

Small Business Owner Confidence Reaches Post-Pandemic High

Small businesses optimistic about AI's potential to improve operations, believe it will give their business a competitive edge

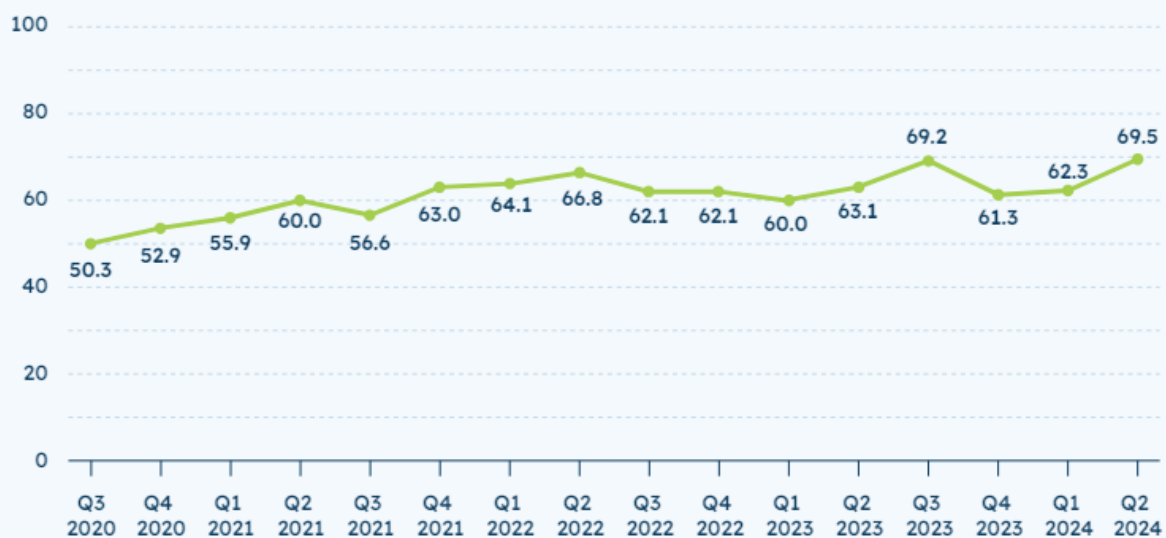
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Washington, D.C. — The Q2 MetLife and U.S. Chamber of Commerce [Small Business Index](#) hit its highest score since early 2020. The Index score, which measures small business owners' perceptions of business operations, environment, and expectations, jumped to 69.5 from 62.3 last quarter.

The confidence boost likely comes from small business owners' growing optimism about the future business climate. Nearly three in four (73%) expect their revenue to increase in the next year, the highest reading recorded since the start of this survey in 2017. Nearly half (46%) say they expect to increase investment in the next year, up 10 percentage points from last quarter (and just one percentage point lower than its all-time high in Q4 2022).

"Main Street employers are showing confidence and resiliency in the face of persistent inflation," said Tom Sullivan, Vice President of Small Business Policy at the U.S. Chamber of Commerce. "Last quarter's survey showed signs of confidence drifting upward with small businesses optimistic about revenues in the next 12 months. Main Street employers' comfort with cash flow remains high and is a key reason why small business owners are bullish about their ability to meet customer demand and solve challenges facing their communities."

Small Business Index Score Q3 2020 - Q2 2024



Small business owners' biggest concern continues to be inflation—this is the eighth consecutive quarter that over half of small businesses cite inflation as a top challenge. Small businesses' perceptions of the national and local economy are stable from last quarter but are both up 12 percentage points from a year ago.

“Small business owners’ continued adaptability and growing optimism is inspiring and a positive sign for the economy,” says Cynthia Smith, senior vice president, Regional Business at MetLife. “As these employers continue invest in and hire for their businesses, they should take a holistic approach and explore solutions like voluntary benefits that can help build their culture and attract and retain top talent.”

Small Businesses Are Optimistic About Future of AI

This quarter’s survey also asked small businesses about their perceptions of artificial intelligence (AI). Small businesses are generally optimistic about the future of AI, and many are exploring and implementing AI tools.

Most small business owners believe hiring workers with AI skills could save them time (71%) or money (67%) in the long run and view AI as a skill that will reshape the workforce. Two-thirds of small businesses say they expect AI to change the roles they have on staff in the future (65%) or expect AI proficiency to be listed in future job postings (64%). Three-quarters of small businesses (74%) agree that having employees who use AI tools could give them an edge against competitors.

“I have read about 2,000 pages to learn more, assigned my senior team to the development of AI uses at our company, and we have begun to use it in lead generation, vendor identification, the development of marketing materials, and a few other applications,” says Michael Canty, president and CEO of Alloy Precision Technologies Inc. in Mentor, Ohio.

As small businesses continue to gain familiarity with AI tools, 40% of small businesses say they have tried different AI tools to suit their needs and nearly half (49%) say they plan to try AI tools in the next year.

About the Small Business Index

The MetLife and U.S. Chamber of Commerce [Small Business Index](#) is part of a multiyear collaboration by MetLife and the U.S. Chamber to elevate the voice of America’s small business owners and highlight the important role they play in the nation’s economy. The quarterly Index, an online survey of approximately 750 small business owners and decision makers, is designed to take the temperature of the sector, see where small business owners are confident, and where they are experiencing challenges.

The Q2 2024 survey was conducted April 19 – May 6, 2024. The survey has a credibility interval of plus or minus 4.4 percentage points for all respondents.

About the U.S. Chamber of Commerce

The U.S. Chamber of Commerce is the world’s largest business organization representing companies of all sizes across every sector of the economy. Our members range from the small businesses and local chambers of commerce that line the Main Streets of America to leading industry associations and large corporations.

They all share one thing: They count on the U.S. Chamber to be their voice in Washington, across the country, and around the world. For more than 100 years, we have advocated for pro-business policies that help businesses create jobs and grow our economy.

About MetLife

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