



Fiserv Small Business Index[®]

Monthly Overview | September 2024

Small Business Sales Remain Steady, Consumers Shift from Retail

National Overview

The Fiserv Small Business Index remained unchanged at 141 in September, marking three months of index steadiness. Sales growth was relatively flat at +0.1% month over month. Year-over-year growth was +1.8%, just a notch ahead of August’s pace of +1.6%. Consumer transactions (foot traffic) fell back slightly month over month (-0.6%) but remain solid year over year (+4.0%). Retail cooled (-1.7%) compared to a strong August, as did Restaurant sales (-1.0%). The change from August could be a result of consumers shifting focus and spend toward services, particularly small business healthcare providers and trade contractors, which grew at +4.7% and +2.8%, respectively.

Key Takeaways

What Happened This Month?	Why Does It Matter?	How Should We Interpret?
Overall spending in September remained steady relative to August (+0.1), but the spending mix shifted away from Retail and Restaurants toward services.	Retail and Restaurants make up approximately 35% of all consumer spend at small business. Any slowdown deserves some acknowledgment – especially as we look toward the holiday season.	This may be caused by consumers pacing themselves before holiday spending. Or it could be a shift of attention to seasonal influences, like returning to school, fall household projects, etc.
Month-over-month non-discretionary spending is up (+0.4%), while discretionary spending is down (-0.3%). Spending on Total Goods (retail + wholesale) is also down -0.3%, but the ticket size was up +1.2%.	Despite a shift away from retail and discretionary spending, Wholesale Goods (both durable and non-durable) are up +2.7% MoM, driven by higher average tickets (+4.9%).	Consumers could start leaning into larger ticket purchases, which could be an early signal for stronger Q4 spending. The recent prime interest rate cut (50 basis points, down to 4.83%), could add incentive for consumers to spend going forward.
Hurricane Helene made landfall on September 26 and caused major damage to large portions of Florida, Georgia, Tennessee and the Carolinas. Still, the aggregate small business sales growth for the 5 impacted states was +0.6% YoY in September. In August, the combined YoY pace was +2.0%.	These five states represent 18%–20% of total small business volume across the U.S. Even though the storm hit these states very late in the month, we can already see slower growth in small business sales.	Some of the losses are catastrophic and will take time for communities to recover from. This could also provide significant opportunities for nimble small businesses to help in the recovery and fulfill needs – for both goods and services.

National Index Trends

Figure 1: National Index

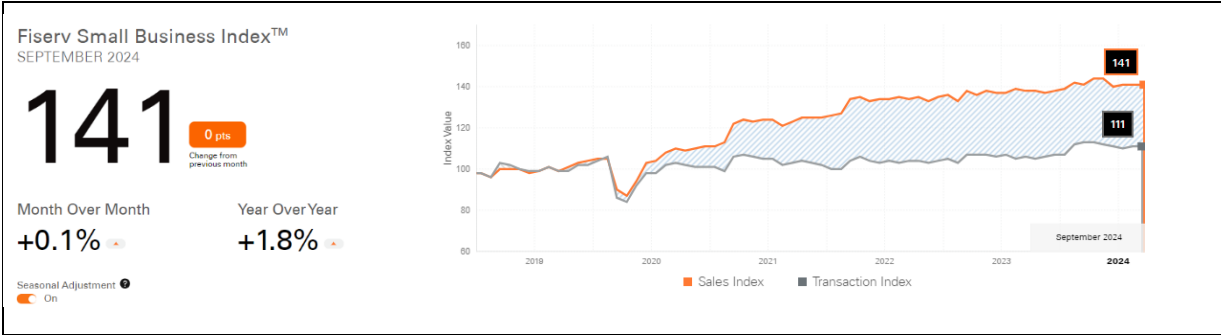


Figure 2: National Snapshot – September and Year-to-Date

Across the total U.S. small business ecosystem, September 2024 sales growth (+1.8%) was slower than the year-to-date pace (+3.2%). Year-to-date sales growth slowed by -0.2% compared to the Jan–Aug pace.

	Sales Index	Transaction Index	Sales Growth	Transaction Growth	Avg. Ticket Growth
September 2024	141	111	1.8%	4.0%	-2.2%
YTD 2024 (Jan – Sep)	141	111	3.2%	4.9%	-1.7%

Figure 3: Sales Index YoY Growth – Past 12 months

	O	N	D	J	F	M	A	M	J	J	A	S
Sales Index	138	137	138	139	142	141	144	144	140	141	141	141
Sales	1.8%	2.9%	2.5%	2.2%	6.5%	2.3%	5.4%	4.0%	1.6%	3.3%	1.6%	1.8%
Transactions	1.2%	2.6%	3.5%	2.0%	8.5%	5.6%	5.2%	5.2%	4.4%	3.3%	5.7%	4.0%
Avg. Ticket	0.7%	0.3%	-0.9%	0.2%	-2.1%	-3.3%	0.2%	-1.2%	-2.8%	0.0%	-4.0%	-2.2%
Inflation Rate (BLS gov)	3.2%	3.1%	3.4%	3.1%	3.2%	3.5%	3.4%	3.3%	3.0%	2.9%	2.5%	

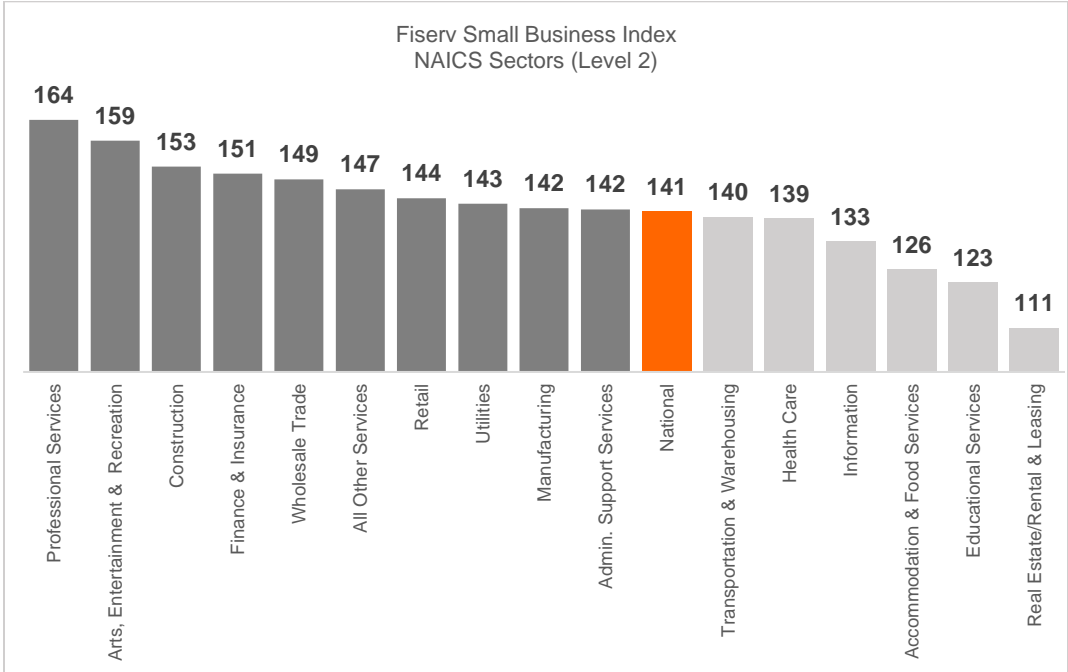
Figure 3 shows the pace of year-over-year sales growth slowed from a high of +6.5% in February. However, in recent months, the pace has flattened to 1.6% –1.8%. This has helped the national sales index to stabilize at 141 for three consecutive months. Two likely contributing factors:

1. As inflation has decreased, consumers have taken advantage. Transactions remain strong, with average growth just shy of +5.0% year over year for every month in 2024
2. The national inflation rate continued its downward trend, resting at 2.5% as of August. This apparently has boosted sentiment (as reported by the University of Michigan), as reflected in three consecutive months of increase, from 66.4 in July to 70.1 in September.



Sector-Level Momentum Drivers

Figure 4: Fiserv Small Business Index NAICS Sectors (Level 2) – Sales Index (September 2024)



\$ Vol Rank	5	10	4	8	3	6	1	15	14	12	--	11	7	16	2	13	9
Sales Growth YoY	11.9%	4.9%	4.4%	-0.5%	3.9%	3.3%	0.6%	2.3%	1.3%	0.8%	1.8%	3.2%	1.3%	21.5%	2.1%	-1.3%	-17.1%

Figure 4 displays the Index results for Total Small Business and each of the 16 NAICS sectors tracked by the Fiserv Small Business Index (sorted in descending order). The table contains the dollar-volume rank and the YoY sales growth rate for each sector. Many of the high-volume sectors are indexing higher than the national index, a signal that consumers are staying engaged and have continued to spend confidently in the primary sectors that drive small business. One notable exception is Accommodations & Food Services (Hotels and Restaurants). The index for this sector has consistently underperformed the national Index despite it being the second-highest volume sector for small business. The primary causal factor: Although the transaction count at Restaurants is more than four times that of the next biggest industry (Food & Beverage Retailers), it still has not recaptured the customer traffic it had pre-pandemic.

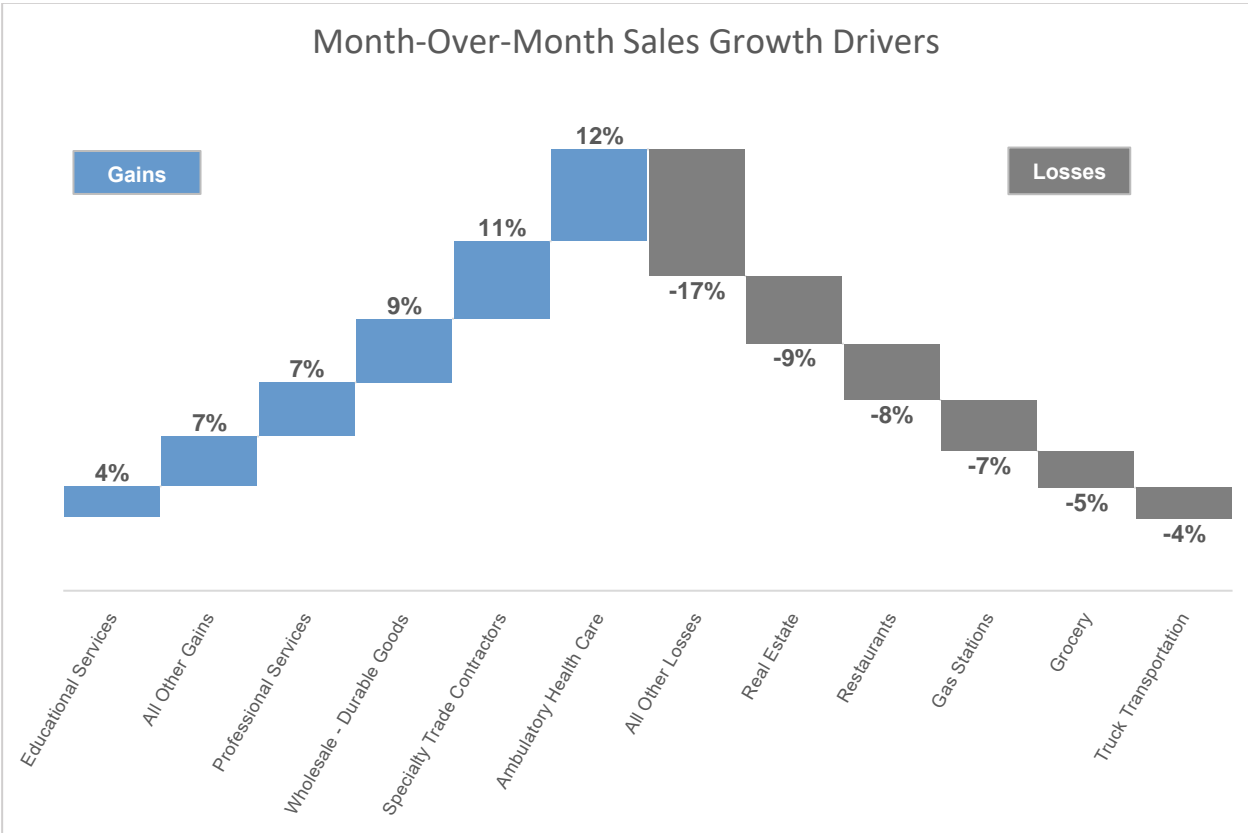
Month-Over-Month Changes (September 2024 vs. August 2024)

Health-related services and Contractors drove the most incremental growth

Overall sales growth for small business was +0.1% month over month, resulting in a steady national sales index of 141. The index has remained unchanged for the last 3 consecutive months, although the mix of spending is shifting quite a bit. Retail and Restaurants earned the sales growth spotlight in August, and now consumers have turned their attention and dollars toward service-related areas. This may have a connection to the change of seasons and the return to school getting into full swing, two events that typically define September.

Ambulatory Health Care (including doctor/dentist/optometrist offices, urgent care centers, etc.) and Specialty Trade Contractors (HVAC/heating technicians, pool cleaners, carpenters/electricians/plumbers, etc.) were the top two subsectors contributing to all dollar gains month over month. Real Estate (including fees associated with property management, appraisals, inspections, etc.), Restaurants, Gasoline and Grocery were among the subsectors with the largest dollar declines month over month. See more in Figure 5 below.

Figure 5: Month-Over-Month Sales Growth Drivers – by Subsector



Top Small Business Segments

Figure 6: Top 10 Subsectors (Based on Sales Volume) – September 2024

The top 10 subsectors consistently represent between 61–63% of all small business sales volume.

Sales Volume Rank	Top 10 Subsectors (NAICS L3) (based on total dollar sales)	Sales Index	Index Point Chg	Sales % Chg. MoM	Trans. % Chg. MoM	Avg Ticket % Chg. MoM	Contr.	Primary Driver of MoM Sales Change
1	Food Services and Drinking Places	125	-1	-1.0%	-0.1%	-0.9%	14.5%	Average ticket decline
2	Specialty Trade Contractors	153	+4	2.8%	-1.4%	4.2%	8.1%	Average ticket increase
3	Professional, Scientific, and Technical Services	164	+3	2.1%	-0.4%	2.5%	7.5%	Average ticket increase
4	Merchant Wholesalers, Durable Goods	146	+4	3.0%	-3.3%	6.3%	6.2%	Average ticket increase
5	Ambulatory Health Care Services	142	+6	4.7%	3.7%	0.9%	5.8%	Transaction count increase
6	Insurance Carriers and Related Activities	151	-0	0.0%	-0.4%	0.3%	5.2%	No MoM change
7	Food and Beverage Retailers	155	-3	-1.9%	-0.8%	-1.2%	4.6%	Average ticket decline
8	Accommodation	131	-1	-1.1%	-2.8%	1.7%	4.2%	Transaction count decline
9	Gasoline Stations and Fuel Dealers	142	-5	-3.3%	-1.5%	-1.8%	3.7%	Transaction & Average Ticket declines
10	Merchant Wholesalers, Nondurable Goods	156	+4	2.3%	-1.0%	3.3%	3.5%	Average ticket increase
	Total Small Business	141	-0	0.1%	-0.6%	0.6%		Minimal MoM change

Figure 7: Discretionary vs. Non-Discretionary Spend

	Avg. Sales Index	Index Point Chg	Sales % Ch. MoM	Trans. % Chg. MoM	Avg Ticket % Chg. MoM	Primary Driver of MoM Sales Change
Discretionary	144	-1	-0.3%	-0.6%	0.3%	Transaction count decline
Non-Discretionary (essential)	138	0	0.4%	-0.5%	0.9%	Average ticket increase

Figure 8: Goods vs. Services

	Avg. Sales Index	Index Point Chg.	Sales % Chg. MoM	Trans. % Chg. MoM	Avg Ticket % Chg. MoM	Primary Driver of MoM Sales Change
Goods	145	-1	-0.3%	-1.4%	1.2%	Transaction count decline
Services	139	0	0.2%	-0.2%	0.4%	Average ticket increase

Month-over-month discretionary spend at small business dipped slightly in September (-0.3%), primarily due to slower transactions (foot traffic) which was down -0.6%. Non-discretionary spending grew slightly (+0.4%), as consumers spent more per transaction (+0.9%). The sales volume was split equally across discretionary and non-



discretionary purchases. Spending on Goods decreased by -0.3% month over month, with foot traffic declines as the primary driver. Consumers shifted spending toward services, which grew +0.2% month over month, mostly on higher average spend per transaction.

Retail Performance: Pace of Consumer Spending Eases in September

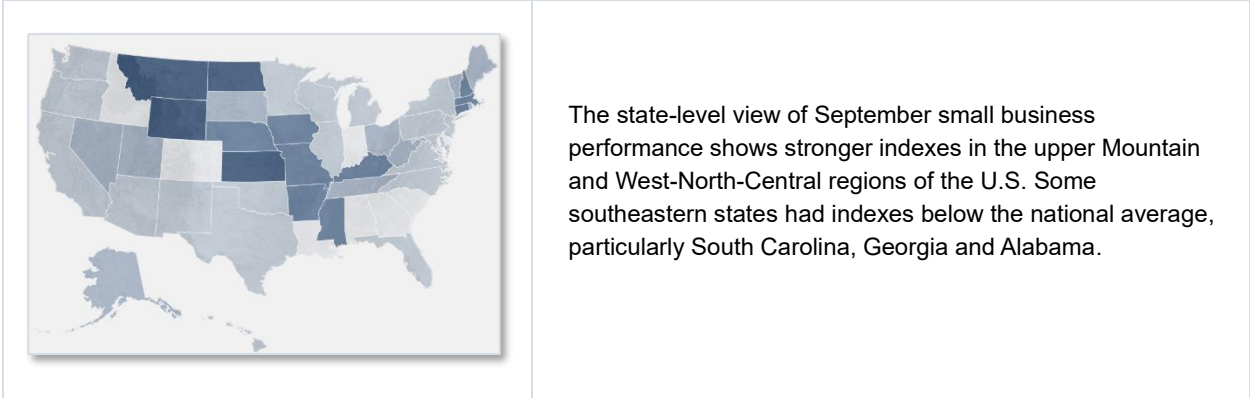
Figure 9

Rank	NAICS Level 3 Retail Category – Ranked on Sales Volume	Sales Index	Index Point Chg.	Sales % Chg. MoM	Sales % Chg. YoY
1	Food and Beverage Retailers	155	-3	-1.9%	4.2%
2	Gasoline Stations and Fuel Dealers	142	-5	-3.3%	-7.7%
3	Motor Vehicle and Parts Dealers	134	-1	-0.8%	-1.3%
4	Building Material and Garden Equipment and Supplies Dealers	167	+0	0.1%	3.1%
5	Sporting Goods, Hobby, Musical Instrument, Book, and Miscellaneous Retailers	146	-2	-1.4%	3.1%
6	Clothing, Clothing Accessories, Shoe, and Jewelry Retailers	127	-2	-1.6%	1.4%
7	Furniture, Home Furnishings, Electronics, and Appliance Retailers	136	-3	-2.0%	0.8%
8	Health and Personal Care Retailers	126	-1	-0.8%	3.8%
9	General Merchandise Retailers	162	-1	-0.6%	6.2%
	Total Small Business Retail	144	-2	-1.7%	0.6%

The Retail Index fell 2 points to 144 in September. Sales were down -1.7% month over month but relatively unchanged year over year at +0.6%. Most of the slowdown is due to reduced foot traffic (-1.3%), but average ticket size also notched lower (-0.3%). Still, transactions reflect solid growth year over year (+4.6%), and average ticket sizes are much smaller (-4.0%) than last September. Except for Building Materials, which grew at +0.1% compared to August, all other retail subsectors slowed anywhere from -0.6% to -3.3% compared to August. Consumers eased up, but spending in almost every area of retail remains up compared to last year. Two exceptions are Gasoline Stations and Motor Vehicle and Parts Dealers, where average ticket size per transaction has trended lower despite transactions remaining steady.

State-Level Overview – September 2024

Figure 10



Top 5 States

Figure 11-A: Based on Sales Growth MoM

State Rank (\$\$)	Top 5 States Based on MoM Sales % Chg	Sales Index	Index Point Chg	Sales % Chg MoM	Sales % Chg YoY
4	New York	137	+5	3.5%	3.9%
48	Vermont	143	+3	2.4%	12.0%
14	Washington	142	+3	2.0%	1.9%
39	New Mexico	138	+3	1.9%	5.4%
17	Minnesota	143	+2	1.7%	6.0%

Figure 11-B: Based on Total Sales Volume

State Rank (\$\$)	Top 5 States Based on Total Sales Volume	Sales Index	Index Point Chg.	Sales % Chg MoM	Sales % Chg YoY
1	California	140	+0	0.2%	2.8%
2	Florida	143	+0	0.2%	-0.1%
3	Texas	142	-0	-0.3%	1.3%
4	New York	137	+5	3.5%	3.9%
5	Illinois	137	-2	-1.3%	3.0%

Figure 11-A shows that New York (+3.5%) was the only large-volume state to rank among the top 5 for month-over-month sales growth. This growth drove the state’s index up by 5 points to 137, the strongest state-level gain for the month. Other top growth states for the month are much smaller in terms of overall small business sales volume and also show strong year-over-year growth.

Figure 11-B lists the top 5 states in the U.S. based on sales volume in September. California, Florida and Texas were essentially flat compared to August, while Illinois slid -1.3% and lost 2 points in its index compared to August. These top 5 states show strong year-over-year sales growth, which outpaces the national growth rate of +1.8%. One exception is Florida, which has declined year over year by -0.1%, driven primarily by smaller average tickets across retail and real estate.



Top Metro Markets Overview – September 2024

Figure 12: Top Ten Metro Markets

Rank*	Top Metro Markets	Sales Index	Index Point Chg	Sales % Chg MoM	Sales % Chg YoY
1	New York-Newark-Jersey City NY-NJ-PA	135	+5	3.6%	2.2%
2	Los Angeles-Long Beach-Anaheim CA	145	-1	-0.5%	3.6%
3	Chicago-Naperville-Elgin IL-IN-WI	137	-2	-1.7%	1.5%
4	Miami-Fort Lauderdale-Pompano Beach FL	149	+1	1.0%	3.7%
5	Dallas-Fort Worth-Arlington TX	145	-0	-0.2%	0.2%
6	Washington-Arlington-Alexandria DC-VA-MD-WV	134	-0	-0.2%	-0.6%
7	Boston-Cambridge-Newton MA-NH	154	-2	-1.2%	3.3%
8	Atlanta-Sandy Springs-Alpharetta GA	134	-1	-1.0%	3.1%
9	Philadelphia-Camden-Wilmington PA-NJ-DE-MD	139	+5	3.5%	3.1%
10	San Francisco-Oakland-Berkeley CA	128	+1	0.5%	-2.0%

* Top 10 ranked on total market sales volume



Sector Performance at State Level – September 2024

Figure 13: Top and Bottom Five States by Sector (Based on Absolute Dollar Gains Month Over Month)

	Top 5 States by Sector			Bottom 5 States by Sector		
	State	Sales % Chg MoM	Sales % Chg YoY	State	Sales % Chg MoM	Sales % Chg YoY
Retail	NY	1.3%	2.9%	GA	-2.8%	1.1%
	MN	0.9%	6.9%	NC	-2.9%	1.2%
	UT	1.2%	2.5%	IL	-3.6%	-0.6%
	FL	0.1%	2.1%	TX	-2.8%	1.4%
	OR	0.6%	-0.5%	CA	-2.0%	1.1%
Construction	NY	7.4%	5.1%	IN	-1.3%	-2.4%
	FL	2.9%	-0.1%	HI	-5.2%	-5.7%
	IL	8.4%	7.1%	NC	-0.8%	15.0%
	CA	2.7%	10.3%	SD	-12.0%	-15.3%
	TX	2.1%	8.3%	AZ	-4.7%	1.3%
Professional Services	NY	8.0%	15.9%	OR	-1.4%	17.6%
	FL	4.1%	10.9%	IN	-1.6%	9.1%
	PA	5.6%	18.6%	KS	-4.6%	25.9%
	CA	1.7%	11.8%	SC	-2.1%	17.2%
	MN	7.1%	30.2%	WA	-2.2%	13.3%
Food Services & Drinking Places	NY	1.1%	4.0%	NC	2.7%	1.6%
	SC	1.2%	-2.7%	PA	3.1%	1.7%
	HI	2.7%	-1.3%	CA	4.3%	5.9%
	WA	0.5%	0.3%	MN	-0.6%	0.8%
	NV	0.8%	1.8%	GA	0.2%	1.7%

The tables above rank states based on MoM absolute sales gains and losses for each sector shown. For example, Retail in Minnesota (0.9%) ranked higher than Utah (1.2%) because the total incremental dollar sales in September were larger in Minnesota.

Learn More

Read the full report online and [explore the data](#) based on national, state, local or NAICS sectors. [Subscribe now](#) to stay informed with the latest updates.

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