



Fiserv Small Business Index[®]

Quarterly Overview | 3rd Quarter 2026
Seasonally Adjusted Report

Q3 Growth Held as Price Pressures and Back-to-School Season Reshaped Demand

Key Takeaways:

Small business sales continued to grow in Q3, but higher average tickets again did most of the work. Sales grew year over year in every month and accelerated to +2.2% YoY in September, while transactions declined year over year in every month. Compared with Q2, quarterly sales growth improved modestly, but the central pattern remained unchanged: consumers spent more per visit while reducing overall frequency.

Consumer activity remained cautious, with an August pause followed by a stronger September. Sales and transactions softened month over month in August before back-to-school demand helped lift September sales. Even with the late-quarter improvement, year-over-year foot traffic declined for the eleventh consecutive month, highlighting the continued gap between nominal sales growth and customer activity.

Gasoline remained a major price-driven influence and intensified late in the quarter. Gas Station sales were elevated throughout Q3 and surged +21.1% YoY in September, driven almost entirely by higher average tickets. Consumers paid considerably more for fuel without a corresponding increase in activity, likely limiting their flexibility elsewhere.

Restaurants lost more ground, and limited-service dining took the hardest hit. Restaurant sales declined year over year in every month of Q3 as higher tickets failed to offset fewer visits. Limited-Service Restaurants remained the primary drag, while Full-Service Restaurants held comparatively steady, extending the selective dining behavior seen throughout Q2.

Retail and goods showed selective demand in key areas. Retail transactions remained positive year over year and accelerated with back-to-school spending in September. Goods growth was also activity-led, while Services continued to depend on much higher tickets amid falling transaction counts. Essentials outperformed overall, but September's retail gains showed consumers remained willing to spend selectively when purchases felt necessary or offered clear value.

National Overview

Figure 1a: Small Business Q3 2026 Performance Summary

National Overview (by quarter)	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026	Q3 2026
Sales Index	142.3	143.0	142.9	143.1	144.2	145.4
QoQ Sales Growth	0.4%	0.4%	-0.1%	0.2%	0.7%	0.8%
YoY Sales Growth	1.9%	2.1%	1.2%	1.0%	1.3%	1.7%
Transaction Index	104.2	104.2	103.3	102.1	102.2	102.1
QoQ Transaction Growth	0.6%	-0.1%	-0.9%	-1.2%	0.1%	-0.1%
YoY Transaction Growth	1.5%	1.0%	-0.5%	-1.5%	-2.0%	-2.0%
Average Ticket Growth						
QoQ Average Ticket Growth	-0.2%	0.5%	0.8%	1.4%	0.6%	0.9%
YoY Average Ticket Growth	0.4%	1.1%	1.7%	2.5%	3.4%	3.7%

Source: Fiserv Small Business Index, seasonally adjusted

Special Note: Seasonally adjusted values will vary slightly every month and quarter as we use the full time-series of data in each month's seasonal adjustment. All results reported are seasonally adjusted, unless otherwise noted.

Sales growth picked up slightly in Q3, even as customer traffic stayed soft. Sales rose +0.8% QoQ and +1.7% YoY as the Sales Index reached 145.4. Transactions slipped -0.1% QoQ and remained down -2.0% YoY, while average tickets increased +0.9% QoQ and +3.7% YoY. Compared with Q2, growth strengthened slightly but became even more dependent on customers spending more per visit.

Figure 1b: Small Business Q3 2026 Performance by Month

Total Small Business – MoM				Total Small Business – YoY			
	Sales	Transactions	Avg. Ticket		Sales	Transactions	Avg. Ticket
July	0.2%	0.0%	0.2%	July	1.6%	-1.8%	3.4%
August	-0.2%	-0.3%	0.1%	August	1.2%	-2.1%	3.4%
September	0.7%	-0.2%	0.9%	September	2.2%	-2.0%	4.3%
Q3 2026	0.8%	-0.1%	0.9%	Q3 2026	1.7%	-2.0%	3.7%

Q3 month-to-month progression fluctuated until finding its footing in September. Sales edged up +0.2% MoM in July, then slipped -0.2% in August. September was the best month of the quarter, with sales up +0.7% MoM and +2.2% YoY. Even so, transactions trailed last year every month and dipped -0.1% QoQ. The September bump came from bigger tickets and shifting priorities. Foot traffic didn't recover in any broad way.

Defining Events for Small Business in Q3 2026

Energy and Transportation Costs Climbed

Fuel costs squeezed consumers and business owners alike, with diesel rising most sharply, and things got tougher in September. On September 28, on-highway diesel averaged \$6.38 a gallon nationally, \$2.63 more than a year earlier, roughly a 70% increase. The U.S. Energy Information Administration (EIA) cited [thin domestic inventories, tighter global supply and strong U.S. exports](#), a combination that squeezed business margins and was ultimately passed through to consumers as higher prices.

Consumers Shifted Spending Toward Value and Immediate Needs

In Q3, consumers remained active but highly deliberate. Back-to-school demand supported Retail and Goods in September, including Grocery, Clothing and Sporting Goods traffic, while Restaurant and Services visits declined. The pattern suggests households reallocated spending rather than broadly expanding it, prioritizing necessary purchases and potentially searching for value as Fuel and Service costs rose.

Tariff and Supply-Chain Uncertainty Raised Costs

New tariffs took effect in July, while existing duties on steel, aluminum and other goods kept import costs high. Studies show that tariffs affect small businesses even when they do not import directly because costs can flow through equipment, tools and construction materials. The [National Federation of Independent Business](#) (NFIB) and [KPMG](#) both found that larger businesses generally possess more sourcing options and financial capacity, while smaller firms have less room to absorb cost changes before adjusting prices or expenses.

Good Help Proved Hard to Find

Small business hiring was tepid through Q3 and softened further in September, but labor remained tighter than historical norms. According to [the NFIB](#), 32% of owners had openings they could not fill, while 87% of those hiring reported few or no qualified applicants. Cautious hiring and persistent skills shortages limited capacity for labor-intensive businesses, even as demand varied widely by sector.

Bottom Line

Q3 was defined by price-led growth, selective consumer demand and widening differences across categories. Small businesses benefited from stronger retail activity but faced high fuel costs, uncertain import expenses and persistent labor constraints. Small business success increasingly depended on demonstrating value in the face of higher prices, maintaining customer foot traffic and managing operating costs – all high priorities as larger competitors may retain advantages in sourcing, scale and digital commerce.



Figure 1c: Q3 2026 Performance of Selected Segments

DISCRETIONARY – MoM			
	Sales	Transactions	Avg. Ticket
July	0.1%	0.0%	0.1%
August	-0.1%	-0.1%	0.0%
September	0.7%	-0.2%	0.9%
Q3 2026	0.8%	-0.2%	0.9%

DISCRETIONARY – YoY			
	Sales	Transactions	Avg. Ticket
July	1.3%	-2.2%	3.6%
August	0.8%	-2.3%	3.2%
September	2.0%	-2.2%	4.3%
Q3 2026	1.4%	-2.2%	3.7%

ESSENTIAL – MoM			
	Sales	Transactions	Avg. Ticket
July	0.3%	0.1%	0.3%
August	-0.3%	-0.9%	0.6%
September	0.7%	-0.2%	0.9%
Q3 2026	0.9%	0.2%	0.7%

ESSENTIAL – YoY			
	Sales	Transactions	Avg. Ticket
July	2.0%	-0.5%	2.5%
August	1.7%	-1.7%	3.5%
September	2.4%	-1.6%	4.2%
Q3 2026	2.0%	-1.3%	3.4%

GOODS – MoM			
	Sales	Transactions	Avg. Ticket
July	0.2%	-0.2%	0.4%
August	-0.3%	-0.6%	0.2%
September	0.9%	0.4%	0.5%
Q3 2026	1.1%	0.5%	0.6%

GOODS – YoY			
	Sales	Transactions	Avg. Ticket
July	2.0%	2.0%	0.0%
August	1.3%	0.7%	0.6%
September	2.9%	2.2%	0.7%
Q3 2026	2.1%	1.6%	0.4%

SERVICES – MoM			
	Sales	Transactions	Avg. Ticket
July	0.2%	0.1%	0.1%
August	-0.2%	-0.3%	0.1%
September	0.6%	-0.4%	1.0%
Q3 2026	0.7%	-0.3%	1.0%

SERVICES – YoY			
	Sales	Transactions	Avg. Ticket
July	1.4%	-3.1%	4.7%
August	1.2%	-3.1%	4.5%
September	1.9%	-3.5%	5.6%
Q3 2026	1.5%	-3.3%	4.9%

Figure 1c (continued): Q3 2026 Performance of Selected Segments

RETAIL – MoM			
	Sales	Transactions	Avg. Ticket
July	0.0%	-0.3%	0.3%
August	-0.7%	-0.6%	-0.1%
September	1.3%	0.5%	0.8%
Q3 2026	0.9%	0.6%	0.3%

RETAIL – YoY			
	Sales	Transactions	Avg. Ticket
July	1.9%	2.2%	-0.3%
August	0.6%	0.7%	0.0%
September	3.0%	2.4%	0.5%
Q3 2026	1.8%	1.8%	0.1%

GASOLINE STATIONS – MoM			
	Sales	Transactions	Avg. Ticket
July	-0.3%	0.4%	-0.7%
August	1.9%	-0.2%	2.1%
September	6.0%	1.5%	4.4%
Q3 2026	0.3%	-0.5%	0.8%

GASOLINE STATIONS – YoY			
	Sales	Transactions	Avg. Ticket
July	14.5%	-1.1%	15.8%
August	15.6%	-1.1%	16.9%
September	21.1%	0.2%	20.8%
Q3 2026	17.1%	-0.7%	17.8%

RESTAURANTS – MoM			
	Sales	Transactions	Avg. Ticket
July	-0.5%	-0.1%	-0.4%
August	0.2%	0.0%	0.2%
September	-0.2%	-0.6%	0.4%
Q3 2026	0.0%	-0.4%	0.4%

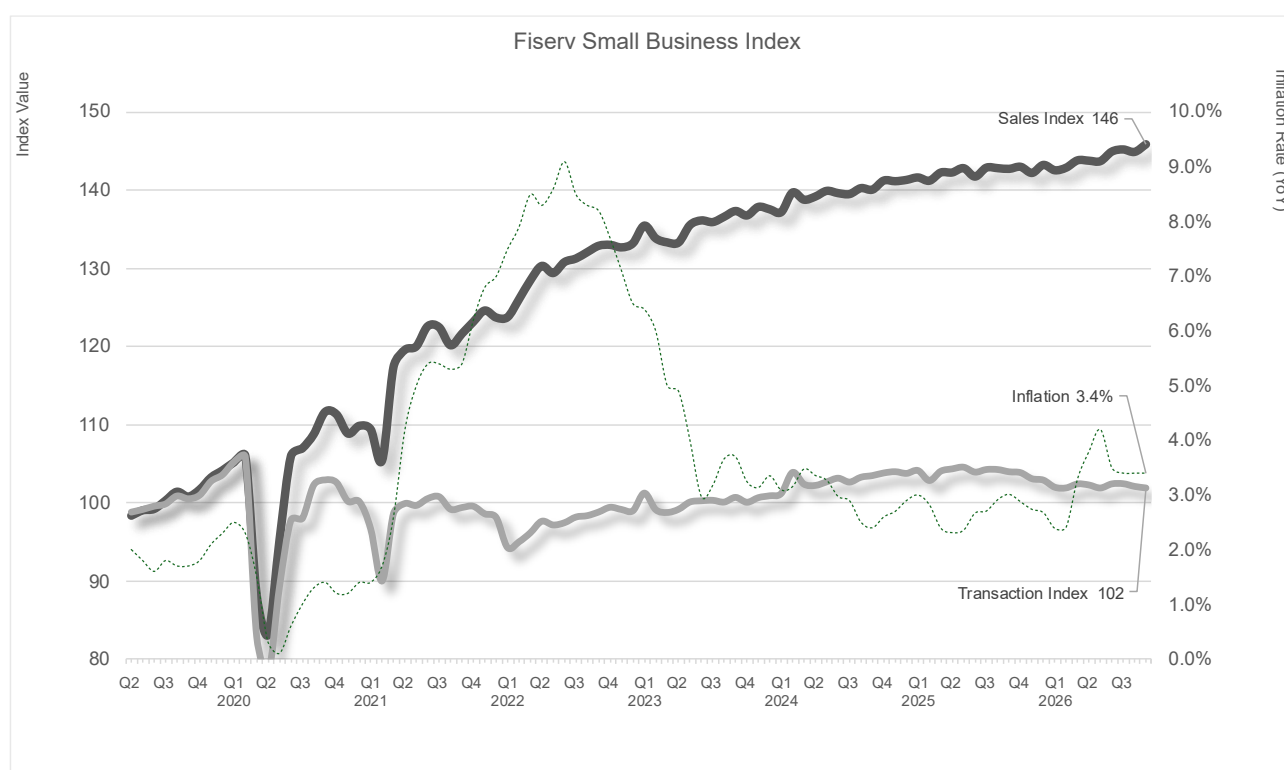
RESTAURANTS – YoY			
	Sales	Transactions	Avg. Ticket
July	-0.8%	-3.7%	3.0%
August	-0.7%	-3.3%	2.7%
September	-1.0%	-3.9%	3.0%
Q3 2026	-0.9%	-3.6%	2.9%

GROCERY – MoM			
	Sales	Transactions	Avg. Ticket
July	-0.2%	-0.6%	0.4%
August	-1.0%	-0.7%	-0.4%
September	1.2%	0.5%	0.7%
Q3 2026	1.0%	0.6%	0.4%

GROCERY – YoY			
	Sales	Transactions	Avg. Ticket
July	0.5%	1.3%	-0.8%
August	-1.3%	-0.2%	-1.2%
September	1.9%	1.5%	0.5%
Q3 2026	0.4%	0.9%	-0.5%

Goods and services told two very different stories in Q3. Goods sales rose +2.1% YoY as transactions increased +1.6%. Services grew +1.5% despite transactions declining -3.3%, revealing the sales increase was from +4.9% average ticket growth. Essentials continued to outperform Discretionary categories, but September's back-to-school gains showed consumers redirected spending toward goods when purchases were timely, necessary or offered clear value.

Figure 2: Time Series View of the Fiserv Small Business Index (plotted with U.S. inflation rate)



Source: Fiserv Small Business Index (seasonally adjusted); BLS.gov. The inflation rate is estimated for October and November 2025 due to disruptions and delays caused by the U.S. government shutdown, which lasted 43 days (Oct. 1- Nov. 12, 2025). For more information on these estimates, see this [BLS publication](#).

Inflation moderated from its Q2 peak, but price remained the dominant force behind small business growth. In September 2026 the Sales Index advanced to 146 while the Transaction Index held near 102. Q3 sales grew +1.7% YoY, driven by average tickets that rose +3.7% YoY despite a -2.0% transaction decline. The widening gap between the two indexes indicates customers continued spending more per visit while visiting less frequently, leaving nominal growth vulnerable to sustained affordability pressure.

Sector-Level Insights – Year-Over-Year Growth Results

Professional Services remained the strongest major sector in Q3 (+5.8% YoY), followed by Wholesale Trade (+2.8%). Retail rose +1.8%, up from Q2 and in step with retail transaction growth. Accommodation and Food Services gained +1.4%, likely lifted by Hotels (+8.0%), while Restaurant sales fell -0.9% as transactions dropped -3.6%. Information (-4.8%), Arts, Entertainment and Recreation (-1.0%) and Real Estate and Rental and Leasing (-6.2%) all shrank. Across sectors, the gains were uneven.

Figure 3: Year-Over-Year Sales Growth by Sector, by Quarter

YoY Sales Growth	Q3 2026	Q2 2026	Q3 2025	Q3 2026 % of Total Sales
Professional, Scientific, and Technical Services	5.8%	4.4%	7.0%	11.5%
Wholesale Trade	2.8%	1.1%	2.1%	7.6%
Admin / Support / Waste Mgmt / Remediation Services	2.1%	2.1%	3.8%	5.3%
Retail Trade	1.8%	1.1%	1.3%	23.7%
Total Small Business	1.7%	1.3%	2.1%	--
Transportation and Warehousing	1.5%	1.5%	3.9%	2.0%
Educational Services	1.5%	1.9%	3.1%	1.8%
Accommodation and Food Services	1.4%	1.1%	0.9%	23.8%
Health Care and Social Assistance	1.2%	1.4%	2.7%	6.5%
Other Services (except Public Administration)	0.5%	0.1%	1.9%	6.3%
Construction	0.0%	0.6%	2.2%	5.0%
Arts, Entertainment, and Recreation	-1.0%	0.8%	-4.8%	2.9%
Information	-4.8%	-3.9%	2.5%	3.1%
Real Estate and Rental and Leasing	-6.2%	0.7%	3.2%	0.5%

Source: Fiserv Small Business Index, seasonally adjusted

Sector-Level Insights – Retail

Q3 2026 small business Retail strengthened to +1.8% YoY, supported almost entirely by transaction growth (+1.8%) as average tickets stabilized (+0.1%). Core Retail grew +1.6% YoY on transaction growth of +2.1%. Food and Beverage Retailers returned to modest growth (+0.4%), while Sporting Goods (+4.7%) and Health and Personal Care (+4.1%) posted the strongest growth outside of gas stations. Gasoline remained the strongest price-driven contributor (+17.1%). Clothing stands out: transactions rose +3.5% as tickets fell -2.1%, suggesting shoppers may have been responding to discounts.

Figure 4: Retail Subsectors Performance and Distribution of Sales (Q3 2026)

Retail Subsector – Small Business	YoY Sales Growth	YoY Transaction Growth	YoY Avg. Ticket Growth	Q3 % of Total Retail Sales
Food and Beverage Retailers	0.4%	0.9%	-0.5%	29.0%
Sporting Goods, Hobby, Musical Instrument, Book, and Miscellaneous Retailers	4.7%	5.0%	-0.3%	16.0%
Motor Vehicle and Parts Dealers	0.6%	-1.0%	1.5%	15.5%
Building Material and Garden Equipment and Supplies Dealers	0.8%	1.4%	-0.6%	13.0%
Furniture, Home Furnishings, Electronics, and Appliance Retailers	1.4%	-2.0%	3.4%	9.4%
Clothing, Clothing Accessories, Shoe, and Jewelry Retailers	1.3%	3.5%	-2.1%	7.1%
Health and Personal Care Retailers	4.1%	14.4%	-9.0%	4.7%
Gasoline Stations and Fuel Dealers	17.1%	-0.7%	17.8%	3.9%
General Merchandise Retailers	-12.3%	-14.8%	2.9%	1.4%
Core Retail (excludes Building Materials and Garden Equipment and Supplies Dealers, Motor Vehicle and Parts Dealers, Gasoline Stations and Fuel Dealers)	1.6%	2.1%	-0.5%	67.6%
Non-Core (Building Materials and Garden Equipment and Supplies Dealers, Motor Vehicle and Parts Dealers, Gasoline Stations and Fuel Dealers)	2.4%	0.1%	2.3%	32.4%
Total Retail	1.8%	1.8%	0.1%	100.0%

Geographic Trends

Figure 5: Q3 2026 Performance by State
(Top 10 based on dollar sales, representing 53.3% of total small business dollar sales)

Top 10 States by Dollar Sales	QoQ Sales Growth	YoY Sales Growth	YoY Transaction Growth	YoY Avg. Ticket Growth	Q3 % of Total Sales
1 California	0.1%	3.5%	1.7%	1.8%	12.3%
2 Florida	0.7%	1.1%	-0.8%	1.9%	8.0%
3 Texas	2.6%	5.3%	0.5%	4.8%	7.1%
4 New York	1.4%	1.7%	-3.7%	5.4%	6.9%
5 Illinois	0.7%	-0.4%	-0.8%	0.4%	3.9%
6 North Carolina	1.6%	2.4%	-0.7%	3.1%	3.3%
7 Pennsylvania	-0.3%	1.0%	-3.2%	4.2%	3.2%
8 Georgia	1.8%	1.8%	-0.3%	2.1%	3.1%
9 Ohio	-0.1%	-0.8%	-6.6%	5.8%	2.9%
10 New Jersey	-1.4%	0.3%	-1.6%	1.9%	2.7%

Across the largest states, Q3 sales growth remained positive but became more dependent on pricing. Only two of the 10 largest states had more customer transactions than a year ago, and nearly every other state's growth came from higher prices. California was still the steadiest of the big markets, with sales up +3.5% on +1.7% more transactions and +1.8% higher tickets. Texas grew the fastest at +5.3%, but most of that came from bigger tickets, since transactions rose only +0.5%. Ohio's transactions fell so sharply (-6.6%) that a +5.8% ticket gain still left sales down -0.8%. Illinois experienced a similar scenario, although to a lesser extent. Together, these top 10 states account for more than half of small business sales, so the trend is hard to miss. Generally speaking, customers in these states are paying more and shopping less often.

Figure 6a: Top 5 States for Small Business Sales Increase (absolute dollars) Q3 2026

Sales rank	Top 5 States (Total Dollars Gained)	YoY Sales Growth	YoY Transaction Growth	YoY Avg. Ticket Growth	Q3 % of Total Sales
1	California (most dollars gained YoY)	3.5%	1.7%	1.8%	12.3%
3	Texas	5.3%	0.5%	4.8%	7.1%
11	Massachusetts	8.4%	0.6%	7.9%	2.6%
12	Michigan	6.7%	-1.3%	8.1%	2.6%
15	Colorado	6.3%	2.7%	3.6%	2.1%

California and Texas generated the largest absolute gains because of their scale and strong sales growth. California combined higher transactions and tickets, while Texas leaned heavily on pricing. Massachusetts and Michigan also generated sizable gains through ticket increases of +7.9% and +8.1%, respectively, although Michigan transactions declined. Colorado delivered the most balanced result among the smaller leaders, with growth supported by both transactions and average tickets.

Figure 6b: Bottom 5 States for Small Business Sales Decline (absolute dollars) Q3 2026

Sales rank	Bottom 5 States (Total Dollars Lost)	YoY Sales Growth	YoY Transaction Growth	YoY Avg Ticket Growth	Q3 % of Total Sales
9	Ohio	-0.8%	-6.6%	5.8%	2.9%
27	Utah	-2.2%	-1.4%	-0.9%	1.3%
17	Minnesota	-2.9%	-7.3%	4.4%	2.0%
24	Oregon	-4.1%	-2.9%	-1.2%	1.4%
16	Tennessee (most dollars lost YoY)	-5.7%	-11.3%	5.6%	2.1%

States with the largest dollar declines generally faced substantial transaction pressure. Tennessee produced the largest loss as sales fell -5.7% and transactions declined -11.3%, despite +5.6% ticket growth. Minnesota and Ohio showed similar patterns, with higher tickets unable to offset sharp traffic declines. Oregon experienced contractions across sales, transactions and tickets, while Utah's decline reflected weaker activity and pricing. These markets show the limits of price-led growth when customer frequency falls too far.

Top 20 NAICS 6 National Industries

Figure 7: Q3 2026 Performance of the Top 20 NAICS 6 National Industries.
(Ranked on total dollars at the national level. The top 20 represent 72.7% of total small business sales.)

Q3 performance varied sharply across the largest national industries. Hotels posted strong sales growth (+8.0%) on higher transactions, while Veterinary Services (+16.2%) and Industrial Machinery Wholesalers (+6.7%) also outperformed. Professional Services grew +3.1% despite a -13.0% transaction decline, reflecting much larger tickets. Limited-Service Restaurants (-3.6%), Information (-4.8%) and Motor Vehicle Dealers (-1.5%) remained weak. Full-Service Restaurants stayed positive (+0.8%), but lower visits confirmed continued pressure on dining frequency.

NAICS Level 6 National Industries	Dollars		Transactions		Average Ticket		% of Total Small Business Sales
	QoQ % change	YoY % change	QoQ % change	YoY % change	QoQ % change	YoY % change	
1 Full-Service Restaurants	-0.4%	0.8%	-0.4%	-0.8%	0.0%	1.5%	8.3%
2 Professional, Scientific, and Technical Services_OTH	1.2%	3.1%	-0.1%	-13.0%	1.3%	18.5%	7.9%
3 Limited-Service Restaurants	-0.2%	-3.6%	-0.6%	-5.3%	0.4%	1.8%	7.7%
4 Hotels (except Casino Hotels) and Motels	1.9%	8.0%	2.3%	8.7%	-0.3%	-0.6%	6.3%
5 Administrative and Support Services	1.9%	2.1%	1.4%	-4.8%	0.5%	7.2%	5.3%
6 Specialty Trade Contractors	-0.1%	0.0%	0.8%	3.8%	-1.0%	-3.6%	5.0%
7 Supermarkets and Other Grocery Retailers (except Convenience Retailers)	1.4%	0.4%	0.9%	0.4%	0.5%	0.1%	4.8%
8 Information	-1.1%	-4.8%	-2.9%	-9.4%	1.8%	5.1%	3.1%
9 Offices of Dentists	0.9%	2.9%	0.3%	0.2%	0.7%	2.7%	3.1%
10 Motor Vehicle and Parts Dealers_OTH	-0.0%	-1.5%	-2.5%	-6.6%	2.6%	5.4%	2.7%
11 Ambulatory Health Care Services_OTH	-0.0%	-1.5%	-0.1%	-2.3%	0.0%	0.8%	2.7%
12 Merchant Wholesalers, Durable Goods_OTH	1.3%	0.3%	-0.6%	-7.1%	2.0%	8.0%	2.4%
13 Merchant Wholesalers, Nondurable Goods_OTH	1.2%	4.0%	1.0%	3.1%	0.2%	0.9%	2.1%
14 Arts, Entertainment, and Recreation_OTH	-0.3%	-1.8%	-0.6%	1.5%	0.3%	-3.2%	2.0%
15 Building Material and Garden Equipment and Supplies Dealers_OTH	2.3%	-1.9%	-0.6%	-6.4%	2.9%	4.8%	1.8%
16 Veterinary Services	5.5%	16.2%	2.8%	2.1%	2.7%	13.8%	1.7%
17 Beer, Wine, and Liquor Retailers	0.1%	0.5%	0.1%	2.7%	-0.0%	-2.1%	1.6%
18 General Freight Trucking, Local	0.4%	1.5%	-4.8%	-13.0%	5.4%	16.7%	1.5%
19 General Automotive Repair	0.8%	1.9%	-0.3%	0.1%	1.1%	1.8%	1.4%
20 Industrial Machinery and Equipment Merchant Wholesalers	2.8%	6.7%	0.2%	2.3%	2.6%	4.3%	1.2%

* Industry descriptions with a suffix of "_OTHER" are uniquely defined by Fiserv. These custom classifications represent aggregated groupings of standard NAICS Level 6 industries within the same subsector that, individually, are not reported.

The NAICS 6-digit ("national industry") is the most detailed standard classification, isolating subsector drivers and reducing noise from broader category mix, which makes performance comparisons more meaningful.



Conclusion

Q3 2026 highlighted a consumer who remained engaged but increasingly selective about frequency and value. Sales advanced from Q2 and strengthened in September, yet quarterly transactions declined and remained down -2.0% YoY. Retail and Goods offered the clearest signs of underlying activity, particularly during back-to-school season, while Services, Gasoline and many state-level results remained heavily price-led. Small business performance stayed resilient, but durable growth will require stronger customer activity rather than continued dependence on larger tickets.

The Fiserv Small Business Index will continue to track these shifts nationally and locally, providing timely insight into how external shocks, inflation dynamics and behavioral changes influence demand. For deeper analysis on key developments discussed in this report, visit the [Fiserv Small Business Index](#) to explore monthly results and special reports.