

Fiserv Small Business Index

2024 Launch

prepared by
Data Commerce Solutions

Fiserv Small Business Index[®]

2024 Launch and Highlights

In January 2024, Fiserv launched the Fiserv Small Business Index, a ground-breaking new capability to measure the economic vitality of U.S. small businesses. It is based on real transaction data from nearly 2 million small businesses and is available at the beginning of each month – faster than any other measure. Since its launch, the Index has become a sought-after tool to understand small business performance in the U.S.

Why this matters

According to the [U.S. Small Business Administration Office of Advocacy](#), small businesses make up over 99% of all businesses in the United States. They account for 44% of GDP and employ nearly half of the U.S. private-sector workforce. Access to timely data is crucial when it comes to understanding the forces shaping today's economic landscape. However, data on small business performance is typically delayed by weeks or even months, posing a challenge for policymakers, lenders, economic forecasters and others making decisions that impact small businesses.

Traditional economic indicators, like business output data from the Bureau of Economic Analysis, face significant delays. For instance, GDP figures are released nearly a month after a quarter ends, with revisions taking months. Similarly, the Monthly Retail Trade Survey (MRTS) and Wholesale Trade Survey have a 1.5-month lag. These measures also lack comprehensive data, relying on surveys or small samples of store sales or card activity.

As one of the world's largest payments processors, Fiserv has extensive access to point-of-sale transaction data. This includes card, cash, and check payments made at small businesses, enabling us to close the gaps in data reporting, significantly lag time of data availability and improve visibility into the small business economy.

A leading indicator: Predicting growth using the Fiserv Small Business Index

The [Fiserv Small Business Index](#) can provide insights into the overall retail sector and various service industries much sooner than other sources.

To assess the extent to which the Fiserv Small Business Index can be a reliable early indicator of the economic performance of small businesses, Fiserv engaged a member of the Fiserv Small Business Index Advisory Board, [Georgia State University Professor Vincent Yao](#), to analyze the available data and compare it to existing government indicators. Yao compared the Fiserv Small Business Index to the MRTS and the Bureau of Economic Analysis' quarterly gross output from national accounts for accommodation, professional and technical services, as well as ambulatory healthcare services sectors.

Yao's analysis (summarized [here](#)) reveals that the Fiserv Small Business Index aligns closely with established indicators, such as the MRTS. Month-over-month sales trends produced by the Fiserv Small Business Index data align very tightly with the MRTS results for key retail subsectors where consumers are most active (gas stations, grocery, general merchandise retailers and after-market auto parts). Although slightly lower, the correlations are robust for the remaining subsectors. The consistent correlation underscores the reliability of the Fiserv Small Business Index as a predictor of retail market trends as well as the economy overall.

Additionally, Fiserv Small Business Index data correlates well with government statistics on gross output for service sectors such as accommodation, professional services and healthcare. These findings suggest that the Index can also serve as a predictive tool for these areas, offering insights sooner than traditional measures.

Feature upgrades in 2024

Since launching the Fiserv Small Business Index, we've continued to deploy enhancements. We fielded a voice-of-the-customer survey in late Q1 to gather feedback about the user experience. We also gathered very timely and useful feedback from the Fiserv Small Business Index Advisory Board, which collectively represents extensive experience across economics, small business measurement, forecasting and economic index construction.

We leveraged this feedback to make two significant changes to the Fiserv Small Business Index website:

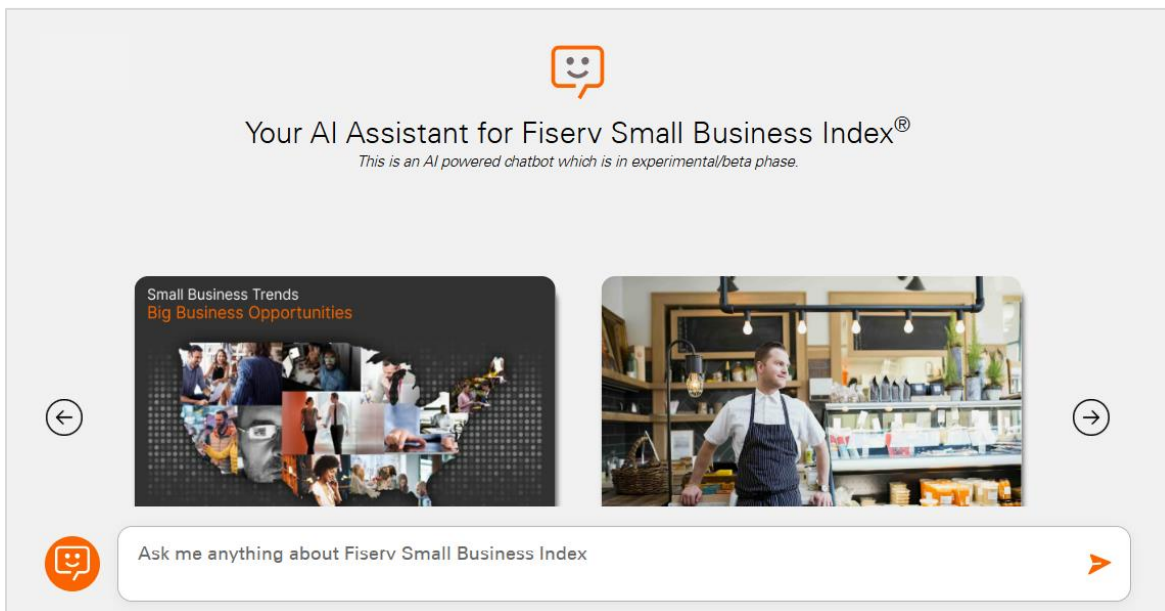
1. We reconstructed our landing page to showcase the headline results about small business performance for the month, and we also organized the key insights about the month into a logical flow of "story cards." Each card is expandable to reveal a brief narrative and reveal more details about that topic. Ultimately, this arrangement reduced the amount of scrolling required to view all of the rich content we offer.
2. We launched a data download feature, which enables users to download detailed data sets on demand. This has encouraged more exploration and promoted the use of FSBI data in market analysis efforts by a broad audience of users.

Other efforts to improve data utility and detail include using daily sales data to construct cumulative 7, 14, and 21-day measurements of small business performance. This is intended to unlock more of the predictive value of the Fiserv Small Business Index, giving clients a high-quality preview of full-month performance to support their strategic and tactical planning.

Coming soon: FSBI chatbot

One of the most exciting enhancements for 2025 is the launch of a fully automated chatbot. Built on the Index data structure, the chatbot is an advanced conversational AI model designed to assist users as they explore the Fiserv Small Business Index through natural language interactions.

The chatbot delivers increased efficiency by enabling faster exploration of the data and a more expansive collection of insights, organized into very conversational text with relevant charts and graphs included. The FSBI chatbot will drive more engagement by facilitating contextually relevant conversations between users and the FSBI data. Efforts to strengthen the chatbot's accuracy include rigorous training on the complete Fiserv Small Business Index data set and the exclusion of external data, which could diminish accuracy in model responses.



Concept Image: Fiserv Small Business Index Chatbot

Forum

The Fiserv Small Business Index was featured at Forum, our annual client conference attended by over 2,000 leaders in banking, fintech and commerce. The Fiserv Small Business Index had a prominent booth in the Experience Center, where we demonstrated the latest website features and a beta test version of the chatbot. Additionally, the Index was a featured break-out session topic. These sessions are designed to introduce the product to a broader audience and encourage thoughtful questions from attendees about the product.

Special event analyses

With near real-time access to data, we are in a unique position to measure the impact of current events with agility and speed.

Hurricanes Helene and Milton

Back-to-back hurricanes ravaged the southeastern United States in late September and early October. Fiserv was able to measure the storms' economic impact in affected markets. Our reporting offered valuable insight and visibility into disruption severity and pace of recovery and offered a roadmap for those needing to optimize resource deployment as they assist small businesses in their rebuilding.

Fiserv was able to provide critical data to the U.S. Chamber Foundation, a non-profit affiliate of the U.S. Chamber of Commerce with a mission to anticipate, develop, and deploy solutions to challenges facing communities, such as disaster preparedness and recovery.

Why is this capability so critical? When massive weather events like this occur, disaster recovery teams at the local, state, and federal levels have few reliable ways of gauging the pace of economic recovery for a local community in the aftermath. Attempts by government-directed agencies, such as FEMA, to create data-driven tools to help their assessments have been frustrated by difficult-to-manage data-sharing agreements, the cost of acquiring the data or the trust involved in building a public-private partnership. Fiserv can bridge this gap.

Without timely, reliable, granular data, policymakers and decision-makers rely on imprecise measures, anecdotal evidence, or vague cost estimates from insurers, which lack the detail needed to support communities and small businesses effectively. Fast, accurate data is essential for guiding aid, accelerating recovery and helping small businesses keep their doors open.

When small businesses thrive after a disaster, they anchor the recovery of entire neighborhoods, creating a ripple effect that stabilizes families, schools and community institutions. As weather-related disasters grow in frequency and intensity, the Fiserv Small Business Index can serve as an instrument to help our communities recover faster and grow stronger.

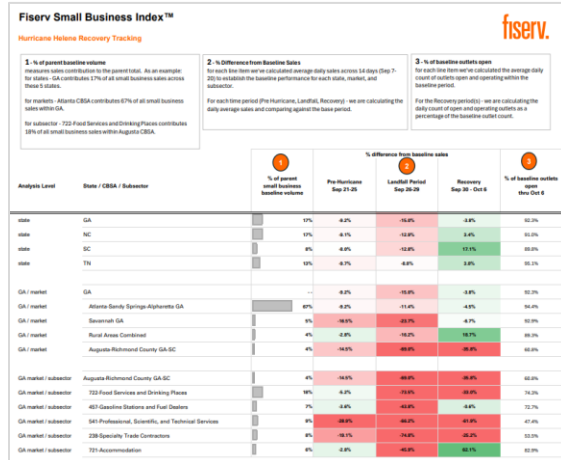


Image: FSBI report – Hurricane Helene impact by CBSA market

Holiday 2024

The Fiserv Small Business Index was prominently featured in a comprehensive analysis that spanned the holiday season, with published updates on U.S. retail sales activity. The study was derived from nearly 800 million transactions across millions of U.S. business locations. It details shopping patterns across total retail, card types and payment types and spotlights popular holiday shopping dates, including Black Friday and Cyber Monday.

Access to each insights report is provided below.

- Holiday Preview – An analysis of October sales activity in the run-up to the holiday season
- Thanksgiving Week – The six days spanning November 27 through December 2
- Mid-Season – Retail sales activity from the start of the season through December 18
- Full Season Wrap-Up – Retail sales activity from November 20, 2024 – January 1, 2025

Visit the [Fiserv Small Business Index Resource Library](#) to see these reports and more.

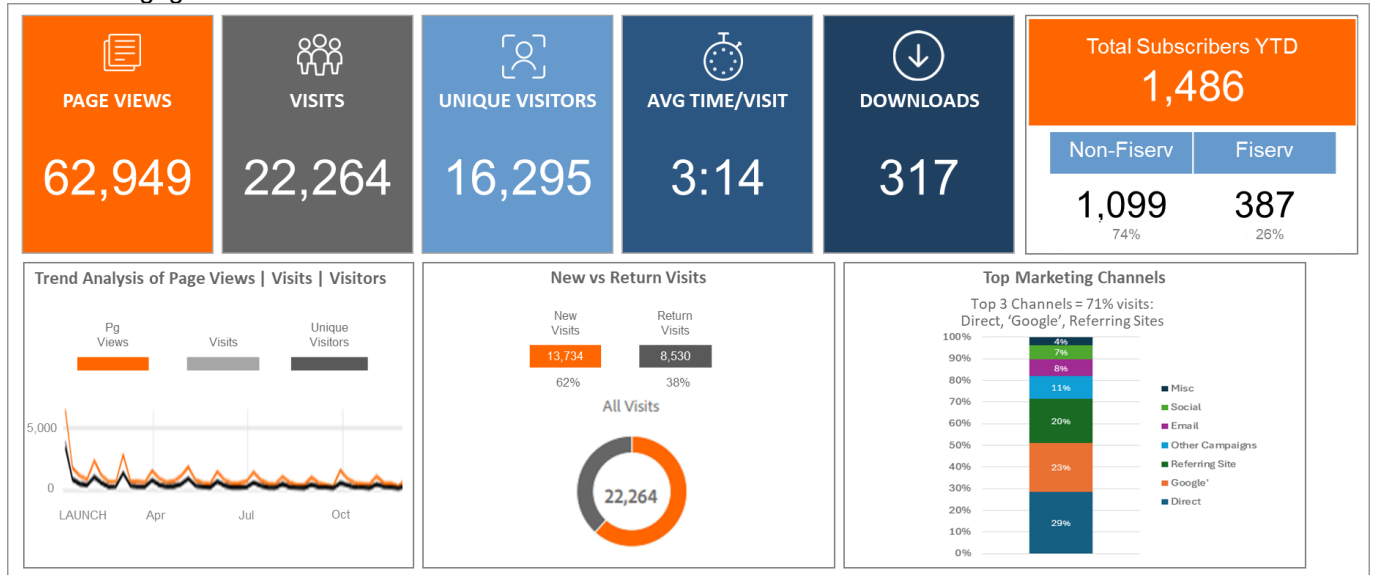


Fiserv Small Business Index – 2024 engagement metrics

Highlights by channel

Social Media	Emails	Blogs	Webinar	Earned Media	Paid Sponsorship	Paid Banner Ads	Paid Advertorial
2,000,000+ IMPRESSIONS	419,772 EMAILS SENT	1,979 BLOG VISITS	269 ATTENDEES	802 ARTICLES	40 PRINT ADS	631 PAGE VIEWS	1 ARTICLE
	<ul style="list-style-type: none"> • 408,472 FSBI • 11,300 SpendTrend 	<ul style="list-style-type: none"> • 200% Incr vs July • 3 Blogs 		<ul style="list-style-type: none"> • 107K+ Social Media Shares • 133 Unique Articles • 669 Syndicated Articles 	<ul style="list-style-type: none"> • 522,354 Subscribers Reached • 40 Major Regional Markets 	<ul style="list-style-type: none"> • 663,300 Impressions • 1,000 Hours Brand Awareness • 336 Clicks • 0.05% CTR 	<ul style="list-style-type: none"> • 882,400 Impressions • 631 Page Views • 0.06% CTR

Website engagement metrics



Fiserv Small Business Index media exposure highlights

Summary of results:

- FSBI data was mentioned in **820 media articles** in 2024, including 141 unique articles that were syndicated 679 times
- **107,000 shares** of media articles on Facebook and X (formerly Twitter)
- Interest from top tier media outlets, including WSJ, AP, CNBC, Bloomberg, Bloomberg TV, NY Times, Forbes
- Coverage peaked in the summer months

Syndicated content driving broad reach

- Mae Anderson, small business writer for the **Associated Press**, published **two stories** on the FSBI over the summer, which local news outlets across the country picked up
- American City Business Journals penned a summer update on small business, which was republished across their network of more than **40 local business journals**

Special reports and differentiated insights

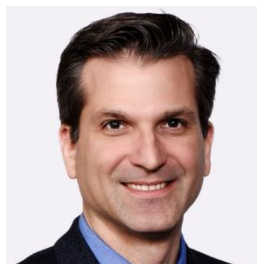
- Bloomberg data reporter Andre Tartar came to Fiserv for a data project attempting to quantify the impact of the 2024 solar eclipse on local economies in the path of totality
- New York Times reporter Peter Coy wrote a story on hurricane preparedness, leveraging FSBI data following Hurricane Helene
- SiriusXM is tapped Fiserv for a monthly small business update that is broadcast to nearly **10 million listeners**

2024 Media mentions

Month	Monthly Placements	Placements Year-to-Date	Unique visitor per month (UVPM)
January	10	10	60,394,114
February	12	22	85,720,928
March	7	29	39,083,467
April	6	35	35,858,947
May	18	53	52,404,160
June	10	63	99,894,107
July	22	85	198,220,988
August	13	98	54,000,448
September	9	107	106,006,083
October	14	121	351,050,064
November	9	130	174,990,129
December	11	141	174,990,129

Fiserv Small Business Index Advisory Board Members

Cristian deRitis



- Economist specializing in the economy's impact on housing, personal finance, consumer credit and public policy.
- Over 25 years of experience in managing risk and building consumer credit performance models; named on two U.S. patents for credit modeling.
- Writes economic commentary for Moody's Analytics Economic View website, which covers economic and financial market developments and policy issues.

Philip Galdi



- Recently retired Head of Index Advisory Services at NYSE. In that role, he helped corporate issuers of securities with their inclusion in various investment indices and served as an advocate on issuers' behalf with the index providers.
- Previously Head of Indices at ICE Data Indices, LLC ("IDI"), where he was responsible for IDI's index families spanning the global fixed income, equity, commodity and currency markets.
- Prior to joining IDI, he was Head of Global Bond Index Research at BofA Merrill Lynch Global Research – over 30 years' experience developing and managing index platforms.

Mark Egan, Ph.D.



- The Mark Kingdon Associate Professor of Business Administration in the Finance Unit at Harvard Business School, teaching Corporate Financial Operations to MBA students.
- Research concentrates on the intersection of corporate finance and industrial organization, and how consumers access financial markets through banks and brokerage firms.
- Cited in Bloomberg, The Financial Times, The New York Times, WSJ. Published in the American Economic Review, Journal of Political Economy, Review of Economic Studies, among others.

Vincent Yao, Ph.D.



- AREA Chair Professor, Professor and Director of Real Estate Center in the J. Mack Robinson College of Business at Georgia State University.
- Senior research fellow at the Federal Reserve Bank of Atlanta and a research fellow at the Hong Kong Monetary Authority.
- Current research focuses on household finance, real estate finance, and housing policies. Published in *the American Economic Review*, *the Review of Economic Studies*, *Journal of Financial Economics*, among others.

Michael Haydock, Ph.D.



- Former IBM Global Services executive, where he led the Quantum Computing Team
- Specializes in numerical optimization and quantitative machine learning areas, and supply chain optimization for enterprises. He also leads the Quantum Computing Team for IBM GBS, a promising new area of extreme high-performance computing.
- Other specialties include operations research, multi-attribute linear programming under stochastic conditions, machine learning with an emphasis on time series analysis, clustering and quantum information science.

James Kisch



- President and Chief Executive Officer, Passumpsic Savings Bank.
- Over 30 years of experience in financial institution management, strategic leadership, education, technology innovation, lending, risk management, regulatory compliance, and finance.
- Has also served as Chairman of the Board, Northeast Home Loan, LLC, a member of the Federal Reserve Bank of Boston CDIAC, and a member of the American Bankers Association Innovation Committee.