



# Fiserv Small Business Index<sup>®</sup>

## Monthly Overview | October 2024

### Small Business Sales Accelerate, Retail Leads the Way

#### National Overview

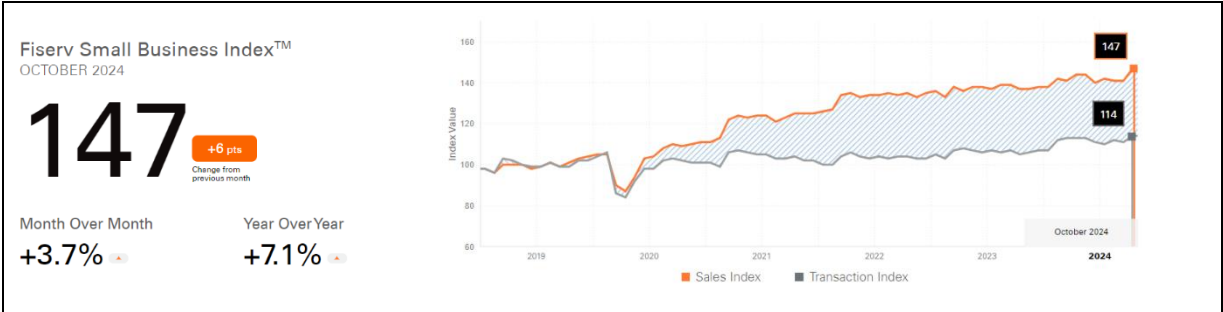
The Fiserv Small Business Index accelerated six points to 147 in October, marking the largest monthly gain in more than two years. This indicates strong consumer engagement and willingness to spend. Sales grew by +3.7% month-over-month (MoM), with transaction growth at +3.0%. Year-over-year growth in sales was +7.1% and +8.8% in transactions. Growth was particularly strong for Retail at +3.6% MoM and +5.8% year over year. Restaurants also rebounded, with a 2-point index gain to 127, reflecting +1.3% MoM sales growth. Wholesale Trade (+7.4% YoY), Construction (+7.6% YoY) and Professional Services (+13.7% YoY) rounded out the five largest small business sectors with strong sales growth to kick off the fourth quarter of 2024.

#### Key Takeaways

What Happened This Month?	Why Does It Matter?	How Should We Interpret?
Overall small business sales accelerated by +3.7% MoM in October and by +7.1% annually. A significant portion of this increase was captured within Retail.	October has become an integral part of the launch of the holiday season, especially for the larger national retailers. It's very encouraging to see small business also showing strong momentum this early.	This is a good sign of a lively holiday season to come. Key retail subsectors like Furniture/ Electronics (+7.8% YoY) and General Merchandise (+11.4% YoY) are thriving right now.
Restaurants, Specialty Trade Contractors and Professional Services were also big winners in October, signaling that consumers are engaged across the small business ecosystem.	Service providers are the backbone of small business. Consumers are showing enthusiasm and desire to spend on services in addition to Retail and Wholesale Goods.	This is a good sign that consumers' demands are balanced heading into the shopping season. Consumer confidence is also on a decisive upswing, which is another signal supporting the likelihood of increased spending with small business.
The biggest driver of growth across small business was increased transaction volume (+3.0% MoM, +8.8% YoY). Average tickets were up +0.7% from September.	Increased foot traffic to small business outlets is a great signal that brick-and-mortar activity will be strong this year. Holiday 2023 results were lackluster, primarily due to eroded in-store traffic throughout the season.	This is another strong signal that consumers are willing to actively engage. Retailers should benefit from increased likelihood of impulse buying.

## National Index Trends

**Figure 1: National Index**



**Figure 2: National Snapshot – October and Year-to-Date**

Across the total U.S. small business ecosystem, October 2024 sales growth (+3.7%) was slower than the year-to-date pace (+3.2%). Year-to-date sales growth slowed by -0.2% compared to the Jan–Sep pace.

	Sales Index	Transaction Index	Sales Growth	Transaction Growth	Avg. Ticket Growth
October 2024	147	114	7.1%	8.8%	-1.7%
YTD 2024 (Jan – Oct)	142	112	3.7%	5.3%	-1.6%

**Figure 3: Sales Index YoY Growth – Past 12 months**

	N	D	J	F	M	A	M	J	J	A	S	O
<b>Sales Index</b>	<b>137</b>	<b>138</b>	<b>139</b>	<b>142</b>	<b>141</b>	<b>144</b>	<b>144</b>	<b>140</b>	<b>141</b>	<b>141</b>	<b>141</b>	<b>147</b>
Sales YoY	2.9%	2.5%	2.2%	6.5%	2.3%	5.4%	4.0%	1.6%	3.3%	1.6%	1.8%	7.1%
Transactions YoY	2.6%	3.5%	2.0%	8.5%	5.6%	5.2%	5.2%	4.4%	3.3%	5.7%	4.0%	8.8%
Avg. Ticket YoY	0.3%	-0.9%	0.2%	-2.1%	-3.3%	0.2%	-1.2%	-2.8%	0.0%	-4.0%	-2.2%	-1.7%
Inflation Rate (BLS.gov)	3.1%	3.4%	3.1%	3.2%	3.5%	3.4%	3.3%	3.0%	2.9%	2.5%	2.4%	

Figure 3 shows the pace of year-over-year sales growth has rebounded quite handily to +7.1%, reversing a slowing trend to a high of +6.5% in February. The stable sales index through Q3 might have simply been consumers pacing their expenditures (via a mix of spend and transaction frequency) ahead of anticipated increased end-of-year spending. Some recent macro-economic developments that may be contributors to this burst in spending:

1. Inflation continues to abate, down to 2.4% (as of September. Oct. inflation reporter released mid-Nov.).
2. Consumer sentiment has risen in the last few months. There is also evidence of improved personal savings rates and real wage growth.
3. More affordable, attractive interest rates are available in the market.



## Sector-Level Momentum Drivers

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

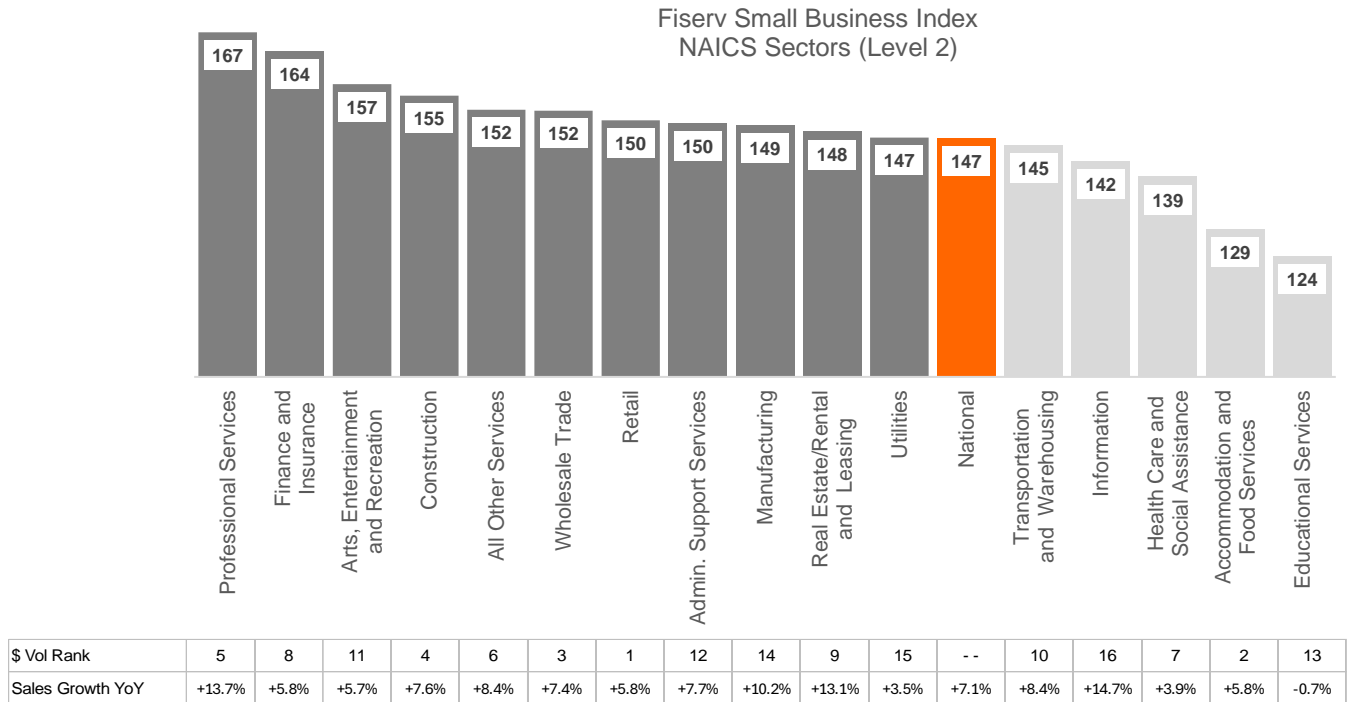


Figure 4 displays the Index results for Total Small Business and each of the 16 NAICS sectors tracked by the Fiserv Small Business Index (sorted in descending order). The table contains the dollar-volume rank and the YoY sales growth rate for each sector. Many of the high-volume sectors are indexing higher than the national index, a signal that consumers are staying engaged and have continued to spend confidently in sectors that help to drive small business.

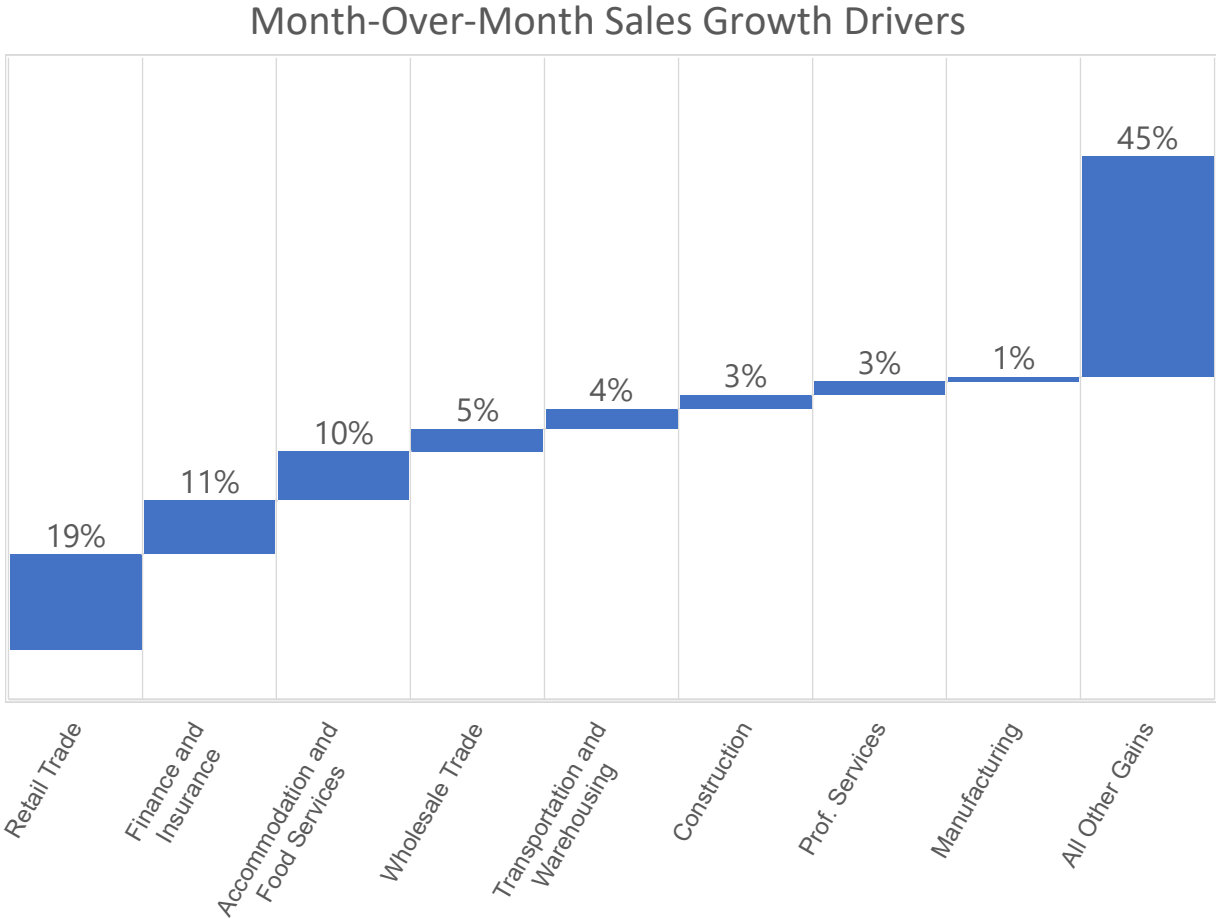
## Month-Over-Month Changes (October 2024 vs. September 2024)

Growth occurred across all sectors, with Retail, Finance and Restaurants leading the way

October's overall sales growth for small business was +3.7% MoM. This gave a huge boost to the index, driving it up six points to 147. This spike in consumer spending created the biggest month-over-month jump since March 2022, and its timing in October is somewhat off-pattern from other cyclical bumps that have been typically observed in March. We saw sales growth in each of the 16 sectors tracked by the Fiserv Small Business Index.

Retail accrued a 19% share of all of the growth from September to October, followed by Finance and Insurance and Accommodation and Food Services, each contributing 11% and 10%, respectively. With October being the first month of the fourth quarter and the "unofficial start" of the holiday selling season, it's encouraging to see the enthusiasm and resilience of consumers – especially in Retail and Wholesale Trade, which itself contributed 5% of the month's total sales increases.

**Figure 5:** Month-Over-Month Sales Growth Drivers – by Sector



## Top Small Business Segments

**Figure 6: Top 10 Subsectors (Based on Sales Volume) – October 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	127	+2	1.3%	2.4%	-1.2%	14.1%	Transaction count increase
2	Specialty Trade Contractors	155	+2	1.3%	2.9%	-1.6%	7.9%	Transaction count increase
3	Professional, Scientific, and Technical Services	167	+2	1.3%	2.0%	-0.6%	7.3%	Transaction count increase
4	Merchant Wholesalers, Durable Goods	148	+2	1.2%	-0.5%	1.6%	6.0%	Average ticket increase
5	Insurance Carriers and Related Activities	164	+12	7.8%	8.8%	-1.0%	5.4%	Transaction count increase
6	Ambulatory Health Care Services	142	+0	0.2%	1.2%	-1.0%	5.4%	Minimal MoM change
7	Food and Beverage Retailers	160	+5	3.2%	2.5%	0.7%	4.6%	Transaction count increase
8	Accommodation	138	+6	4.4%	0.8%	3.7%	4.3%	Average ticket increase
9	Real Estate	148	+43	40.3%	58.8%	-18.5%	3.9%	Transaction count increase
10	Gasoline Stations and Fuel Dealers	147	+5	3.4%	3.3%	0.1%	3.7%	Transaction count increase
	<b>Total Small Business</b>	<b>147</b>	<b>+6</b>	<b>3.7%</b>	<b>3.0%</b>	<b>0.7%</b>		Transaction count increase

**Figure 7: Discretionary vs. Non-Discretionary Spend**

	Wtd. Sales Index	Index Point Chg	Sales % Ch. MoM	Trans. % Chg MoM	Avg Ticket % Chg MoM	Share of Sales	Primary Driver of MoM Sales Change
Discretionary	144	+3	2.4%	2.5%	-0.1%	49%	Transaction count increase
Non-Discretionary (essential)	152	+6	5.1%	4.0%	1.1%	51%	Transaction count increase

**Figure 8: Goods vs. Services**

	Wtd. Sales Index	Index Point Chg	Sales % Ch. MoM	Trans. % Chg MoM	Avg Ticket % Chg MoM	Share of Sales	Primary Driver of MoM Sales Change
Goods	152	+5	3.0%	2.9%	0.1%	29%	Transaction count increase
Services	147	+6	4.0%	3.0%	1.0%	71%	Transaction count increase



Both discretionary and non-discretionary spend experienced healthy increases, but non-discretionary grew at an MoM pace that was twice that of discretionary. Goods and Services sales grew at a pace of 3% and 4%, respectively. Across the board, we saw that increased transaction volume (foot traffic) was the primary driver for sales growth. Average tickets in October only moved between -0.1% and 1.0% compared to September.

## Retail Performance: Pace of Consumer Spending Accelerates in October

Figure 9

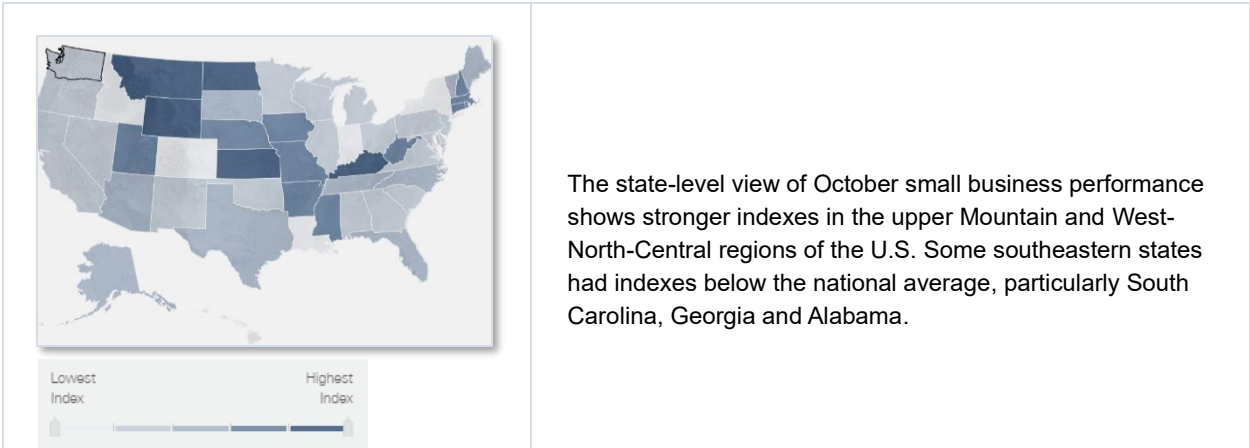
Rank	NAICS Level 3 Retail Category – Ranked on Sales Volume	Sales Index	Index Point Chg.	Sales % Chg. MoM	Sales % Chg. YoY
1	Food and Beverage Retailers	160	+5	3.2%	8.4%
2	Gasoline Stations and Fuel Dealers	147	+5	3.4%	-1.5%
3	Motor Vehicle and Parts Dealers	140	+6	4.2%	5.9%
4	Building Material and Garden Equipment and Supplies Dealers	176	+7	4.2%	8.6%
5	Sporting Goods, Hobby, Musical Instrument, Book, and Miscellaneous Retailers	151	+5	3.1%	5.9%
6	Clothing, Clothing Accessories, Shoe, and Jewelry Retailers	132	+5	3.7%	6.7%
7	Furniture, Home Furnishings, Electronics, and Appliance Retailers	142	+6	4.3%	7.8%
8	Health and Personal Care Retailers	133	+7	5.4%	6.8%
9	General Merchandise Retailers	166	+3	1.9%	11.4%
	<b>Total Retail Trade</b>	<b>150</b>	<b>+5</b>	<b>3.6%</b>	<b>5.8%</b>
	<b>Total Small Business Retail</b>	<b>147</b>	<b>+6</b>	<b>3.7%</b>	<b>7.1%</b>

### Retail Performance

The overall Retail Index soared 5 points to 150 in October. Retail sales accelerated +3.6% month over month and even more so year over year at +5.8%. Every subsector within small business retail had sales growth that exceeded September’s numbers. In addition, all retail subsectors experienced growth year over year with one exception: Gasoline Stations saw a decline in overall growth due entirely to lower gas prices compared to last year. Some of the more aggressive month-over-month gains were within Food and Beverage Retailers (+3.2%), Building Materials (+4.2%), Furniture (+4.3%) and Health and Personal Care Retailers (+5.4%).

## State-Level Overview – October 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
45	Delaware	144	+11	8.1%	11.0%
13	Michigan	147	+11	7.9%	8.9%
24	Utah	160	+11	7.4%	12.0%
10	Georgia	145	+10	7.1%	9.6%
28	Kentucky	165	+11	6.8%	8.5%

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	145	5	3.9%	7.3%
2	Florida	149	6	4.3%	6.9%
3	Texas	148	5	3.4%	7.1%
4	New York	140	3	2.2%	7.6%
5	Illinois	143	5	3.7%	9.5%

Figure 11-A demonstrates how this broad boost in consumer spending at small business can significantly impact states that vary widely in size, geography, socio-economic rankings and political leanings.

Figure 11-B lists the top 5 states in the U.S. based on sales volume in October. Four out of the five largest volume states delivered MoM sales growth that outpaced the national average. Similarly, 4 of these top 5 states are also outpacing the national YoY growth rate.

## Top Metro Markets Overview – October 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	138	+3	2.0%	5.3%
2	Los Angeles-Long Beach-Anaheim CA	147	+3	2.0%	5.8%
3	Chicago-Naperville-Elgin IL-IN-WI	143	+6	3.9%	7.9%
4	Miami-Fort Lauderdale-Pompano Beach FL	154	+5	2.8%	8.6%
5	Dallas-Fort Worth-Arlington TX	149	+4	2.2%	4.3%
6	Washington-Arlington-Alexandria DC-VA-MD-WV	138	+3	1.7%	1.9%
7	Boston-Cambridge-Newton MA-NH	157	+4	2.6%	4.6%
8	Atlanta-Sandy Springs-Alpharetta GA	142	+7	5.1%	8.9%
9	Philadelphia-Camden-Wilmington PA-NJ-DE-MD	147	+8	5.6%	9.2%
10	San Francisco-Oakland-Berkeley CA	132	+4	3.1%	3.2%

\* Top 10 ranked on total market sales volume

## Sector Performance at State Level – October 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
<b>Retail</b>	CA	3.1%	4.0%	AK	1.0%	8.2%
	TX	4.0%	6.4%	WY	0.8%	-1.6%
	FL	3.1%	6.5%	KS	-0.4%	-5.4%
	GA	6.5%	9.5%	WI	-1.0%	1.8%
	NC	4.8%	5.8%	MN	-2.6%	3.2%
<b>Construction</b>	FL	3.0%	10.5%	ID	-4.4%	1.3%
	VA	7.1%	12.2%	OR	-3.9%	2.1%
	AZ	11.7%	17.3%	CA	-0.9%	7.8%
	TX	3.1%	16.4%	NJ	-3.7%	-3.0%
	NC	3.2%	21.0%	NY	-2.3%	4.8%

<b>Professional Services</b>	GA	6.4%	20.3%	MN	-1.5%	24.9%
	TX	2.0%	10.7%	AL	-4.0%	12.3%
	CO	5.2%	19.7%	TN	-4.6%	12.1%
	CA	0.7%	11.6%	PA	-2.0%	15.2%
	VA	2.9%	12.9%	FL	-2.5%	7.1%

<b>Food Services &amp; Drinking Places</b>	GA	5.4%	8.8%	HI	-1.4%	0.2%
	PA	5.2%	9.6%	ND	-3.8%	5.8%
	TN	4.5%	7.9%	WA	-3.1%	1.0%
	NC	3.1%	7.5%	FL	-2.2%	0.8%
	NY	1.3%	4.4%	CA	-1.6%	4.4%

The tables above rank states based on MoM absolute sales gains and losses for each sector shown.

## Learn More

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

**Questions?** Contact us at [FiservSmallBusinessIndex@fiserv.com](mailto:FiservSmallBusinessIndex@fiserv.com).

\*Fiserv Small Business Index<sup>®</sup> does not represent Fiserv financial performance.