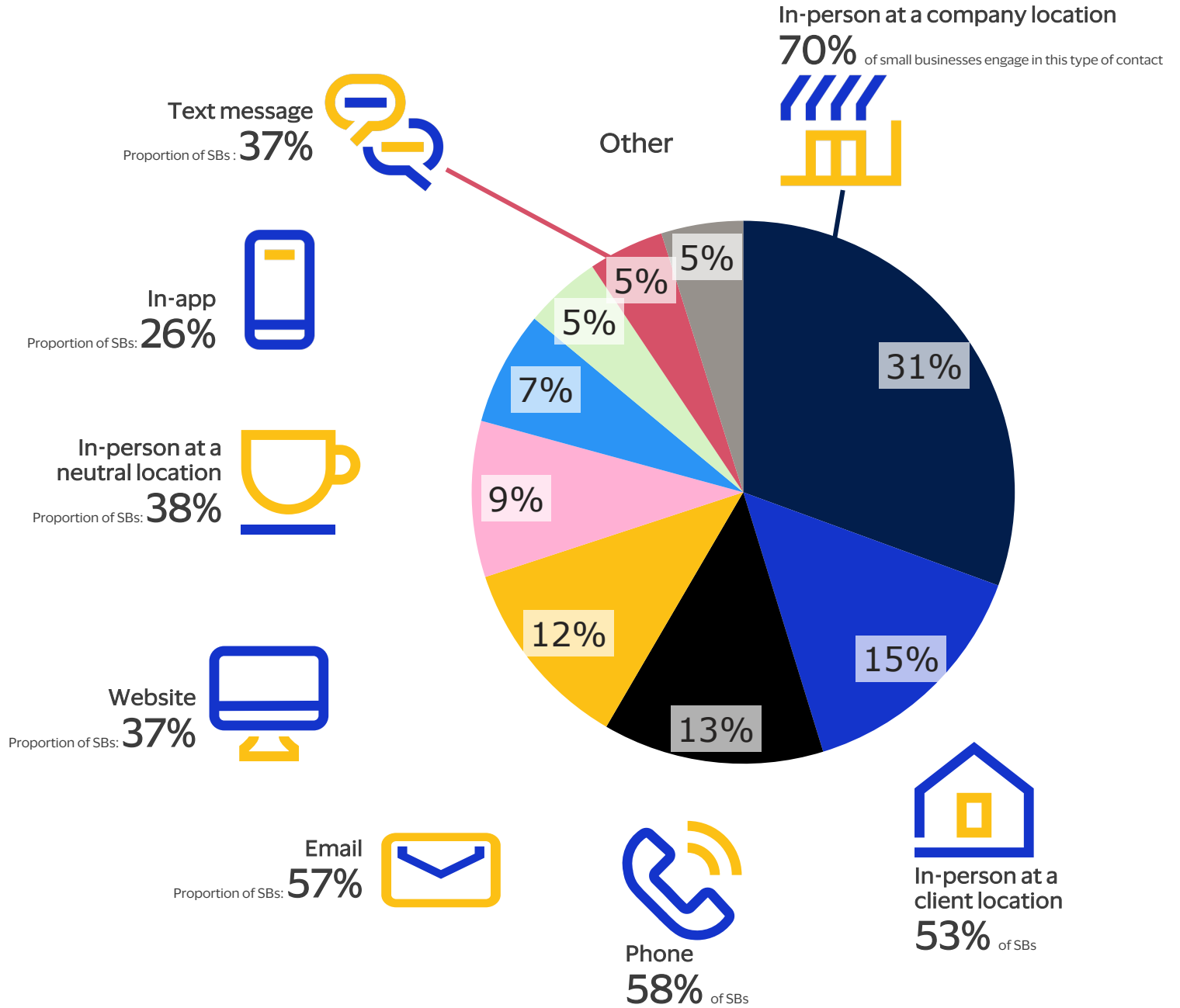


Steps Taken to Address Burnout



More than one-half of interactions between surveyed small business and customers are in-person

Proportion of Customer Interactions by Type



NET: In-person interactions

NET: Virtual interactions

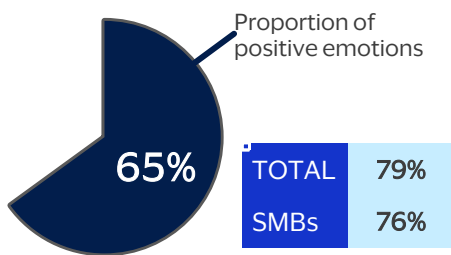
Proportion of all interactions	Companies having these interactions
52%	83%
58%	83%

Profile: Micro-Businesses

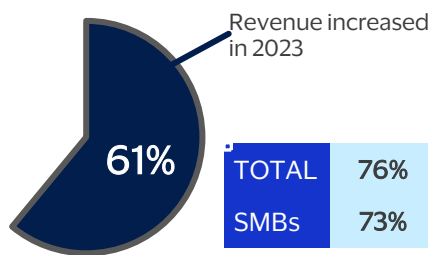
(<10 employees AND <\$250k annual revenue)

Surveyed Micro-businesses are feeling mostly good about 2024 and many are on a positive trajectory, however their optimism is significantly muted as compared with other businesses, and even compared with small businesses overall. Microbusinesses also are far less likely than others to have variety or flexibility built into their business models; they are MUCH more likely than other businesses to sell ONLY B2B or B2C (not both); they are more likely to sell ONLY products or services (not both); and they are more likely to sell ONLY online or in-person (not both).

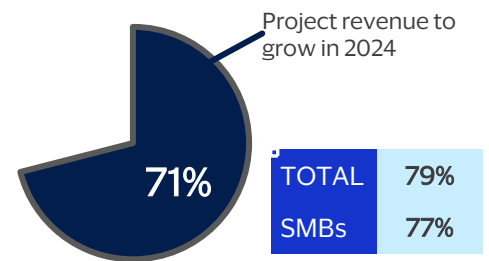
Microbusiness leaders are feeling mostly positive; however less than others



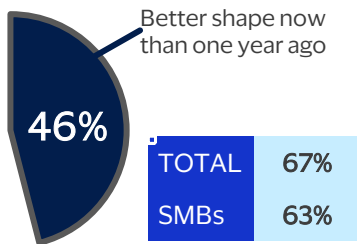
Just over one-half of microbusinesses saw revenue growth in 2023



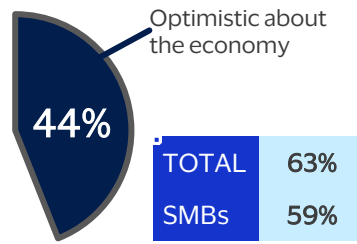
Six-in-ten project revenue growth in 2024



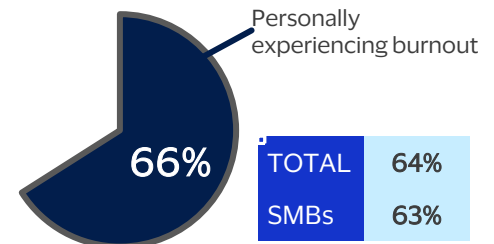
Nearly one-half say they are in better shape now than they were in early 2023



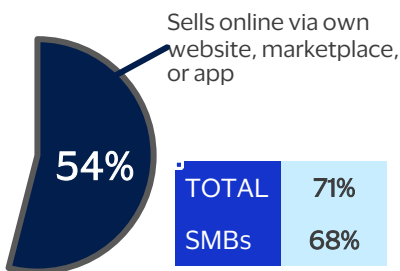
More than four-in-ten are optimistic about the economy in 2024



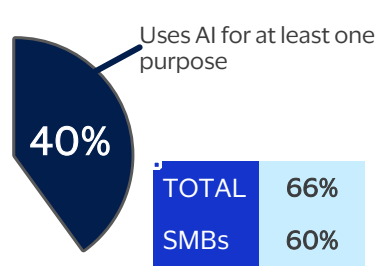
Two-thirds are experiencing burnout



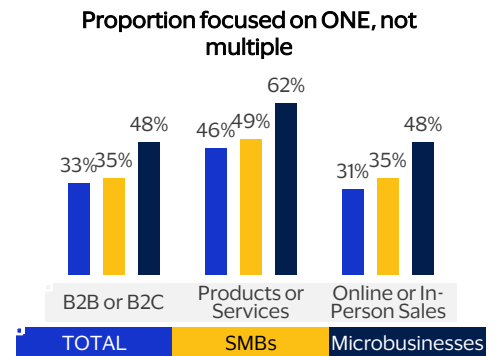
Just over one-half of MBs sell online



Four-in-ten US microbusinesses use AI



Microbusinesses tend to be more narrowly focussed





Thank you

For help addressing any of the questions raised in this paper, please reach out to your Visa Account Executive or Visa Consulting & Analytics (VCA@Visa.com).

Explore the [Visa Business Solutions Knowledge Hub](#) to learn more about topics like this.

[Follow Visa on LinkedIn.](#)