



Survey Data Findings

Small Business Index Q2 2018

Ipsos Survey on behalf of MetLife – U.S. Chamber of Commerce

Washington, DC, May 23, 2018

These are findings from an Ipsos poll conducted March 22-April 23, 2018, via telephone in English. For the survey, a sample of 1,002 small business owners and operators was sourced from the continental U.S., Alaska and Hawaii.

Small businesses are defined in this study as companies with fewer than 500 employees that are not sole proprietorships. The sample for this study is a listed business directory of all U.S. businesses obtained through Dun and Bradstreet. Ipsos used fixed sample targets, unique to this study, in drawing sample. This sample calibrates respondent characteristics to be representative of the U.S. small business population using standard procedures such as raking-ratio adjustments. The source of these population targets is U.S. Census 2014 Statistics of U.S. Businesses dataset. The sample drawn for this study reflects fixed sample targets on firmographics. Post-hoc weights were made to the population characteristics on region, industry sector and size of business.

All sample surveys and polls may be subject to other sources of error, including, but not limited to coverage error and measurement error. The poll has a margin of error of plus or minus 3.5 percentage points for all respondents. Ipsos calculates a design effect (DEFF) for each study based on the variation of the weights, following the formula of Kish (1965). This study had a confidence interval adjusted for design effect of the following: (n=1,002, DEFF=1.5) adjusted Confidence Interval=+/-5 percentage points. Where figures do not sum to 100, this is due to the effects of rounding.

1. First, how would you rate the overall health of your business?

	<u>Q2-2017</u>	<u>Q3-2017</u>	<u>Q4-2017</u>	<u>Q1-2018</u>	<u>Q2-2018</u>
Very good	38	35	39	37	38
Somewhat good	23	26	22	25	22
About average	30	31	28	27	29
Somewhat poor	7	6	6	7	7
Very poor	2	2	3	3	2
Refused	--	--	0	1	0
Don't know	--	--	1	0	1

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Survey Data Findings – continued –

2. How would you rate the overall health of the United States economy?

	<u>Q2-2017</u>	<u>Q3-2017</u>	<u>Q4-2017</u>	<u>Q1-2018</u>	<u>Q2-2018</u>
Very good	5	9	9	21	13
Somewhat good	28	32	29	35	34
About average	41	33	35	26	31
Somewhat poor	22	19	20	12	16
Very poor	3	5	5	4	4
Refused	--	1	1	1	1
Don't know	1	1	2	2	1

3. How would you rate the overall health of the economy in your local area?

	<u>Q2-2017</u>	<u>Q3-2017</u>	<u>Q4-2017</u>	<u>Q1-2018</u>	<u>Q2-2018</u>
Very good	15	18	18	20	20
Somewhat good	27	28	30	26	29
About average	36	31	29	34	32
Somewhat poor	17	17	17	14	16
Very poor	5	6	5	6	4
Refused	--	--	-	0	0
Don't know	--	--	-	0	0

4. Compared to six months ago, does your business see more competition, less competition or about the same level of competition from smaller or local companies?

	<u>Q2-2017</u>	<u>Q3-2017</u>	<u>Q4-2017</u>	<u>Q1-2018</u>	<u>Q2-2018</u>
More competition	15	15	20	16	14
Less competition	6	7	7	4	8
Stayed about the same	76	77	71	77	75
Refused	2	1	1	1	2
Don't know	1	1	2	1	1

5. How comfortable are you with your company's current cash flow situation?

	<u>Q2-2017</u>	<u>Q3-2017</u>	<u>Q4-2017</u>	<u>Q1-2018</u>	<u>Q2-2018</u>
Very comfortable	32	30	33	36	32
Somewhat comfortable	48	51	47	44	47
Not very comfortable	14	12	11	12	11
Not at all comfortable	4	5	6	7	6
Refused	1	1	1	1	2
Don't know	1	1	2	1	1



Survey Data Findings – continued –

6. For the upcoming year, do you plan to...?

	<u>Q2-2017</u>	<u>Q3-2017</u>	<u>Q4-2017</u>	<u>Q1-2018</u>	<u>Q2-2018</u>
Increase investment	25	23	25	29	28
Invest about as much in the business as you did last year	56	58	56	54	55
Reduce investment	15	14	11	13	10
Refused	1	1	2	1	2
Don't know	3	4	5	2	5

7. Compared to six months ago, has the time or resources you spend completing licensing, compliance or other government requirements increased, decreased or stayed the same?

	<u>Q2-2017</u>	<u>Q3-2017</u>	<u>Q4-2017</u>	<u>Q1-2018</u>	<u>Q2-2018</u>
Increased	25	23	24	18	21
Decreased	1	4	3	3	2
Stayed the same	70	71	70	76	74
Refused	1	1	1	1	1
Don't know	3	2	2	2	2

8. Over the past year, would you say you have...?

	<u>Q2-2017</u>	<u>Q3-2017</u>	<u>Q4-2017</u>	<u>Q1-2018</u>	<u>Q2-2018</u>
Increased staff	15	18	16	16	18
Retained the same size staff	72	69	67	68	69
Reduced staff	13	13	16	15	12
Refused	1	1	-	0	0
Don't know	--	--	1	0	0

9. In the next year, do you anticipate...?

	<u>Q2-2017</u>	<u>Q3-2017</u>	<u>Q4-2017</u>	<u>Q1-2018</u>	<u>Q2-2018</u>
Increasing staff	29	24	27	32	32
Retaining the same size staff	64	68	68	62	63
Reducing staff	6	5	3	4	4
Refused	--	1	-	1	0
Don't know	1	2	2	1	1

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10. Looking forward one year, do you expect next year’s revenues to increase, decrease or stay the same?

	<u>Q2-2017</u>	<u>Q3-2017</u>	<u>Q4-2017</u>	<u>Q1-2018</u>	<u>Q2-2018</u>
Increase	60	56	57	61	62
Decrease	9	8	6	6	8
Stay the same	29	33	33	30	28
Refused	--	1	1	1	0
Don’t know	1	2	3	2	2

Q2 Story Questions – Asked of All Respondents

11. Do you agree or disagree with each of the following statements?

	<u>Q2-2018</u>				
	If your business starts to struggle, you have a clear idea of how you would need to change your business to be more successful	You have clear metrics in place to know if your business is struggling	You have a business plan to adapt to a changing economy	You have access to the business support services you need to succeed	You have all the support you need from friends and family for your business to succeed
Strongly agree	52	56	41	50	63
Somewhat agree	34	31	40	37	22
Somewhat disagree	8	6	12	6	5
Strongly disagree	3	2	5	4	6
Refuse	2	1	1	1	2
DK/NS	1	3	2	2	2

12. Compared to other small businesses in your sector, is your business adapting to new technology and technological change?

	<u>Q2-2018</u>
Ahead of the pack	25
In the middle of the pack	61
At the back of the pack	12
Refuse	0
Don’t know	1

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13. I'm going to read a list of tools and technology. For each, please tell me if your business uses that tool. How about

	<u>Q2-2018</u>						
	Video conference services	Smartphone applications for things like scheduling or productivity	Big data or analysis from big data	3D printing	Cloud computing or Software as a service	Computer-based accounting or book keeping programs	CRM or customer relationship management system
Yes	34	51	18	7	53	87	31
No	65	48	79	93	46	12	67
Refuse	0	0	0	-	0	0	0
Don't know	1	0	3	0	1	1	1

14. In the typical 24 hours of a day during your average work week, how many hours do you spend on each of the following?

	<u>Q2-2018</u>						
	Managing staff	Working with clients or customers	Administrative work	Working with external professional consultants	Sleeping	Quality time with family or friends	Addressing home or family life needs
Average number of hours spent	3.7	5.6	4	0.8	6.7	4.2	4.2

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