



Understanding Our Economy

Small Businesses Navigate Inflation

(NAPS)—Inflation is a big concern for America's more than 32 million small business owners, but there are solutions, according to a recent survey.

The Problem

Nearly one in three business owners report feeling extremely worried about inflation and rank it as a top business concern, and another 62.5% say they're generally concerned about inflation and are keeping an eye on rising prices, according to the new survey data from SCORE, mentors to America's small businesses and a resource partner of the U.S. Small Business Administration.

The Study

SCORE's Spring 2022 Megaphone of Main Street: Inflation & the Economy report found only 7% of small businesses are not troubled about inflation while three out of four small business owners report mixed feelings about the economy overall. While finding customers remains a serious problem for small business owners (51.8%), cash flow (35.9%), inflation (33.9%) and supply chain disruptions (30%) are all rapidly growing issues as the economy remains tumultuous.

Many small business owners (62.7%) have seen their profits decline over the past six months. Meanwhile, rising costs cause cash flow problems for one-third (35.9%) of the small business owners surveyed. Vendors and suppliers are charging 65.7% of business owners more than they were six months ago. More than half of business owners (53.5%) now pay more for utilities (including gas). Only 15.5% reported profits were higher than expected.

An Answer

To improve profitability, some small business owners are seeking more profitable clients, some are adjusting their



Good news for small businesses: they don't have to navigate the current economic uncertainty alone.

product mix or improving technology, most are raising prices. All but 7.8% of those surveyed have raised prices by 5% to 20%, with an average increase of 11%.

Fortunately, SCORE can make a difference. "Small business owners have been inundated with curve balls throughout the past two years with no signs of slowing down," explains SCORE Vice President of External Relations Betsy Dougert. "We want entrepreneurs to know they are not on this journey alone. SCORE has a plethora of resources, including small business experts, to help them navigate challenges and thrive."

SCORE—a 501(c)(3) nonprofit organization—supports small businesses during difficult times. Since 1964, it has helped 11 million entrepreneurs start or grow a business. SCORE's 10,000 volunteers provide free workshops and educational services to over 1,500 communities nationwide, creating 25,084 new businesses and 71,475 non-owner jobs in 2021 alone.

Learn More

To discover what SCORE can do for you and your small business, visit www.SCORE.org.