



Fiserv Small Business Index[®]

2024 Year in Review

Small Business Performance Overview
and
Featured Analyses

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Fiserv Small Business Index[®]

Small Business Performance Overview 2024

National Small Business Performance Overview

In 2024, the Fiserv Small Business Index (FSBI) revealed a dynamic landscape for small businesses in the U.S., characterized by steady growth, fluctuating consumer behavior and sector-specific trends. The index, which measures small business performance, showed consistent quarterly improvements, with notable variations in consumer spending patterns and sectoral performance.

The Big Picture for Small Business

Key Themes for 2024	Why Does This Matter?	What Should Be Inferred?
Small business growth was driven by strong foot-traffic growth.	Increasing customer participation establishes a stronger base to build upon.	Adaptive strategies are crucial to maintain growth momentum.
Inflation took a greater toll on some industries, and shaped consumer demands.	Highlights changing consumer preferences towards essential services and experiences.	Businesses should tailor offerings to meet these preferences, ensuring sustained engagement and revenue.
Consumers deliver strong retail growth, while also leaning more into experiences and essentials.	While inflation has come down, prices remain stubbornly high. New buying habits may become permanent.	Sector-specific strategies are needed to capitalize on growth opportunities and mitigate risks.

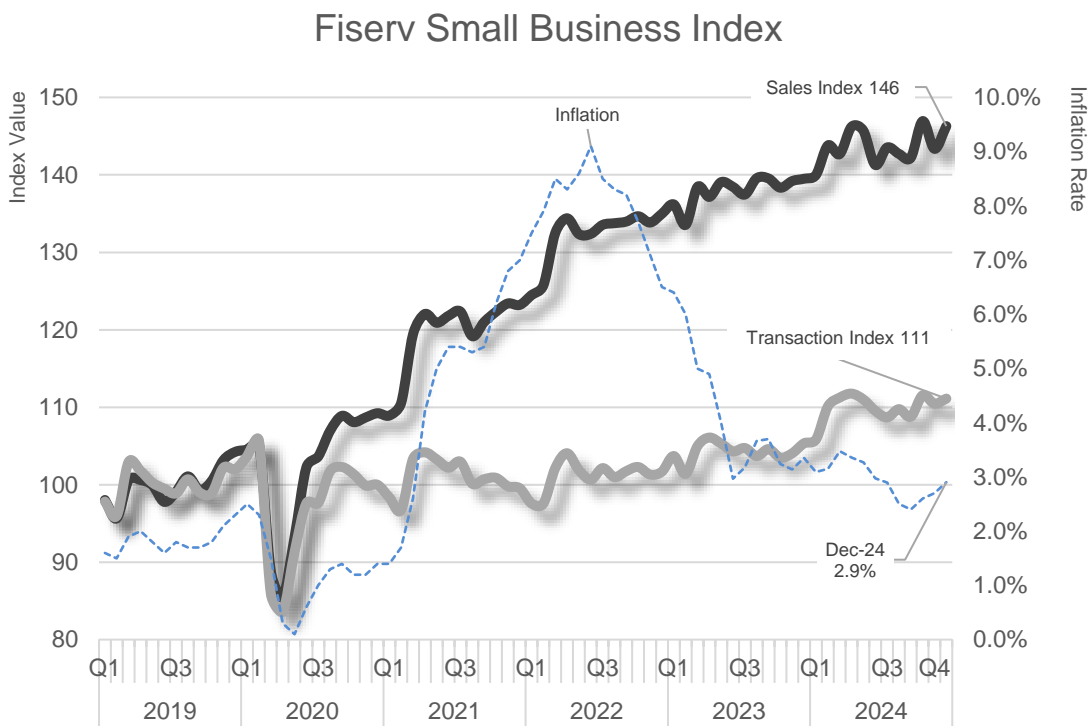
What Defined the Year?

- Strong, steady growth with transaction growth (foot traffic) leading the way**
 - The Fiserv Small Business Index increased from 140 in Q1 to 146 in Q4
 - Sales growth was steady all year, yielding +4.1% growth over 2023
 - Year-over-year sales growth never dipped below +1.9% for any month of the year
 - Similarly, transactions were up even more, delivering +5.4% growth YoY
 - Overall, average tickets came down -1.3%, but this was just as much about consumers' demand shifts and frugality, as it was about inflation relief
- Inflation rate cooling, but stubbornly high prices were factors that shaped consumers' actions**
 - The national inflation rate steadily declined through 2024, from a year high of 3.5% in March down to 2.4% in September
 - For consumers, the stabilized inflation rate encouraged more participation, especially at Retail
 - For other small businesses like Restaurants, inflation induced a change to consumer purchasing habits, leading to a shift into lower-priced options
 - In other areas, inflation and stubbornly high prices became more of a "fact of life," and consumers dedicated more of their wallet to these areas

3. Consumer spending grew at small business retail and restaurants, but not faster than spending on experiences and essentials

- There is no doubt that consumers spent more at retail in 2024 (+3.3% over 2023); but they did it by increasing transactions by +6.1%
- A deliberate shift in purchasing mix resulted in average tickets declining by -2.9%
- Similar shifts happened at Restaurants in 2024. Sales grew by +2.3%, orders by +3.5%, but tabs shrank by -1.1%; it's clear that consumers have made trade-offs

From the small-business operator's perspective, optimism made a comeback toward the end of 2024. According to the last [NFIB Survey](#) released in December 2024, there was clear evidence of growing confidence among small business owners, driven by an improved economic outlook and favorable policy expectations. There was a notable increase in the number of owners anticipating stronger sales. The survey revealed a growing percentage of small business owners planning capital investments to expand their businesses through the first half of 2025.



Time Series View of the Fiserv Small Business Index (plotted with U.S. Inflation Rate)
 Source: Fiserv Small Business Index (seasonally adjusted); BLS.gov.

2024 Sales Growth: National Performance

SMALL BUSINESS	2024 Growth (seasonally adj.)	2023 Growth
Sales	+4.1%	+4.4%
Transactions	+5.4%	+3.1%
Average Tickets	-1.3%	+1.3%

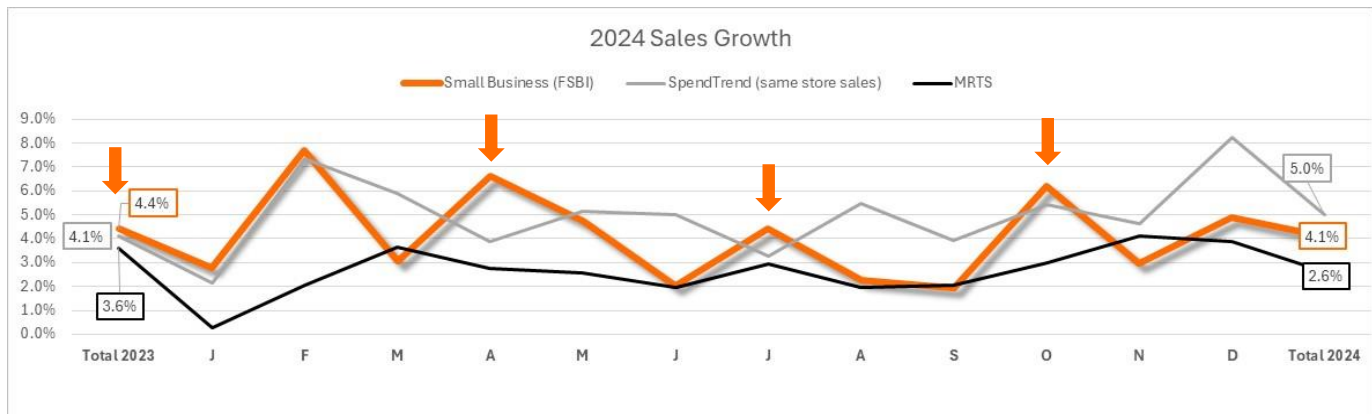
Nationally, small businesses grew by +4.1% in 2024 (seasonally adjusted sales). This growth was driven by transactions, which were up +5.4%. Consumers benefitted from easing inflation, but still sought ways to bring down their average tickets (-1.3%).

Compared to 2023, we can see the pace of sales growth slowed, but we can also see that some of that growth in 2023 was fueled by rising average tickets. This year, expanding foot traffic drove the sales growth for small businesses in the U.S.

During Q4 2024 consumer sentiment reached its highest level since before the pandemic, driven by positive economic indicators such as low unemployment rates, steady job growth and rising wages. But despite this rise in optimism, consumers were obviously cautious and kept their spending habits relatively subdued. A significant number of consumers continued to trade down, opting for lower-priced goods and possibly delaying purchases.

Comparison of Small Business (FSBI) sales growth (seasonally adjusted) to SpendTrend (same-store-sales) and the Monthly Retail Trade Survey Report (MRTS)

	2023	J	F	M	A	M	J	J	A	S	O	N	D	2024
Small Business	4.4%	2.8%	7.7%	3.1%	6.6%	4.8%	2.1%	4.4%	2.2%	1.9%	6.2%	3.0%	4.9%	4.1%
SpendTrend (same store sales)	4.1%	2.2%	7.4%	5.9%	3.9%	5.1%	5.0%	3.3%	5.5%	3.9%	5.4%	4.6%	8.3%	5.0%
MRTS	3.6%	0.3%	2.1%	3.6%	2.8%	2.6%	2.0%	2.9%	2.0%	2.0%	3.0%	4.1%	3.9%	2.6%



Overall, small business sales grew by +4.1% in 2024 (seasonally adjusted). A total U.S. view of stores open at least 1 year showed their overall growth was stronger and gained +5.0% over 2023. The Monthly Retail Trade Survey (MRTS) – a measurement produced by the U.S. government – showed more moderate growth, ending 2024 at +2.6% growth over 2023. As indicated with arrows in the chart above, small-business growth consistently outperformed same-store-sales growth at the beginning of each quarter.

Sales Growth: Goods vs. Services (small business)

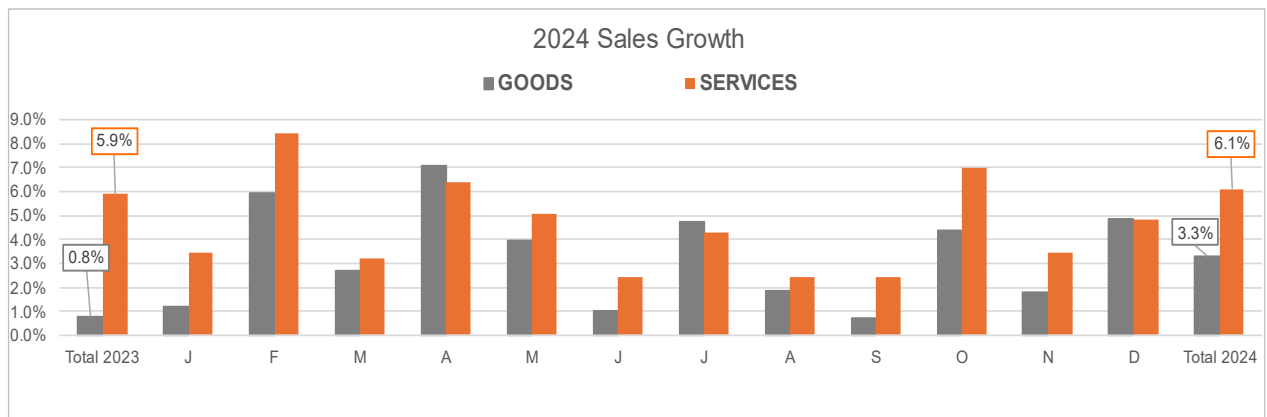
Sales Growth 2024 vs. 2023

SMALL BUSINESS	GOODS (seasonally adj.)	SERVICES (seasonally adj.)	Total 2024 (seasonally adj.)
Sales	+3.3%	+4.4%	+4.1%
Transactions	+6.1%	+5.2%	+5.4%
Average Tickets	-2.6%	-0.7%	-1.3%
Ticket size	\$59.76	\$63.33	\$62.26

For most of 2024, sales growth for Services outperformed that of Goods, with a few exceptions. Goods, which is dominated by Retail but also contains Wholesale Trade, experienced some of its best growth of 2024 in April (+7.1%), July (+4.7%) and December (+4.9%). Clearly increased transaction growth for both Goods and Services helped sales,

but Goods saw average ticket sizes decline at a rate 3.7x faster than the decline in average tickets for Services. Some of this was attributed to consumers making more frugal and deliberate choices about the mix of goods being purchased.

Sales Growth YoY	2023	J	F	M	A	M	J	J	A	S	O	N	D	2024
GOODS	0.8%	1.2%	5.9%	2.7%	7.1%	4.0%	1.0%	4.7%	1.8%	0.7%	4.4%	1.8%	4.9%	3.3%
SERVICES	5.9%	3.5%	8.4%	3.2%	6.4%	5.1%	2.5%	4.3%	2.4%	2.4%	7.0%	3.5%	4.9%	6.1%

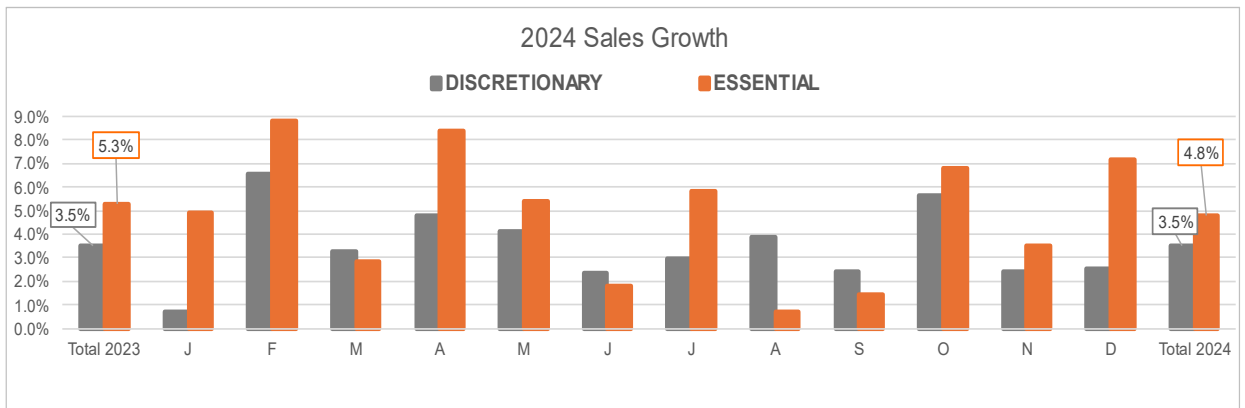


Sales Growth: Discretionary vs. Essential (small business)

Sales Growth 2024 vs. 2023

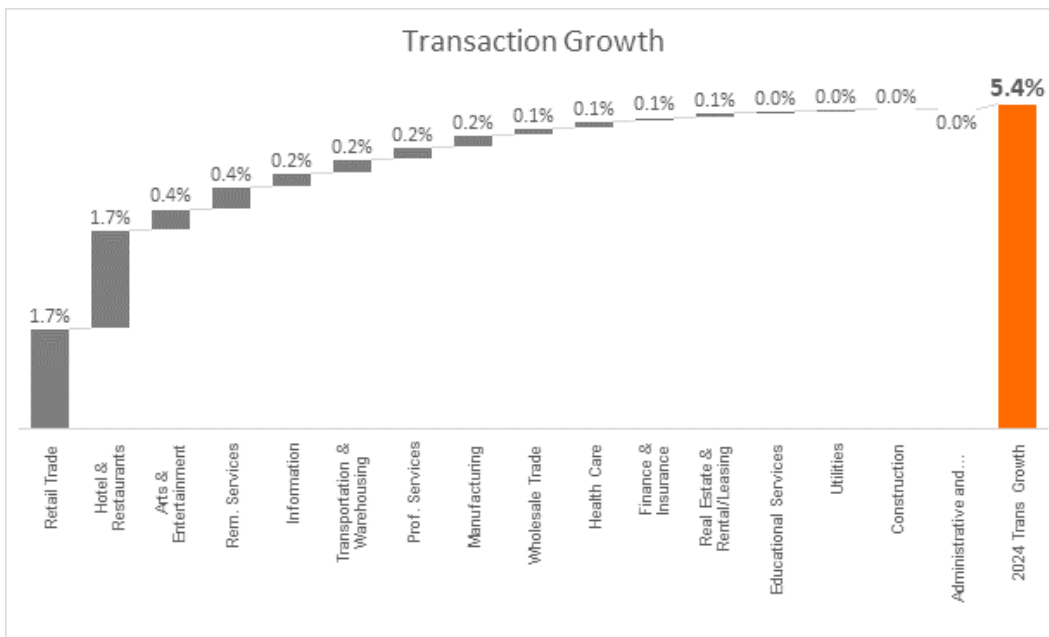
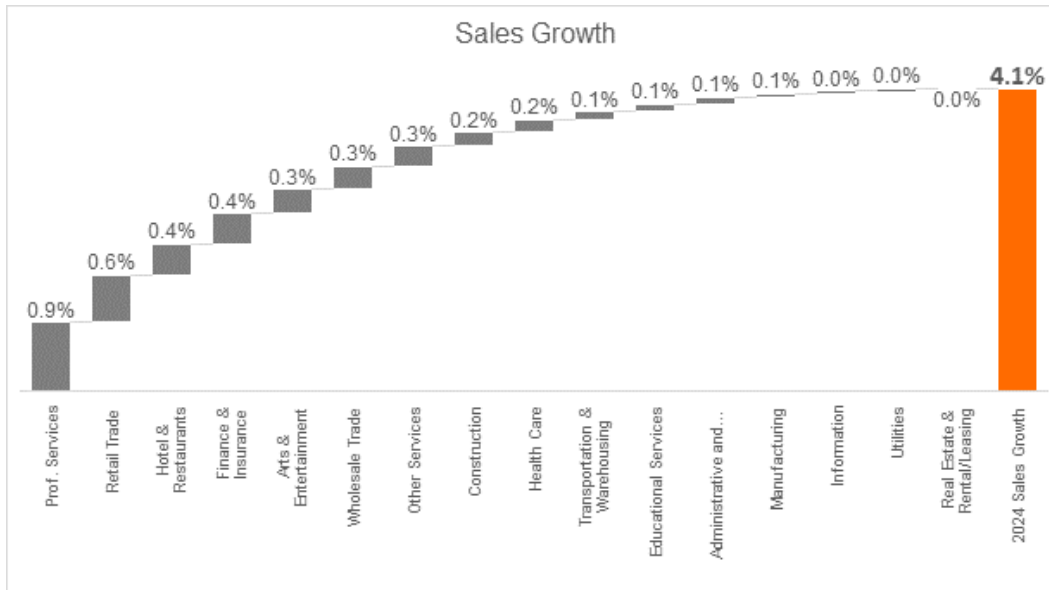
SMALL BUSINESS	DISCRETIONARY (seasonally adj.)	ESSENTIAL (seasonally adj.)	Total 2024 (seasonally adj.)
Sales	+3.5%	+4.8%	+4.1%
Transactions	+4.8%	+6.9%	+5.4%
Average Tickets	-1.3%	-2.0%	-1.3%
Ticket Size	\$45.09	\$98.7	\$62.26

Sales Growth YoY	2023	J	F	M	A	M	J	J	A	S	O	N	D	2024
DISCRETIONARY	3.5%	0.7%	6.5%	3.3%	4.8%	4.1%	2.3%	3.0%	3.9%	2.4%	5.6%	2.4%	2.5%	3.5%
ESSENTIAL	5.3%	4.9%	8.8%	2.9%	8.4%	5.4%	1.8%	5.8%	0.7%	1.4%	6.8%	3.5%	7.2%	4.8%



Sector contributions to small business growth in 2024

Professional Services, Retail, and Hotels & Restaurants were the top three contributors to the annual sales growth rate of +4.1%. Their combined incremental sales accounted for nearly 50% of all the annual sales increase. Transaction growth was even more concentrated. Retail and Hotel/Restaurants incremental transactions contributed over 62% of all transaction growth.

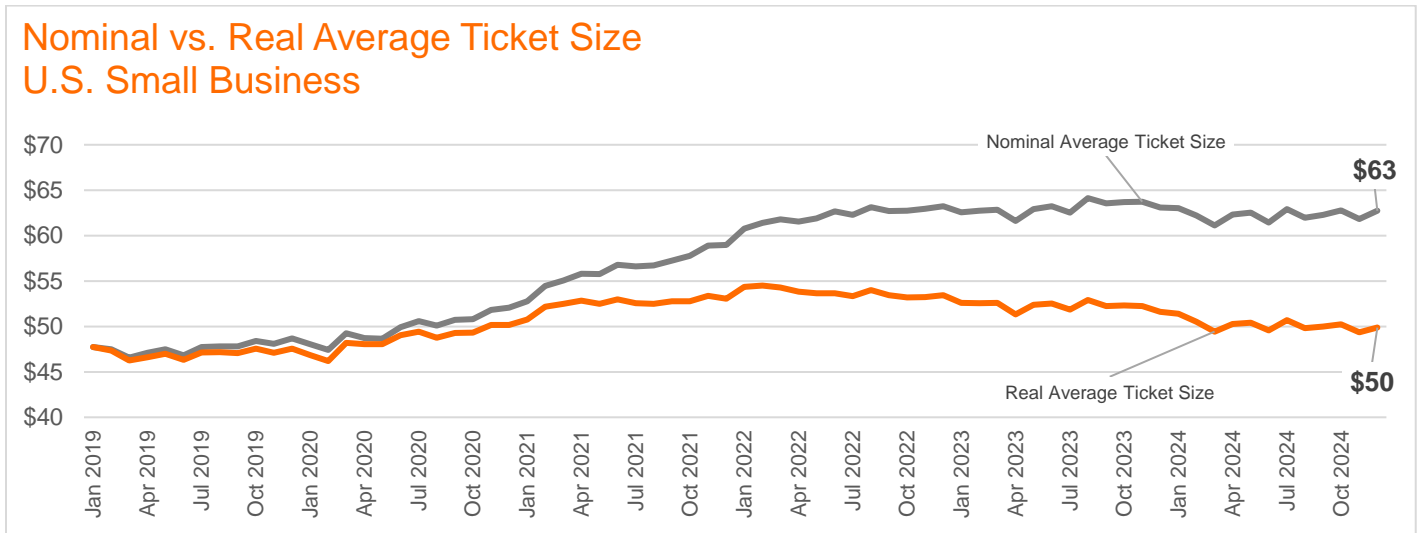


Inflation's Impact on Small Businesses and Consumer Spending in 2024

Inflation in the U.S. began rising in Q2 2021, peaking at 9% in June 2022. Although inflation eased coming into 2024, prices remained stubbornly high, causing frustration among businesses and consumers. We adjusted the Fiserv Small Business Index for inflation using January 2019 dollars to reveal its real impact on small business consumer spending.

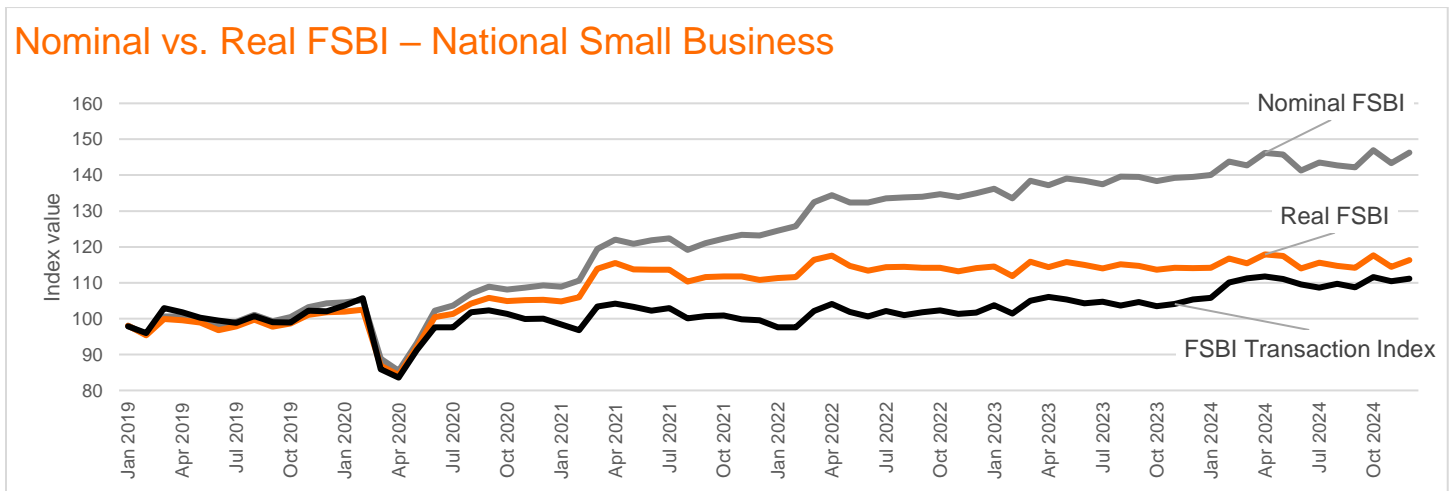
Inflation Hits Consumers at the Register

Despite easing inflation, small businesses and consumers have been burdened with higher prices. Businesses often pass their cost increases on to their customers. The average register receipt increased by 31.4% compared to January 2019. Our analysis shows that consumers are paying a 25.8% premium due to inflation.



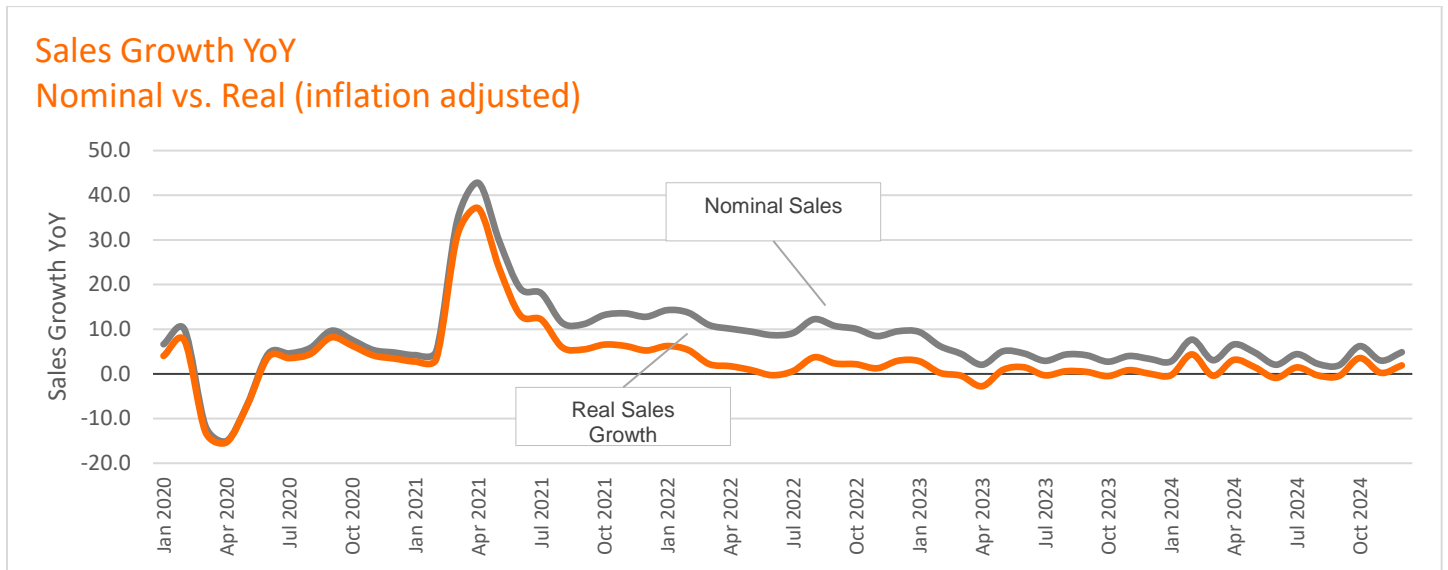
The Illusion of Growth: Inflation's Role in Small Business Sales

Despite low unemployment, rising wages and a strong stock market, U.S. consumers and small businesses still face challenges. The unadjusted Fiserv Small Business Index (FSBI) shows rising sales without transaction growth. This suggests that higher prices, not increased demand, are driving the perceived economic boom. Adjusted for inflation, the FSBI indicates real growth of 19% since January 2019, which is strong but significantly less than the 49% nominal growth inflated by rising prices.



Sales Growth YoY – Nominal vs. Real

Nominal and real growth rates were very closely aligned through the pandemic period and into the early months of the economic recovery. But as inflation grew, so did the chasm between topline sales growth and real growth for small businesses. Starting in early 2023, real growth dipped into negative territory and struggled for most of the next two years.



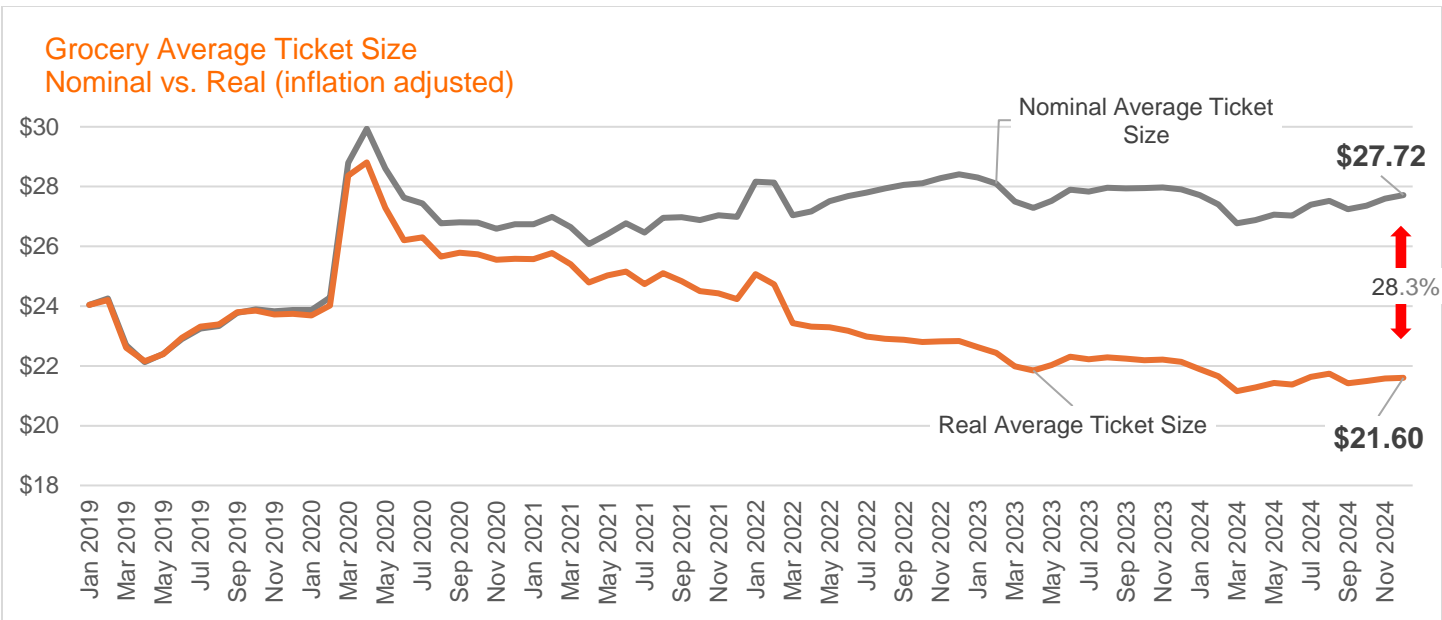
The tide started changing in mid-2024 as [consumer sentiment](#) began to rise steadily. Heading into Q4 2024 several key economic indicators suggested favorable conditions for small businesses. The holiday season turned out to be strong for them, and Q4 delivered the first three-month run of real (inflation adjusted) YoY growth since 2022.

Sales Growth YoY – 2024

	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	Jun 2024	Jul 2024	Aug 2024	Sep 2024	Oct 2024	Nov 2024	Dec 2024
Nominal	2.8%	7.7%	3.1%	6.6%	4.8%	2.1%	4.4%	2.3%	2.0%	6.2%	3.0%	4.9%
Real	-0.3%	4.4%	-0.4%	3.1%	1.5%	-0.9%	1.5%	-0.3%	-0.5%	3.6%	0.2%	1.9%

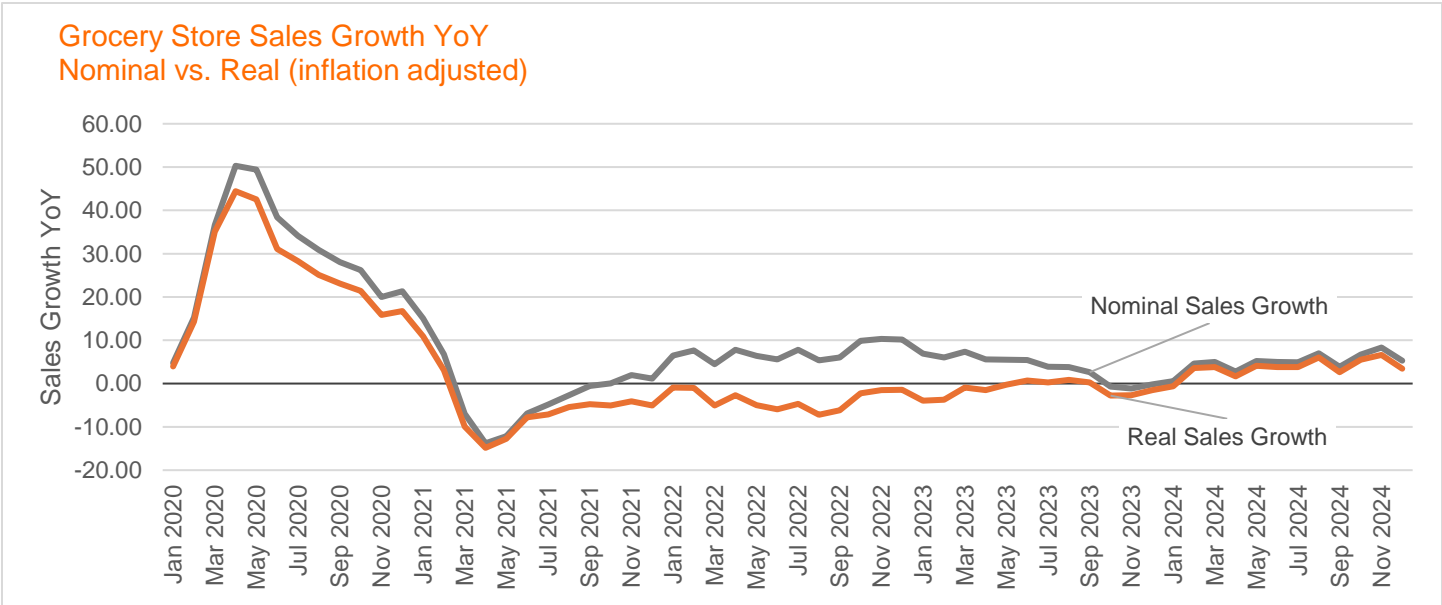
Inflation Impact on Small Business Grocery Stores

A variety of economic shocks to the U.S. economy, like supply chain issues, weather events and livestock plagues caused the "Food at Home" inflation rate to surge from 3.0% in August 2021 to 13.5% by August 2022. By January 2024 grocery store inflation dropped below 2.0% and held there for the remainder of the year. In December, the nominal average price at small business checkouts was \$27.72, 15.3% higher than January 2019. But adjusted for inflation, consumers are actually spending \$21.60 per basket, or -10.15% less than they did in January 2019. The harsh reality is consumers' grocery bills are now padded by over 28% as inflation drove prices up over the last several years. Despite inflation falling, prices haven't decreased that much. Consumers have mitigated some impact by opting for lower-priced items, but this has limited effect.



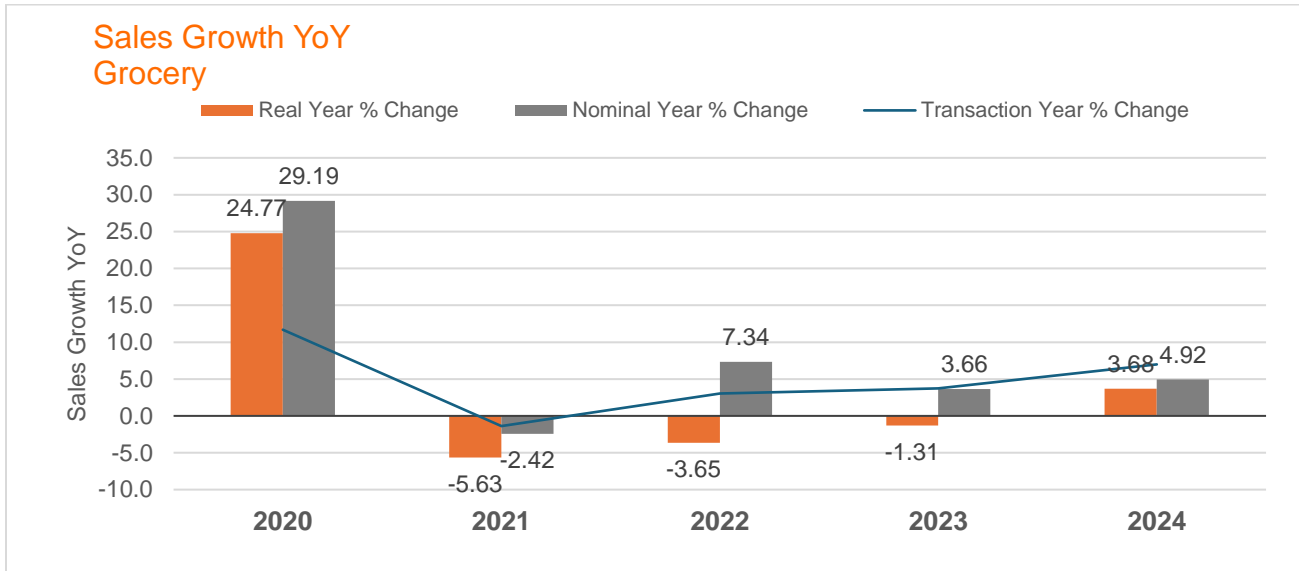
Stabilized Inflation Brings Real Sales Growth Back for Grocery

The nominal sales growth at small business Grocery for 2022 to 2023 was largely due to inflation. Real sales growth stayed well below 0% for all of 2022 and started to gradually improve from Q2 2023. This budding growth coincided with the declining pace of inflation for Food at Home. By early 2024 inflation had declined and stabilized enough to bring tighter alignment between nominal and real sales growth for Grocery. Fluctuations on grocery prices in 2024 were more a function of supply limitations than broad inflation. Ultimately, the subdued inflation rate allowed for real sales growth throughout 2024, which was nearly the same as nominal sales growth.



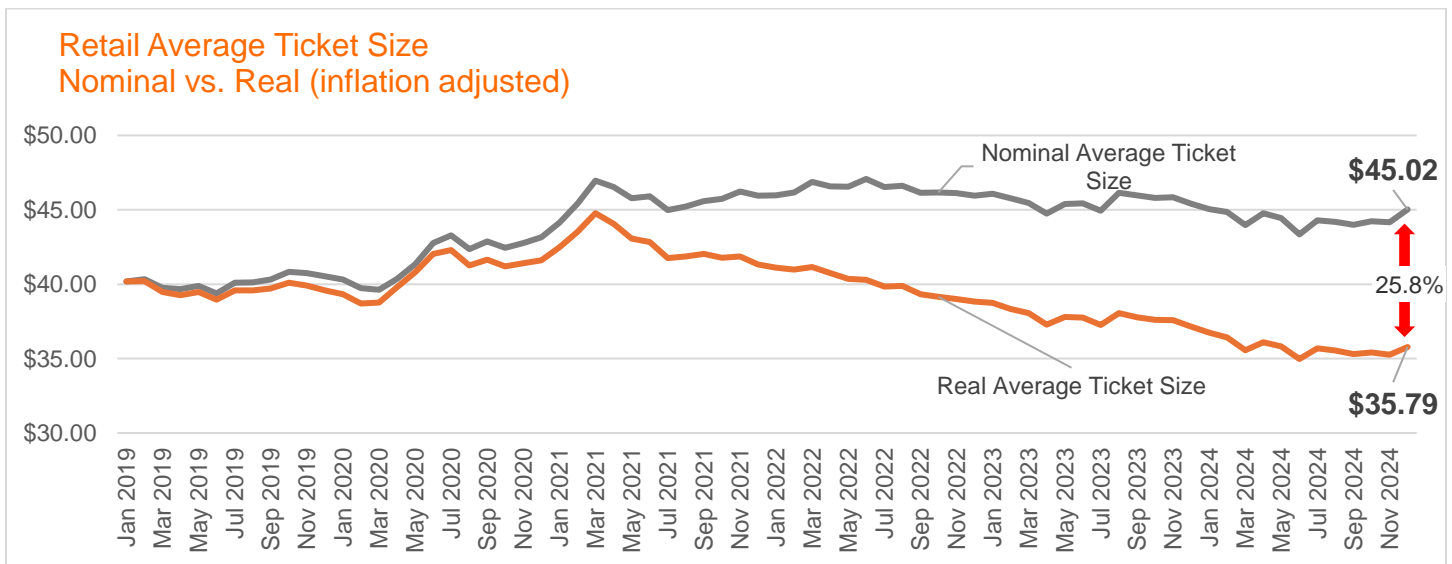
Return to Normalcy at Grocery

2024 ended on a positive note for small business grocery stores. Grocery inflation rates averaged 1.8% throughout the year. This provided an opportunity for solid nominal and real growth in 2024. In fact, it was the first year of inflation adjusted growth since 2020. Inflation stabilization also resulted in nominal and real growth rates being almost aligned. It also helps to see that transactions also grew through 2024, underscoring the idea that sales growth at grocery is now driven by demand, not so much due to price.



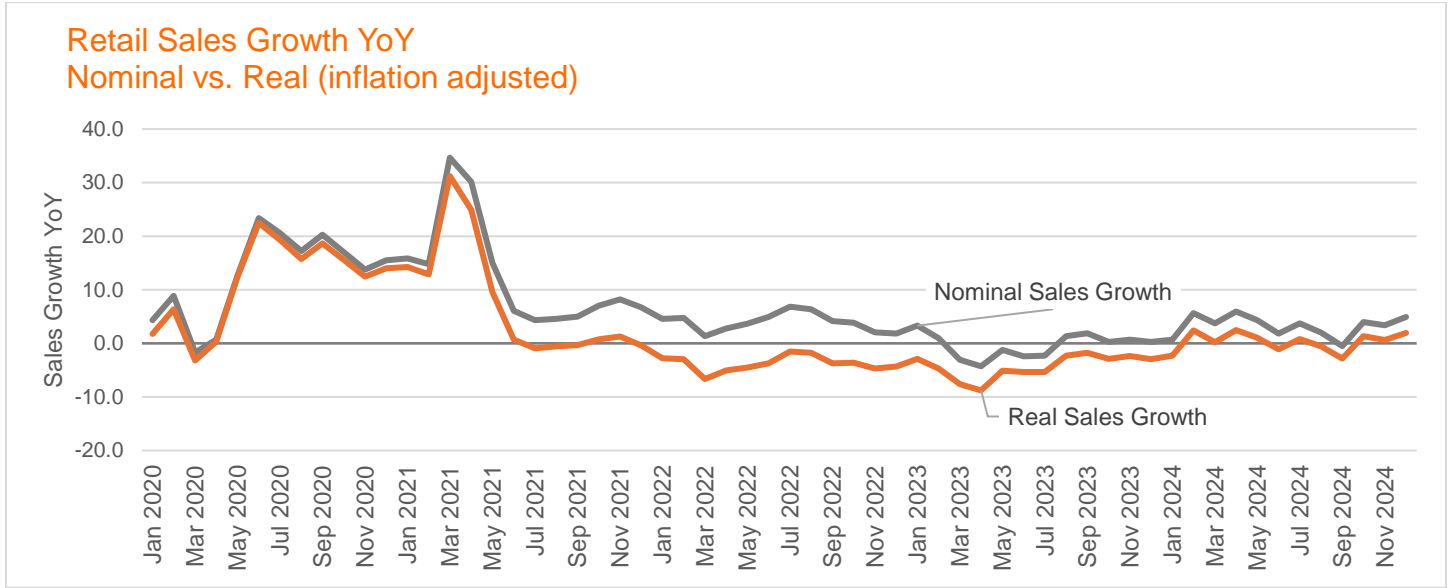
Inflation Impact on Small-Business Retail

Supply chain challenges and labor shortages combined to have a significant impact on the retail sector from 2021 to 2023. This naturally resulted in rapidly expanding inflation across retail as operators tried to cover their cost increases. Nominal average ticket sizes across Retail shot up in March 2021 and eventually peaked around June 2022. Since then, prices have gradually fallen, but are still at a 12% premium to the 2019 benchmark. However, when adjusted for inflation, the retail average ticket price was -11% below the January 2019 benchmark. Thus, for a typical consumer, they are feeling an increase of nearly 26% over what they would otherwise by spending – due to stubborn inflation and sticky prices.

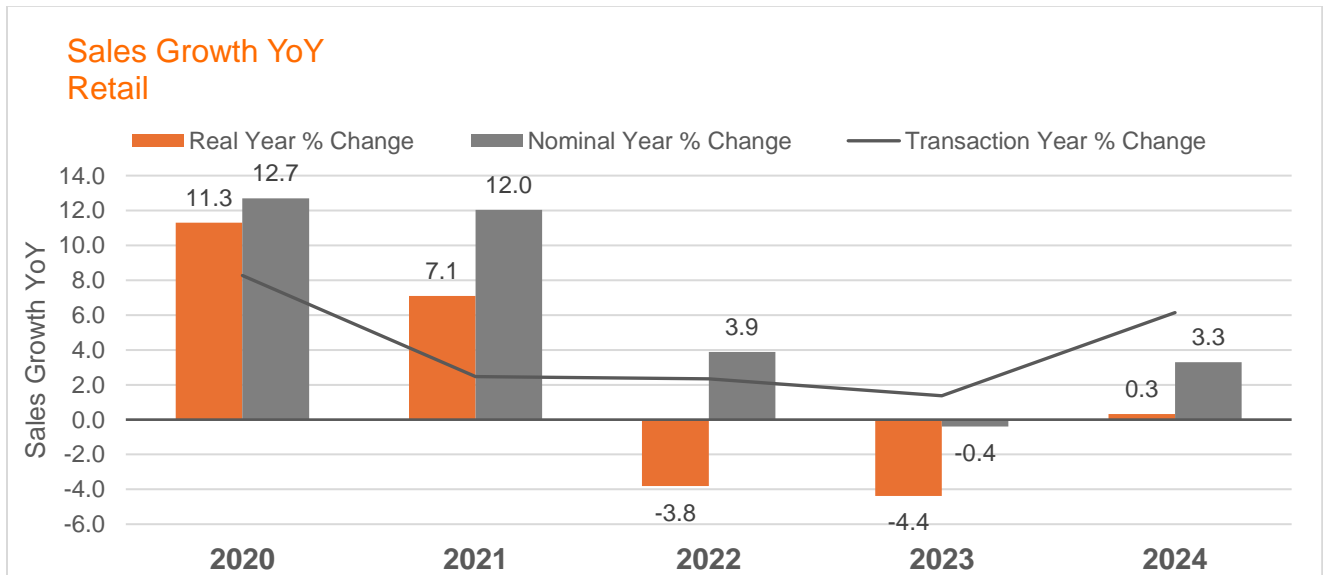


Inflation Stabilization Sparks Retail Sales Recovery

After post-pandemic retail sales growth, inflation resulted in negative retail sales growth from end of 2021 to the beginning of 2024. The slowdown wasn't solely due to inflation; pent-up demand led to "revenge travel" and experience-oriented spending at the sacrifice of retail spending. But as retail inflation rates fell and then stabilized in 2023, consumers eventually returned. By 2024, inflation-adjusted sales growth turned positive after two years of losses, aligning nominal and real sales growth more closely.

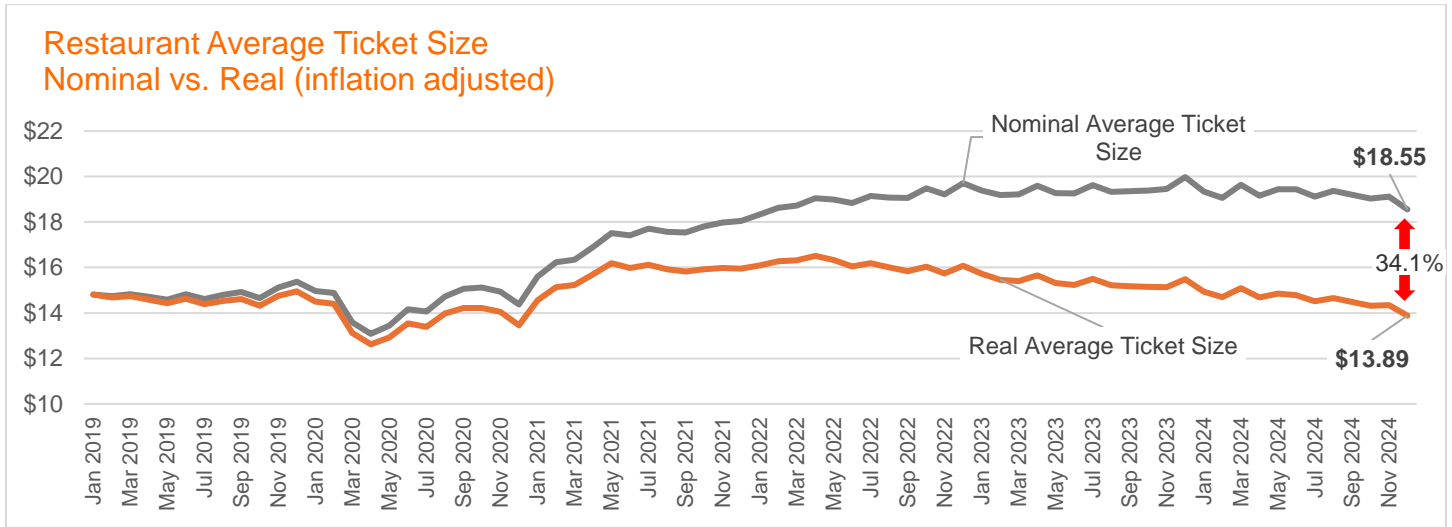


Consumer resilience was key to small business retail's recovery. Consistently low unemployment and rising wages boosted consumer confidence, leading to increased retail participation. Brick-and-mortar foot traffic, crucial for sales growth, rebounded significantly in Q4 2024, driving a turnaround in both nominal and real sales growth for 2024, where the previous two years were very challenging. Despite stubbornly high prices, consumers adapted and continued to spend.



Inflation Impact on Small Business Restaurants

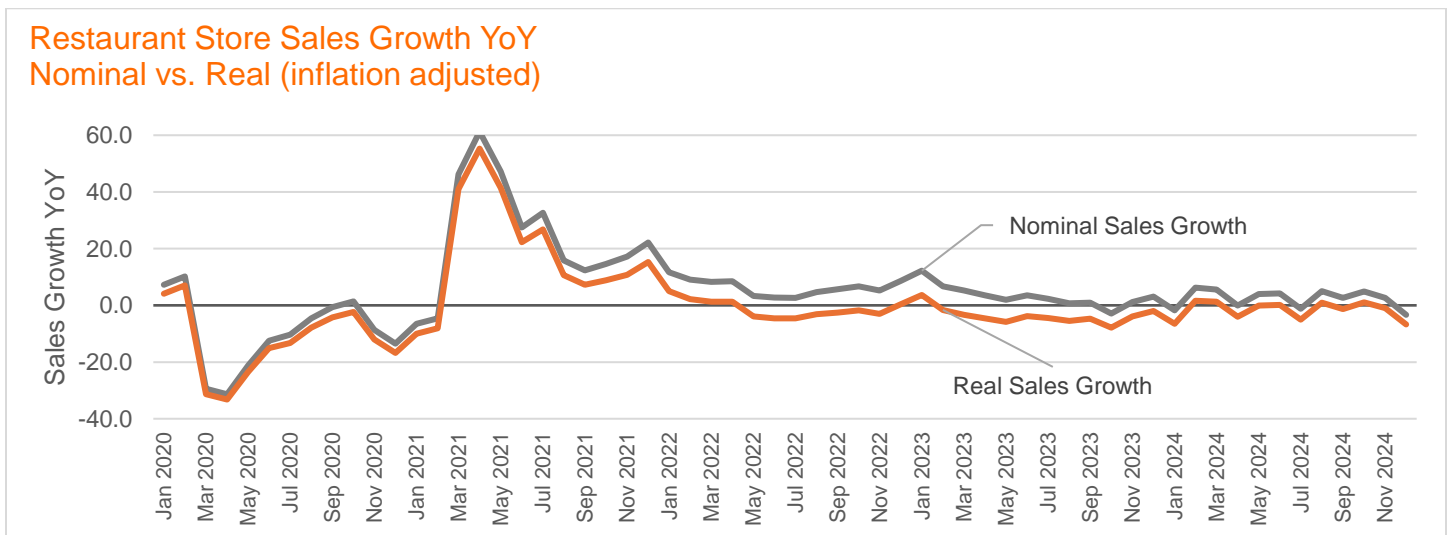
Restaurants overall felt the impact of inflation earlier than other industries, with small business restaurants particularly affected by labor market shocks and rising food costs. The “[Food Away from Home](#)” inflation rate began increasing in late 2020 from 3.5%, peaking between 7% and 9% from March 2022 to July 2023. Since then, the rate has gradually returned to pre-pandemic levels, but prices remain high. The average ticket size is now 25.3% higher than in January 2019. Adjusted for inflation, the average ticket size has actually decreased by -6.5% compared to the benchmark. Consequently, consumers are paying 34.1% more due to Food Away from Home price inflation.



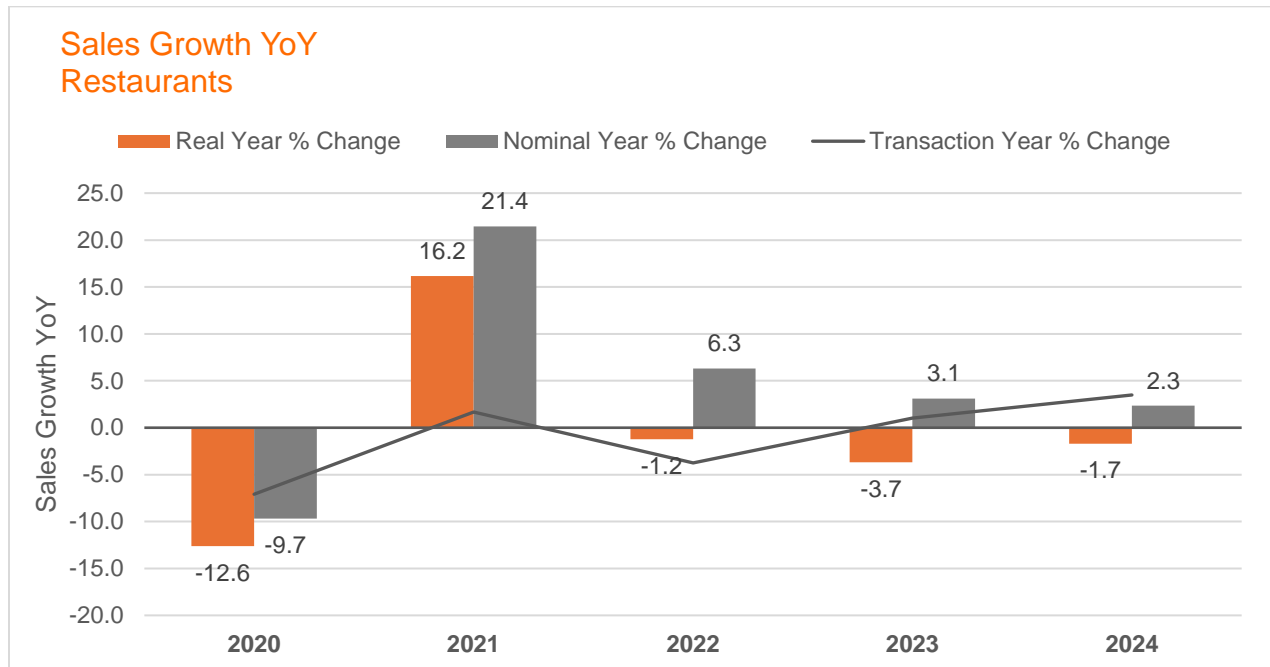
Inflation Continues to Impact Restaurants

In 2022, restaurant inflation was slightly lower than grocery store inflation, making dining out cheaper than buying groceries. However, this did not shift sales from grocery stores to restaurants, as grocery demand is less affected by price changes. Consumers adjusted their grocery spending but did not switch to dining out.

Inflation-adjusted restaurant sales growth remained just below zero from 2022 into 2023, during which time the inflation rate for restaurants averaged roughly 7.5%. Gradual inflation relief arrived in 2024, and with it came a few months here and there of real sales growth. But as the year drew closer to the holidays consumers began to shift more of their disposable income to retail and other small business services. December sales for small business restaurants dipped to -3.4% (nominal) and -6.7% (real – inflation adjusted).

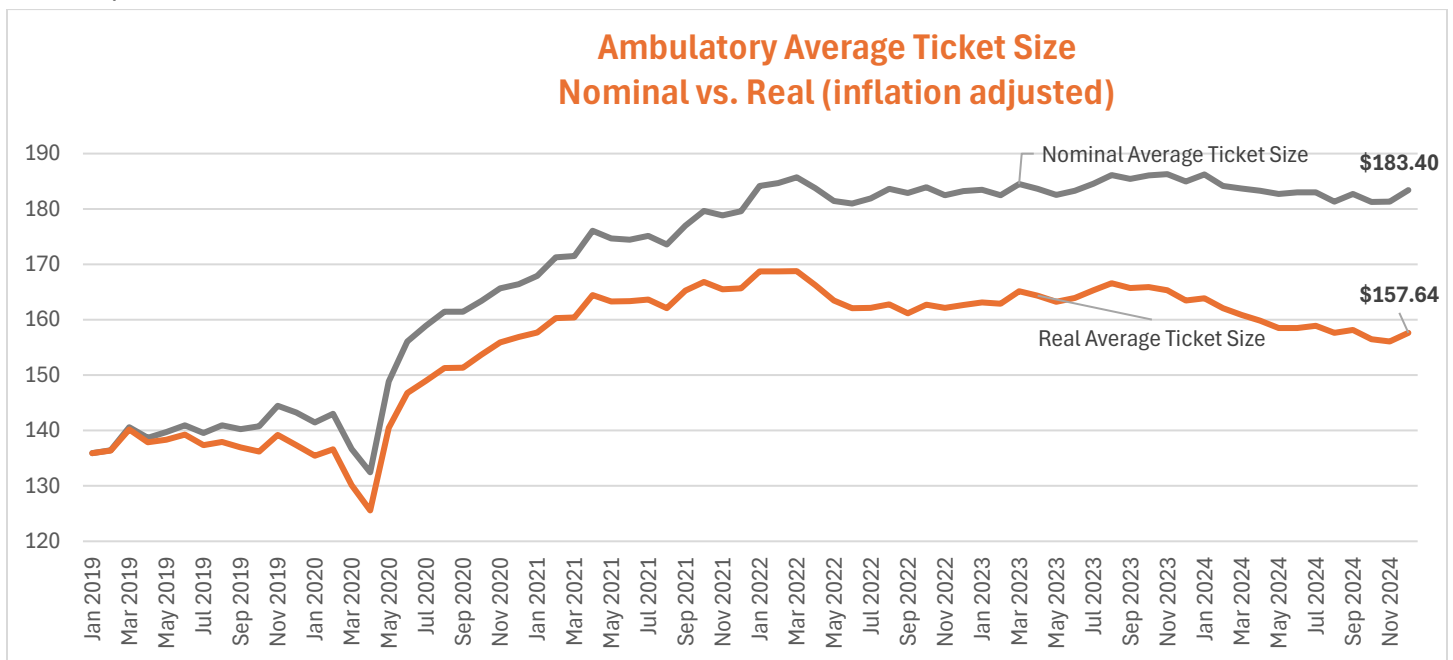


Consumers seem to have learned to deal with persistent inflation, particularly in light of how they perceive their own economic situations. One outcome has been increased restaurant visits, or “foot traffic.” Nevertheless, real growth has eluded restaurants for the last three years. This is due in part to consumers actively bargain-hunting and trading down in their menu selections.

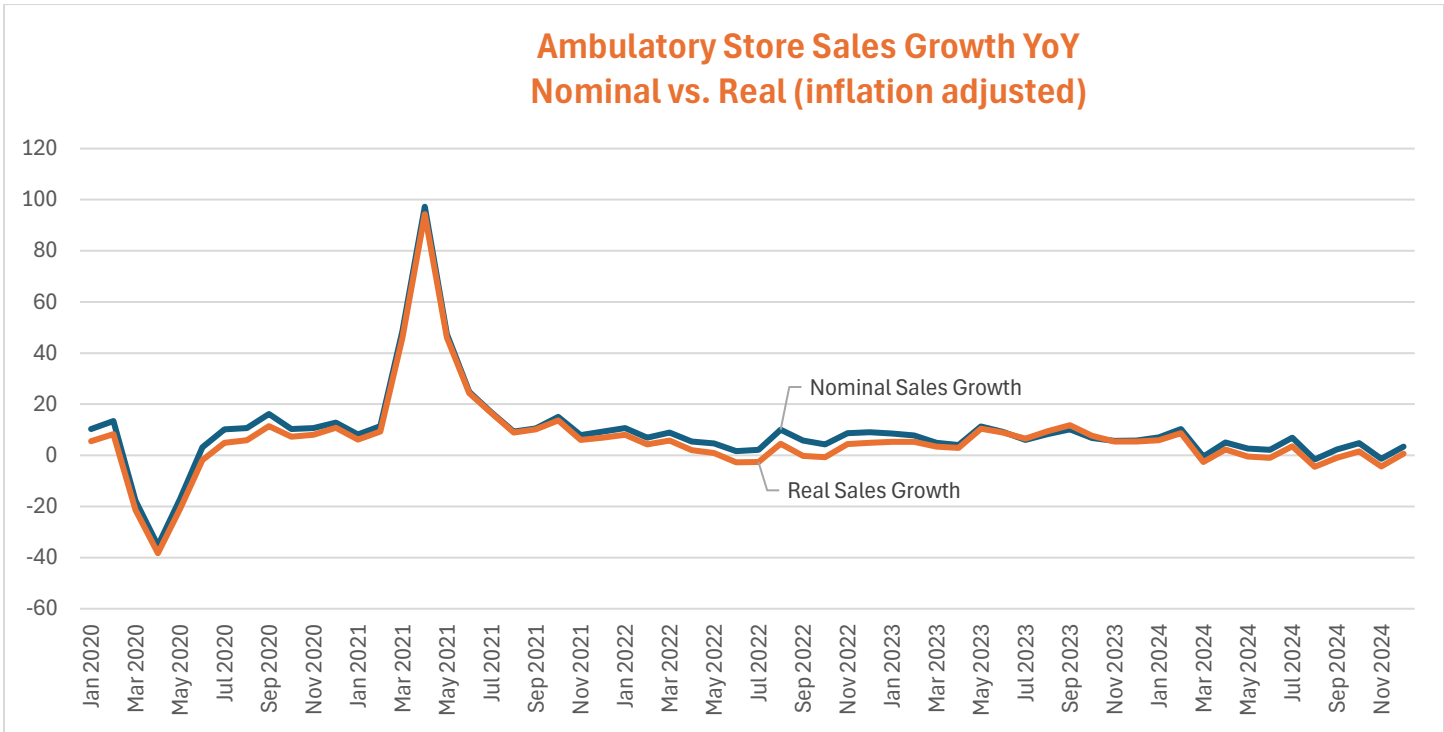


Inflation Impact on Ambulatory Health Care

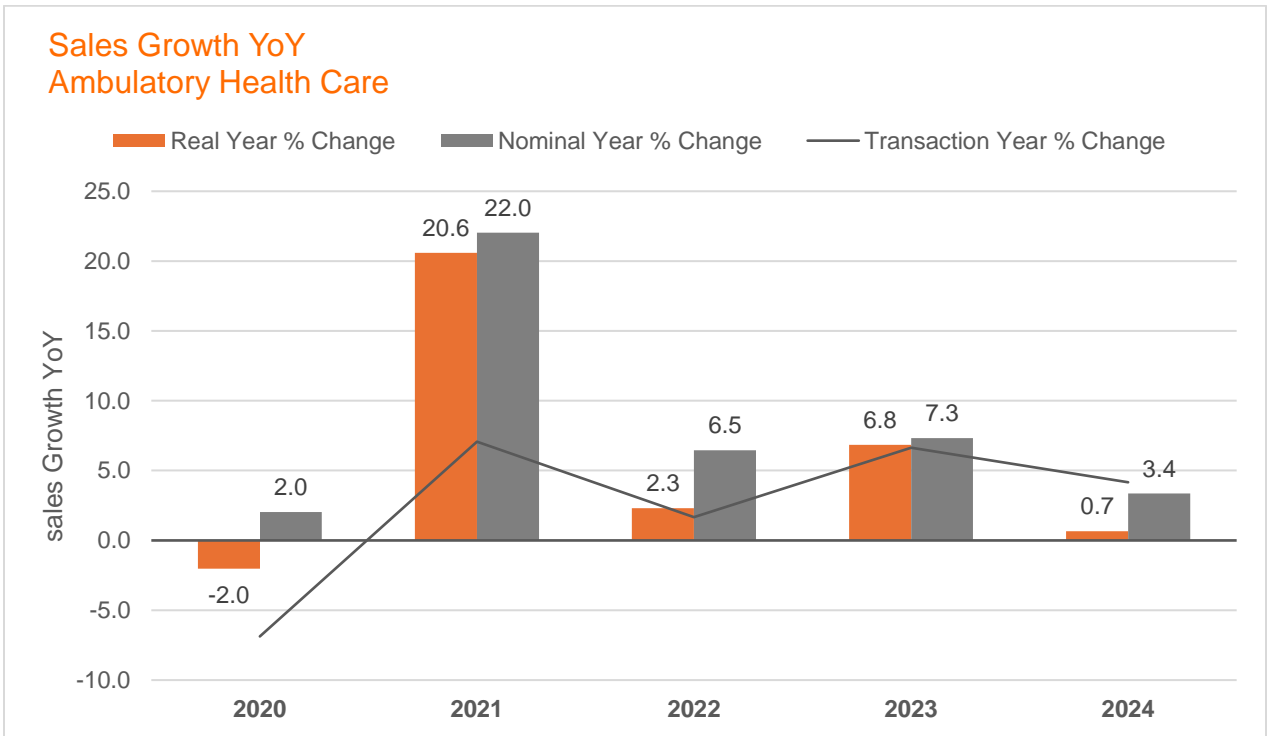
Since the COVID-19 pandemic, healthcare costs have risen due to labor shortages and wage increases, especially for specialized labor. This limited supply and increased demand have driven up average ticket sizes for consumers. Compared to January 2019, Ambulatory Health Care nominal average ticket sizes are up 34.9%, and inflation-adjusted ticket sizes are up 16%. The Inflation Reduction Act helped to establish price stability, starting in 2022 and continuing through to 2024. This also had a stabilizing effect on healthcare costs. Consequently, average ticket sales have declined from the peaks of 2022 and 2023.



The role of policy to limit the impact of economic shock on healthcare mitigated healthcare costs for the U.S. consumer. In fact, inflation did not produce appreciable divergence between nominal and real sales growth – as seen in other industries we’ve examined.



Healthcare inflation went up in 2024. However, policies have helped stabilize the sector. In fact, Ambulatory Health Care is one of the few markets that has been able to deliver real sales growth consistently each year post-pandemic.



Special Reports

The low latency and high granularity of the Fiserv Small Business Index are two highly differentiating attributes which allow very rich reporting on a broad range of topics. Our ability to deliver timely insights on quickly evolving events offers a competitive advantage to Fiserv, our customers, and the broader community.

As economic shocks from natural disasters are felt across the U.S., Fiserv is able to bring forward very timely and actionable measurement of the impact on small businesses. Our data and insights enable more nimble, flexible and targeted responses from those who are positioned to help, and offers more nuance and texture to the conditions on the ground for those who are positioned to tell the story.

The Fiserv Small Business Index is also a highly effective tool for measuring consumer demand during holiday seasons and other events that shape the U.S. economic landscape. Whether paired with other reporting services from Fiserv like SpendTrend™, or as a standalone resource, the Fiserv Small Business Index offers unique views of the small business universe from a consumer perspective. As we go forward into 2025, we'll expand this view to go even deeper into the dynamics between brick & mortar and ecommerce spending, the role of different card payment methods, usage habits across credit and debit forms of payment.

The following are summaries of special reports that were produced in 2024 which showcased insights derived from, or enabled by the Fiserv Small Business Index.

Fiserv Small Business Index®

Special Report – Hurricane impact on small business

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 nonprofit 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.

Methodology and Merchant Sampling

For this study, we collected card-processing data from businesses we service in the affected states, grouping them by ZIP Code into their respective CBSA (Core-Based Statistical Area) markets as defined by the U.S. Office of Management & Budget. We examined a cluster of consecutive days surrounding each weather event, and grouped them as **Pre-Hurricane, Landfall, and Recovery**.

Our sales results, based on the Fiserv Small Business Index, are seasonally adjusted and weighted according to national small business sales distribution metrics. We measured the change in average daily sales in the post-Landfall and Recovery periods compared to the Pre-Hurricane base period. We also measured the percentage of small-business outlets open in the Recovery period compared to the count of stores open and operating in the base period.

Report excerpt –

A month after Hurricane Helene made landfall in the southeastern U.S. small business recovery and restoration was brisk. At the state level, average daily sales returned to levels on par or better than they were pre-storm. And small business re-openings were already back to 100% in many markets. Some areas even saw new businesses emerge. Asheville, NC had the steepest hill to climb, with small-business average daily sales still -23% behind. The strongest area of recovery overall continued to be Restaurants.

States & Markets	Recovery Against Baseline	% Stores Open
Georgia	+2.4%	100%
North Carolina	+1.1%	100%
South Carolina	+6.6%	100%
Tennessee	+1.0%	100%
Atlanta, GA	+0.6%	102%
Augusta, GA	+1.2%	97.1%
Gainesville, GA	-4.3%	98.8%
Asheville, NC	-23.0%	91.1%
Charleston, SC	+9.3%	100%
Spartanburg, SC	-2.1%	100%
Knoxville, TN	-1.1%	101.3%
Chattanooga, TN	0.5%	100%

Fiserv Small Business Index: Hurricane Milton Small Business Recovery Update

At ten days into recovery, Florida's average daily sales at small businesses were -4.6% behind pre-Milton performance. Most markets were still 5% to 10% below full operation. Restaurants and hotels lead small business recovery across the state.

Our measurement compared the average daily sales during the recovery period to the average daily sales from the 14 days before pre-storm preparations.

State & Markets	Recovery against baseline	% stores open
Florida	-4.6%	94.0%
Miami	-6.4%	94.2%
Tampa	-5.9%	90.7%
Orlando	+1.9%	94.9%
Jacksonville	-7.9%	95.6%
Sarasota	-6.9%	89.0%
Fort Myers	-1.6%	94.6%
Melbourne	-10.0%	95.9%
Port St. Lucie	-12.4%	95.8%


Sample of Reports Shared With the U.S. Chamber Foundation

Fiserv Small Business Index™

Hurricane Helene Recovery Tracking

HELENE

base period = Sep 7-20, 2024




Analysis Level	State / CBSA / Subsector	% of parent small business baseline volume	% difference from baseline sales					% of baseline outlets open thru Oct 6	% of baseline outlets open thru Oct 20
			Pre-Hurricane Sep 21-25	Landfall Period Sep 26-29	Recovery Sep 30 thru Oct 6	Recovery Sep 30 thru Oct 20	Recovery Sep 30 thru Dec 15		
state	GEORGIA	17%	-9.2%	-15.0%	3.7%	3.1%	3.2%	92.3%	99.9%
state	NORTH CAROLINA	17%	-9.1%	-13.2%	3.4%	2.2%	13.7%	91.0%	99.2%
state	SOUTH CAROLINA	8%	-8.0%	-13.7%	9.8%	9.6%	11.1%	89.8%	99.5%
state	TENNESSEE	13%	-9.7%	-8.8%	3.8%	1.6%	-3.2%	95.1%	100.0%

Fiserv Small Business Index™

Hurricane Milton Recovery Tracking

MILTON

base period = Sep 20 - Oct 3, 2024



Analysis Level	State / CBSA / Subsector	% of parent small business baseline volume	% difference from baseline sales					% of baseline outlets open thru Oct 13	% of baseline outlets open thru Oct 20
			Pre-Hurricane Oct 4-8	Landfall Period Oct 9-10	Recovery Oct 11 thru Oct 13	Recovery Oct 11 thru Oct 20			
state	FLORIDA	--	-5.4%	-38.7%	-26.9%	-4.6%	68.1%	94.0%	
Florida CBSAs	Miami-Fort Lauderdale-Pompano Beach FL	38%	-9.0%	-12.1%	-24.8%	-6.4%	75.3%	94.2%	
Florida CBSAs	Tampa-St. Petersburg-Clearwater FL	13%	-6.0%	-75.2%	-44.6%	-5.9%	46.2%	90.7%	
Florida CBSAs	Orlando-Kissimmee-Sanford FL	12%	-1.8%	-64.1%	-17.2%	1.9%	73.2%	94.9%	
Florida CBSAs	Jacksonville FL	7%	-4.0%	-35.5%	-22.7%	-7.9%	78.2%	95.6%	
Florida CBSAs	North Port-Sarasota-Bradenton FL	4%	-7.2%	-72.3%	-45.6%	-6.9%	40.7%	89.0%	
Florida CBSAs	Cape Coral-Fort Myers FL	3%	-13.7%	-77.3%	-35.8%	-1.5%	60.8%	94.6%	
Florida CBSAs	Palm Bay-Melbourne-Titusville FL	3%	-3.9%	-62.3%	-24.7%	-10.0%	72.8%	95.9%	
Florida CBSAs	Deltona-Daytona Beach-Ormond Beach FL	2%	-2.3%	-71.7%	-40.5%	-5.0%	58.6%	93.9%	
Florida CBSAs	Port St. Lucie FL	2%	-9.6%	-56.5%	-37.4%	-12.4%	68.8%	95.8%	
Florida CBSAs	Pensacola-Ferry Pass-Brent FL	2%	-0.7%	15.8%	-9.0%	-4.2%	80.3%	95.9%	
Florida CBSAs	Lakeland-Winter Haven FL	2%	0.0%	-71.2%	-26.5%	-2.3%	64.8%	95.7%	
Florida CBSAs	Naples-Marco Island FL	2%	-16.2%	-70.6%	-40.5%	0.2%	59.4%	94.6%	
Florida CBSAs	Tallahassee FL	1%	2.6%	13.3%	-12.7%	-2.3%	82.2%	96.7%	
Florida CBSAs	Crestview-Fort Walton Beach-Destin FL	1%	6.2%	28.3%	1.3%	1.4%	78.4%	93.8%	
Florida CBSAs	Gainesville FL	1%	17.6%	-21.7%	-16.0%	-4.6%	79.2%	96.7%	
Florida CBSAs	Ocala FL	1%	-2.9%	-55.3%	-19.9%	-3.4%	75.5%	96.1%	
Florida CBSAs	Key West FL	1%	-5.3%	-22.7%	-7.8%	5.9%	82.3%	96.0%	
Florida CBSAs	Panama City FL	1%	17.0%	32.1%	11.7%	7.5%	82.2%	96.9%	
Florida CBSAs	Rural Areas Combined	1%	9.9%	6.0%	-3.4%	2.0%	79.8%	94.3%	

Special Report

2024 Holiday Season Recap – Retail Sales

Summary: Holiday Spending 2024 – Overview

The 2024 holiday season highlighted distinct performance trends between same-store sales and small businesses. Same-store sales, encompassing both large and small retailers, experienced a +4.1% increase in sales and a +5.4% rise in transactions, despite a -1.1% drop in average ticket size. In contrast, small businesses outperformed with a +5.0% sales growth and a +7.0% increase in transactions. Small business sales growth came despite a -2.0% decline in average ticket size, reflecting consumer price sensitivity and strategic discounting.

Thanksgiving Week was particularly strong for small businesses, with an +11.9% sales surge compared to +5.7% for same-store sales. This period highlighted the effectiveness of small business promotional strategies and consumer preference for unique local offerings. The mid-season period showed moderate growth for both segments, while the late season underscored a significant +7.3% sales increase for same-store sales, driven by last-minute shopping and aggressive discounting.

Key observations include robust growth in general merchandise sales, which saw a +14.7% increase for same-store and a +12.1% increase for small businesses, indicating high consumer demand. Additionally, the +32.3% rise in contactless payments, accounting for 28% of retail sales, reflects a growing consumer comfort and adoption of this payment method. The decline in average ticket size across both segments suggests a focus on value and cost management.

Holiday Season Retail Highlights (November 27, 2024 – January 1, 2025)

- Retail small businesses delivered +5.0% sales growth and +7.0% transaction growth
- Retail same-store sales grew by +4.1%, and transactions grew by +5.4%
- Retail average ticket sizes declined for same-store sales (-1.1%) and for small businesses (-2.0%)
- Same-store sales surged during Thanksgiving Week (+5.7%) and late season (+7.3%). Small businesses slowed their pace (+4.2%) in the same late-season period
- Brick & Mortar sales grew at +4.8% for the season and delivered 67% of all retail sales, outpacing eCommerce sales growth (+2.9%)
- General merchandise had the strongest YoY sales performance across retail, with same-store sales +14.7% and small business sales +12.1%
- Credit was used for 65% of all retail holiday sales, growing at +3.1% YoY. Debit usage grew even faster at +6.2% YoY
- Retail contactless payments grew by 32%, increasing to 28% of all sales
- Sales using retail apps grew by 23% this holiday season. While they were only 5% of all sales dollars, the average ticket size was \$145

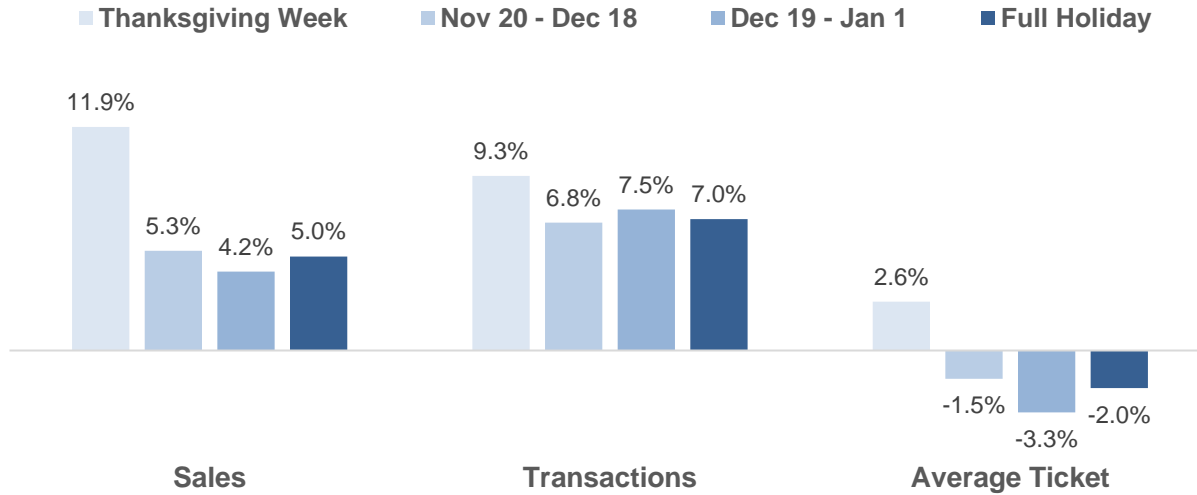
The Big Picture of Small Business Holiday Performance

Thanksgiving Week (November 27 – December 2, 2024): Small businesses experienced robust growth during Thanksgiving Week, with significant increases in both sales (+11.9%) and transactions (+9.3%). The positive average ticket size growth (+2.6%) indicates higher-value purchases compared to same-store sales.

Mid-Season (November 20 – December 18, 2024): In the mid-season period, small businesses saw steady growth in sales (+5.3%) and transactions (+6.8%), although the average ticket size decreased (-1.5%), reflecting consumer price sensitivity and discounting.

Late Season (December 19 – January 1, 2025): The late season showed slower growth in sales (+4.2%) compared to earlier holiday spending. Despite an acceleration in transactions (+7.5%), consumers leaned in more strongly to bargain shopping and lower-priced retail options at small business. Average tickets fell -3.3%.

Full Season (November 20, 2024 – January 1, 2025): Overall, small businesses had a successful holiday season, with steady growth in sales (+5.0%) and transactions (+7.0%).



Key Insights – Small Business Retail

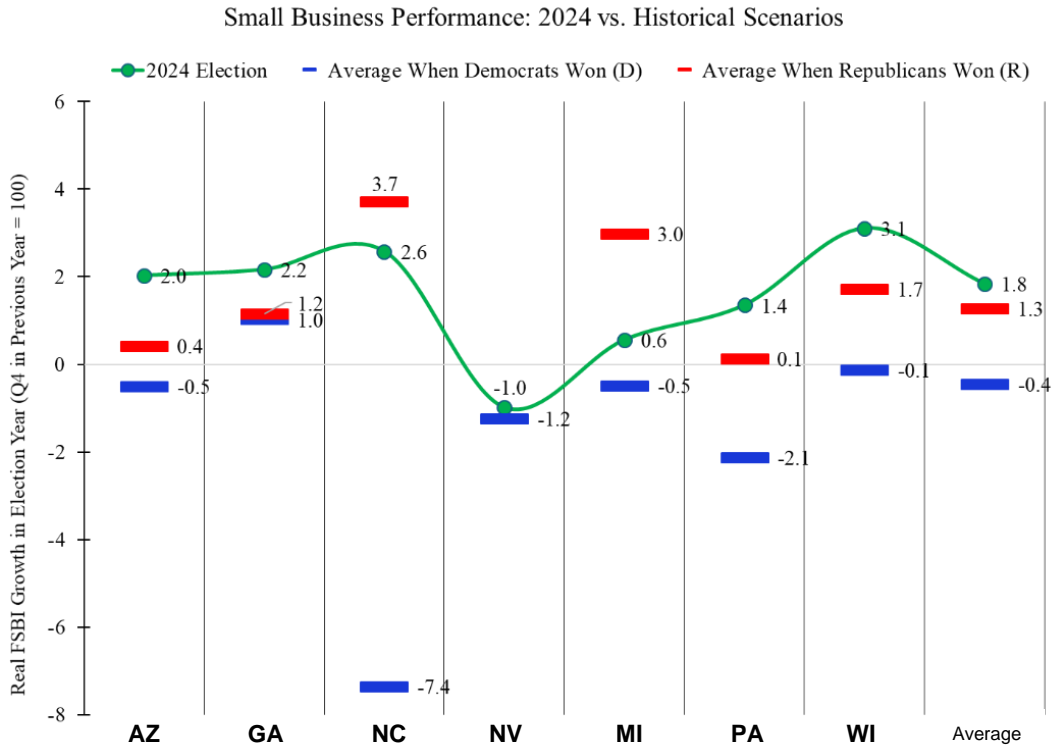
- General Merchandise: Robust growth, with full-season sales growth at +12.1%
- Furniture, Furnishings, Electronics, and Appliances: The holiday season delivered +5.2% sales growth despite weak late-season sales and slow YoY traffic throughout
- Clothing: Sales growth was steady through the season, but transactions remained weak
- Building Materials/DIY: Much stronger growth compared to national retailers for both sales (+6.4%) and transactions (+7.2%)
- Sporting Goods, Hobby, etc.: Steady growth, with notably stronger transaction growth compared to same-store sales

Small Business Performance in Swing States

Insights from the 2024 Election

In October of 2024, the Insights Team did an in-depth analysis of small business performance in seven battleground states during the 2024 election year. The Fiserv Small Business Index (FSBI) revealed an average monthly growth rate of 3.2% from January to October 2024, with Wisconsin leading at 4.8% and Nevada trailing at 0.6%. Historically, Republican candidates tend to win when small businesses perform well, and this pattern held true in 2024 with Donald Trump's victory in all seven swing states. The report highlights that strong small business performance was particularly evident in Georgia, North Carolina and the Blue Wall states (Michigan, Pennsylvania and Wisconsin).

However, despite the nominal growth rate of 3.2%, the real growth rate, adjusted for inflation, was only 1.8%. This discrepancy underscores the significant impact of inflation on small businesses, which struggled to pass on rising costs to customers. The analysis suggests that, while small-business growth would typically benefit the incumbent party, the 2024 election pivoted, in part, on the prevailing economic challenges faced by small business owners and employees.



Source: Fiserv Inc. and CPI data from Bureau of Labor Statistics