



Fiserv Small Business Index®

Quarterly Overview | 4th Quarter, 2025
Seasonally Adjusted Report

Q4 2025: Small Business Growth Moderates Amid Shifts in Spending Behavior

Key Takeaways:

Growth moderated, but remained positive

Small business sales rose just +0.1% quarter-over-quarter (QoQ) and +1.2% year-over-year (YoY), reflecting slower but steady momentum. The Sales Index held steady, signaling a market that is maintaining gains despite cooler growth.

Foot traffic softened, while spending per transaction climbed

Transactions dipped -0.7% QoQ and -0.3% YoY, yet average ticket values rose +0.8% QoQ and +1.5% YoY, highlighting a shift toward larger baskets and more purposeful spending as key drivers for growth in Q4, rather than foot traffic or frequency.

December delivered a seasonal lift

After November's pullback (-0.5% MoM), December rebounded +0.8% MoM, helping to stabilize quarterly results. While not enough to reverse the slowdown, this late-season boost underscores the enduring influence of holiday demand.

Sector trends point to selective strength across services and discretionary spend

Goods-based sectors eased -0.4% QoQ, while services advanced +0.3%, supported by higher ticket sizes. Discretionary categories gained modestly in December, while essentials held steady, reflecting consumers' focus on value and choice.

Economic signals indicate steady, measured resilience

The divergence between flat transactions and rising ticket sizes suggests consumers are consolidating purchases rather than contraction, and that consumers are spending with intention. Growth was driven by pricing and mix, consistent with an environment that continues to be shaped by lingering uncertainty and cautious optimism.

National Overview

Q4 2025 saw a slowdown in both sales momentum and foot traffic (transactions), while average ticket growth showed modest acceleration.

Figure 1a: Small Business Q4 2025 Performance Summary

National Overview (by quarter)	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025
Sales Index	140.1	141.4	141.6	142.2	143.0	143.1
QoQ Sales Growth	0.3%	0.9%	0.2%	0.4%	0.6%	0.1%
YoY Sales Growth	2.5%	2.9%	2.3%	1.9%	2.1%	1.2%
Transaction Index	103.1	103.9	103.4	104.2	104.3	103.6
QoQ Transaction Growth	0.5%	0.7%	-0.4%	0.8%	0.1%	-0.7%
YoY Transaction Growth	2.9%	3.3%	1.0%	1.6%	1.1%	-0.3%
Average Ticket Growth						
QoQ Average Ticket Growth	-0.2%	0.2%	0.6%	-0.4%	0.5%	0.8%
YoY Average Ticket Growth	-0.3%	-0.4%	1.2%	0.3%	0.9%	1.5%

Source: Fiserv Small Business Index, seasonally adjusted

Special Note: Seasonally adjusted values will have slight variations 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.

Figure 1b: Small Business Q4 2025 Performance by Month

Total Small Business – MoM (by month)				Total Small Business – YoY (by month)			
MoM	Sales	Transactions	Avg Ticket	YoY	Sales	Transactions	Avg Ticket
OCT	0.1%	-0.1%	0.2%	OCT	1.3%	0.3%	1.0%
NOV	-0.5%	-0.7%	0.2%	NOV	0.8%	-0.7%	1.5%
DEC	0.8%	0.0%	0.9%	DEC	1.6%	-0.4%	2.0%
Q4 2025	0.1%	-0.7%	0.8%	Q4 2025	1.2%	-0.3%	1.5%

Each month in Q4 2025 showed slower transaction growth compared with Q3 2025 and Q4 2024. At the same time, each month saw average ticket growth gradually increase throughout the quarter. Compared to Q4 last year, the annualized growth pace of average tickets was significantly faster.

Figure 1c: Q4 2025 Performance of Selected Segments

DISCRETIONARY			
MoM	Sales	Transactions	Average Ticket
OCT 2025	0.0%	-0.2%	0.3%
NOV 2025	-0.5%	-0.4%	-0.1%
DEC 2025	0.7%	0.0%	0.7%
Q4 (QoQ)	-0.2%	-0.7%	0.5%
YoY	Sales	Transactions	Average Ticket
OCT 2025	0.1%	-0.1%	0.3%
NOV 2025	-0.1%	-0.6%	0.5%
DEC 2025	0.7%	-0.3%	1.0%
Q4 (YoY)	0.2%	-0.3%	0.6%

ESSENTIAL			
MoM	Sales	Transactions	Average Ticket
OCT 2025	0.3%	0.3%	0.0%
NOV 2025	-0.5%	-1.4%	1.0%
DEC 2025	1.0%	-0.1%	1.1%
Q4 (QoQ)	0.4%	-0.7%	1.1%
YoY	Sales	Transactions	Average Ticket
OCT 2025	2.8%	1.4%	1.4%
NOV 2025	2.0%	-1.0%	3.0%
DEC 2025	2.7%	-0.6%	3.3%
Q4 (YoY)	2.5%	-0.1%	2.6%

GOODS			
MoM	Sales	Transactions	Average Ticket
OCT 2025	0.4%	0.7%	-0.3%
NOV 2025	-1.3%	-0.8%	-0.5%
DEC 2025	0.8%	-0.5%	1.3%
Q4 (QoQ)	-0.4%	-0.5%	0.1%
YoY	Sales	Transactions	Average Ticket
OCT 2025	0.6%	1.8%	-1.2%
NOV 2025	-0.5%	0.6%	-1.2%
DEC 2025	0.7%	0.8%	-0.1%
Q4 (YoY)	0.2%	1.1%	-0.8%

SERVICES			
MoM	Sales	Transactions	Average Ticket
OCT 2025	0.0%	-0.4%	0.4%
NOV 2025	-0.2%	-0.7%	0.5%
DEC 2025	0.8%	0.1%	0.7%
Q4 (QoQ)	0.3%	-0.7%	1.1%
YoY	Sales	Transactions	Average Ticket
OCT 2025	1.7%	-0.3%	1.9%
NOV 2025	1.4%	-1.1%	2.6%
DEC 2025	2.0%	-0.8%	2.8%
Q4 (YoY)	1.7%	-0.7%	2.4%

Figure 1c: Q4 2025 Performance of Selected Segments (continued)

WHOLESALE TRADE				RETAIL			
MoM	Sales	Transactions	Average Ticket	MoM	Sales	Transactions	Average Ticket
OCT 2025	-0.4%	-0.2%	-0.2%	OCT 2025	0.7%	0.8%	-0.1%
NOV 2025	-0.6%	-0.6%	0.0%	NOV 2025	-1.5%	-0.8%	-0.7%
DEC 2025	0.8%	0.4%	0.4%	DEC 2025	0.9%	-0.5%	1.4%
Q4 (QoQ)	-0.5%	-1.9%	1.4%	Q4 (QoQ)	-0.4%	-0.4%	-0.0%
YoY	Sales	Transactions	Average Ticket	YoY	Sales	Transactions	Average Ticket
OCT 2025	0.8%	-1.9%	2.7%	OCT 2025	0.5%	2.0%	-1.5%
NOV 2025	1.6%	-5.0%	7.0%	NOV 2025	-1.2%	1.0%	-2.2%
DEC 2025	1.6%	-3.6%	5.4%	DEC 2025	0.3%	1.1%	-0.8%
Q4 (YoY)	1.4%	-3.5%	5.0%	Q4 (YoY)	-0.1%	1.4%	-1.5%
RESTAURANTS				GROCERY			
MoM	Sales	Transactions	Average Ticket	MoM	Sales	Transactions	Average Ticket
OCT 2025	-0.2%	-0.5%	0.3%	OCT 2025	1.3%	0.9%	0.4%
NOV 2025	-0.1%	-0.6%	0.5%	NOV 2025	-0.8%	-0.9%	0.1%
DEC 2025	-0.0%	-0.1%	0.0%	DEC 2025	-0.3%	-1.0%	0.7%
Q4 (QoQ)	-0.1%	-1.0%	0.9%	Q4 (QoQ)	-0.2%	-0.4%	0.2%
YoY	Sales	Transactions	Average Ticket	YoY	Sales	Transactions	Average Ticket
OCT 2025	0.3%	-1.1%	1.4%	OCT 2025	0.3%	1.8%	-1.5%
NOV 2025	0.0%	-1.5%	1.6%	NOV 2025	-0.6%	0.7%	-1.3%
DEC 2025	0.1%	-1.5%	1.6%	DEC 2025	-0.3%	0.2%	-0.6%
Q4 (YoY)	0.2%	-1.4%	1.5%	Q4 (YoY)	-0.2%	0.9%	-1.1%

Holiday Season Overview

Small Business Lens

Holiday spending showed resilience: According to Fiserv Small Business Index data, total U.S. small business sales were up +1.3% YoY (non-seasonally adjusted) during the holiday season.* Small businesses are dominated by Services, which made up 71% of all sales dollars during the period. Sales dollars were split more evenly between Discretionary and Essential items during the measurement period.

Small business retailers served conservative shoppers this season: Across retail small businesses, transactions increased +1.1% but average ticket slipped -1.2%, leaving overall retail sales slightly lower (-0.1%). Subsectors that successfully expanded baskets, whether from higher-value items or more volume, were likely able to drive growth for the entire season and not just the marquee shopping days. Essential categories faced softer results as consumers redirected spending toward select discretionary purchases or managed budgets more carefully per visit.

Confidence is fragile: Surveys from the [University of Michigan](#) and [The Conference Board](#) show sentiment improved slightly in December but remains well below pre-pandemic norms. Consumers were cautious, and concerns about tariffs, job stability and credit persist.

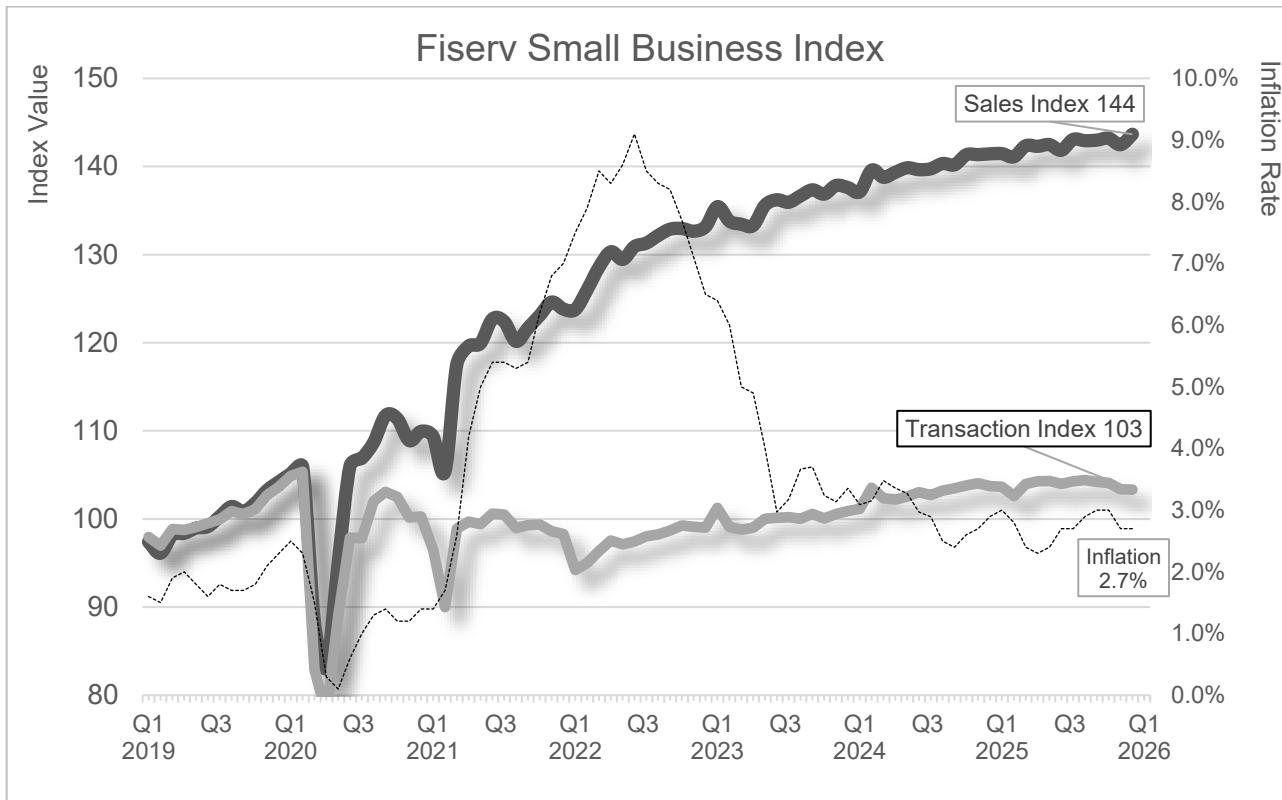
Cautious optimism: [NFIB's latest survey](#) shows small business owners expect stable revenues but cited uncertainty around tariffs and labor costs as top risks. In November, 64% of small business owners reported that supply chain disruptions were affecting their business to some degree, up 4 points from October.

Consumer Lens

Many economists assert that a “K-shaped” consumer split persisted through Q4. Higher-income households showed spending resilience (helped by promotions and robust online channels), while lower-income households contended with tighter budgets and selective buying. A [November report from ADP](#) showed a significant decline in small business employment, citing caution and cost control as key factors.

*“**Holiday season**” as reported by the Fiserv Small Business Index is defined as the period of October 1-December 25, 2025, compared to October 1-December 25, 2024. Due to the varying time periods aggregated for this holiday analysis, all values for small business performance via the Fiserv Small Business Index are non-seasonally adjusted.

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



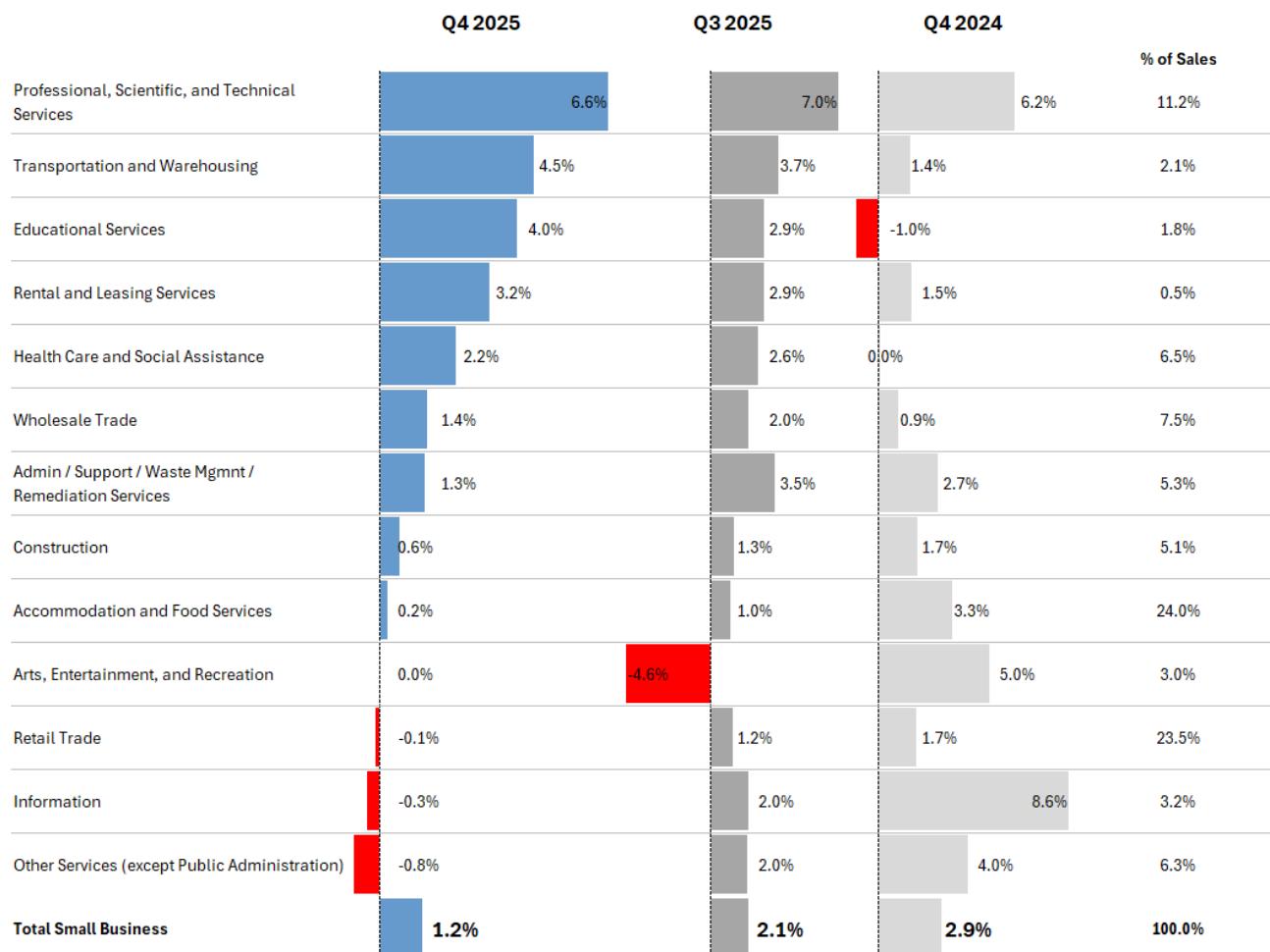
Source: Fiserv Small Business Index (seasonally adjusted); BLS.gov. The inflation rate is estimated for October and November 2025 due to disruptions and delays caused by the U.S. government shutdown, which lasted 43 days (Oct. 1- Nov. 12, 2025). For more information on these estimates, see this [BLS publication](#). December 2025 estimate assumes no change from the November inflation rate.

- **Inflation continues to serve as a catalyst and a constraint**
As inflation cooled from its June 2022 spike, transaction growth remained subdued, hovering between 103 and 104 since Q4 2024. Meanwhile, the sales index has been on a slow but steady climb, signaling higher average spend on stagnant foot traffic. While inflation may have boosted top-line results, it may also have softened demand. The transaction index stagnation through 2025 suggests that consumers are either growing weary overall, or there are cohorts within the consumer population who are disproportionately driving the spending.
- **Growth is increasingly basket-driven:** Creating and sustaining sales growth momentum may rely more on market basket economics, which underscores value, supply chain vulnerabilities and merchants' ability to drive visit frequency. As businesses continue to adapt to these inflationary dynamics, efficiency, pricing and optimized product-mix will have to work harder to make up for weaker foot traffic.

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

Fast growth in some smaller sectors (indicated by % of Sales) does not always boost the overall performance of small businesses. Ranked by Q4 YoY growth (descending), we see the two largest sectors (Retail and Accommodation/Food Services) combined for 47.5% of all small business sales in Q4 2025, but they were among the slowest-growing sectors in Q4 2025. Their YoY momentum has also slowed compared to YoY sales results for Q3 2025 and Q4 2024. Meanwhile, Professional Services (+6.6%) and Transportation and Warehousing (+4.5%) were the fastest-growing small business sectors in Q4 2025, but they account for only 13.3% of all small business sales.

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



Source: Fiserv Small Business Index, seasonally adjusted

Sector-Level Insights – Retail

Total U.S. small business retail sales ended the quarter essentially flat (-0.1% YoY), with more visits (+1.4% transactions) but smaller baskets (-1.5% average ticket). This was consistent with the price sensitivity, value-seeking and promotion-led buying observed in the broader market. The largest retail subsector, Food and Beverage, slipped -0.2% YoY due to -1.1% smaller ticket size, despite a +0.9% increase in foot traffic. Overall, discretionary subsectors were mixed: Sporting Goods outperformed (+4.8%, transactions +6.1%), while Clothing (+1.1%) and General Merchandise (+2.7%) relied on higher tickets amid weak foot traffic. Big-ticket purchasing drove Furniture/Electronics (+1.8% sales on -6.8% transactions, but +9.2% in average tickets), while Health & Personal Care sales declined -3.3% due to trade down; transactions rose +6.1%. Simply stated, consumers were engaged but cautious and prioritizing value over volume.

Figure 4: Retail Subsectors Performance and Distribution of Sales (Q4 2025)

Retail Subsector – Small Business	YoY Sales Growth	YoY Transaction Growth	YoY Avg Ticket Growth	Q4 % of Total Retail Sales
Sporting Goods, Hobby, Musical Instrument, Book, and Miscellaneous Retailers	4.8%	6.1%	-1.1%	16.1%
General Merchandise Retailers	2.7%	-1.2%	4.0%	1.6%
Furniture, Home Furnishings, Electronics, and Appliance Retailers	1.8%	-6.8%	9.2%	9.3%
Clothing, Clothing Accessories, Shoe, and Jewelry Retailers	1.1%	-3.7%	5.0%	7.2%
Food and Beverage Retailers	-0.2%	0.9%	-1.1%	29.5%
Building Material and Garden Equipment and Supplies Dealers	-0.7%	3.1%	-3.7%	13.1%
Gasoline Stations and Fuel Dealers	-0.9%	-2.3%	1.4%	3.4%
Health and Personal Care Retailers	-3.3%	6.1%	-8.9%	4.5%
Motor Vehicle and Parts Dealers	-5.1%	-5.9%	0.8%	15.3%
Core Retail (excludes Building Materials and Garden Equipment and Supplies Dealers, Motor Vehicle and Parts Dealers, Gasoline Stations and Fuel Dealers)	1.2%	1.8%	-0.6%	68.2%
NonCore (Building Materials and Garden Equipment and Supplies Dealers, Motor Vehicle and Parts Dealers, Gasoline Stations and Fuel Dealers)	-2.9%	-0.8%	-2.0%	31.8%
Total Retail	-0.1%	1.4%	-1.5%	100.0%

Geographic Trends

Figure 5: Q4 2025 Performance by State
(top 10 based on \$\$, representing 53% of total small business dollar sales)

Top 10 States (\$\$)	QoQ Sales Growth	YoY Sales Growth	YoY Transaction Growth	YoY Avg Ticket Growth	Q4 % of Total Retail Sales
1 California	2.2%	4.2%	5.0%	-0.8%	12.3%
2 Florida	-1.4%	0.8%	1.4%	-0.6%	7.9%
3 Texas	0.5%	0.8%	0.1%	0.7%	6.9%
4 New York	-1.1%	-2.4%	-2.8%	0.5%	6.8%
5 Illinois	1.2%	4.4%	3.9%	0.5%	4.0%
6 North Carolina	-1.5%	-0.3%	-0.4%	0.2%	3.2%
7 Pennsylvania	-0.6%	1.4%	-1.1%	2.5%	3.2%
8 Georgia	-1.6%	-0.9%	0.8%	-1.7%	3.1%
9 Ohio	-1.3%	1.2%	-3.2%	4.6%	2.9%
10 New Jersey	0.5%	1.2%	0.6%	0.6%	2.7%

California and Illinois accelerated from Q3, delivered best incremental small business sales for Q4 – California dominated small business YoY sales growth of +4.2% in Q4 2025, with acceleration of +2.2% over Q3 results. Illinois delivered similar results with +4.4% YoY and +1.2% QoQ. Foot traffic gains in the two states led all states and were the primary driver for sales growth in each. Despite significant disruptions and pressures from changing trade and immigration policies, small businesses overall were stable.

Accelerators: California, Illinois, Texas, New Jersey – Among the top 10, these states are adding near-term momentum on top of year-over-year growth. All 4 had foot traffic gains, only California saw average tickets decline YoY.

Decelerators: Florida, Pennsylvania, Ohio – These states grew YoY, but near-term momentum slipped between -0.6% and -1.4% compared to Q3 due to foot traffic erosion. YoY average ticket gains were significant in Pennsylvania (+2.5%) and Ohio (+4.6%)

Persistently weak: New York, North Carolina, Georgia – Near-term and annualized growth trajectories both declined, showing broad-based softness due to weak or falling foot traffic.



Sales growth rates help to understand and rank performance but offer a limited view of underlying dynamics. The following tables rank states by total dollars gained/lost in Q4 2025.

Figure 6a: Top 5 States for Small Business Sales Increase (absolute dollars) Q4 2025

Sales rank	Top 5 States (Total Dollars Gained)	YoY Sales Growth	YoY Transaction Growth	YoY Avg Ticket Growth	Q4 % of Total Retail Sales
1	California (most dollars gained)	4.2%	5.0%	-0.8%	12.3%
5	Illinois	4.4%	3.9%	0.5%	4.0%
14	Washington	5.0%	3.0%	1.9%	2.3%
11	Michigan	4.1%	0.7%	3.4%	2.6%
18	Missouri	5.1%	0.6%	4.5%	1.9%

Figure 6b: Bottom 5 States for Small Business Sales Decline (absolute dollars) Q4 2025

Sales rank	Top 5 States (Total Dollars Lost)	YoY Sales Growth	YoY Transaction Growth	YoY Avg Ticket Growth	Q4 % of Total Retail Sales
4	New York (most dollars lost)	-2.4%	-2.8%	0.5%	6.8%
19	Arizona	-7.6%	-17.8%	12.4%	1.9%
17	Colorado	-4.0%	-5.9%	2.0%	2.1%
15	Tennessee	-2.0%	-2.4%	0.5%	2.2%
44	Rhode Island	-6.9%	-1.6%	-5.4%	0.4%

Top 25 NAICS 6 National Industry

Figure 7: Q4 2025 Performance of the Top 25 NAICS 6 National Industries. (Ranked on total dollars, total U.S. level. The top 25 represents 78.4% of total small business sales.)

NAICS Level 6 National Industries	Dollars		Transactions		Average Ticket		\$\$ Share of Total Small Business
	MoM % change	YoY % change	MoM % change	YoY % change	MoM % change	YoY % change	
1 Full-Service Restaurants	0.1%	-0.5%	-0.7%	-0.7%	0.9%	0.1%	8.4%
2 Limited-Service Restaurants	-0.6%	0.5%	-1.2%	-1.8%	0.6%	2.4%	8.1%
3 Hotels (except Casino Hotels) and Motels	1.8%	0.3%	2.5%	2.7%	-0.7%	-2.3%	6.1%
4 Administrative and Support Services	0.3%	1.3%	0.8%	3.5%	-0.6%	-2.1%	5.3%
5 Specialty Trade Contractors	0.1%	1.4%	1.3%	5.4%	-1.2%	-3.8%	5.1%
6 Supermarkets and Other Grocery Retailers (except Convenience Retailers)	-0.0%	0.1%	-0.5%	0.3%	0.5%	-0.2%	4.9%
7 Information	-0.8%	-0.3%	-3.4%	-9.5%	2.7%	10.2%	3.2%
8 Offices of Dentists	0.7%	4.3%	-0.2%	1.0%	0.9%	3.2%	3.0%
9 Beer, Wine, and Liquor Retailers	-0.2%	-1.5%	0.3%	2.1%	-0.5%	-3.5%	1.6%
10 Veterinary Services	5.1%	24.0%	2.2%	15.4%	2.9%	7.4%	1.6%
11 General Freight Trucking, Local	1.1%	6.0%	-2.2%	3.5%	3.3%	2.4%	1.5%
12 General Automotive Repair	-1.0%	-1.4%	-0.7%	-2.7%	-0.3%	1.4%	1.4%
13 Industrial Machinery and Equipment Merchant Wholesalers	-0.8%	-0.8%	-0.7%	-0.3%	-0.1%	-0.5%	1.2%
14 Drinking Places (Alcoholic Beverages)	1.1%	1.2%	0.5%	0.7%	0.6%	0.5%	1.1%
15 Medical, Dental, and Hospital Equipment and Supplies Merchant Wholesalers	1.5%	6.1%	0.1%	-15.7%	1.4%	25.8%	1.0%
16 Advertising Agencies	1.8%	0.1%	5.3%	6.4%	-3.3%	-6.0%	1.0%
17 Electronics and Appliance Retailers	-0.3%	1.6%	-3.7%	-7.4%	3.5%	9.7%	1.0%
18 Clothing and Clothing Accessories Retailers	-1.0%	1.6%	-3.2%	-3.3%	2.2%	5.1%	1.0%
19 Fitness and Recreational Sports Centers	0.3%	-1.9%	2.0%	-5.7%	-1.7%	4.0%	0.9%
20 Gasoline Stations and Fuel Dealers	1.0%	-0.9%	-0.5%	-2.3%	1.5%	1.4%	0.8%
21 Tobacco, Electronic Cigarette, and Other Smoking Supplies Retailers	0.7%	19.8%	-0.3%	16.7%	1.0%	2.6%	0.8%
22 Beauty Salons	0.5%	2.4%	-0.3%	0.7%	0.8%	1.7%	0.8%
23 Sporting Goods Retailers	14.3%	0.9%	12.2%	-3.7%	1.9%	4.8%	0.8%
24 Repair and Maintenance_OTH	0.5%	1.5%	-0.8%	2.4%	1.3%	-0.9%	0.7%
25 Hardware Retailers	1.2%	3.9%	0.9%	4.2%	0.4%	-0.2%	0.7%

* 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.