



THE 2024 MID-YEAR BOSS

BUSINESS OWNER SUCCESS SURVEY

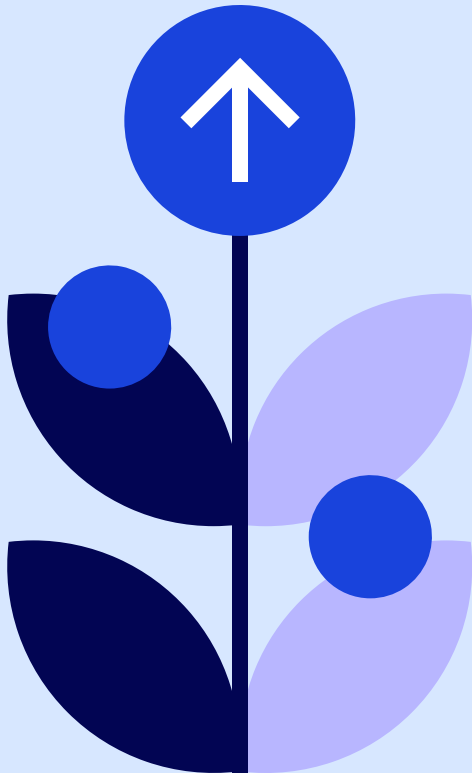
Welcome to the 2024 Mid-Year Edition
of the Bluevine BOSS Report.

This survey of Small Business Owners (SBOs)
reveals many are setup to succeed, while others
are making avoidable mistakes that could present
challenges to finish the year on top.

The analysis of Bluevine's Business Owner Success
Survey (BOSS) is meant to inform business owners
about what is working for their peers, so they can
better plan, budget, and perform to achieve the
success they want for their own companies for the
remainder of 2024.



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Report Highlights

Introduction

Small Business Owners (SBOs) shake off high costs of inflation, unyielding interest rates, and political uncertainty in the first half (H1) of the year to achieve profitability by year-end.

Despite their optimism, many SBOs are making the same financial management mistakes that could cost them a successful year.

Small Business Owners Are Hitting Their Numbers

88%

The majority of SBOs met or exceeded expectations for business performance forecasts in H1 2024

73%

Nearly three-quarters of SBOs report coming out of H1 2024 with high confidence in H2 2024 business performance

66%

Two-thirds of SBOs received the additional capital they applied for via loan, line of credit, or credit card in H1 2024

But Avoidable Mistakes May Cost Them

52%

More than half of SBOs still use personal credit cards for business purposes, which obscures true cash flow while also creating issues with expense management and accounting.

34%

Only one-third of SBOs have established access to a line of credit to use as a buffer for working capital (e.g., payroll, expenses, etc.) or for company growth (e.g., adding employees, developing new products/services, etc.)

58%

A little more than half of SBOs report maintaining enough of a cash reserve to avoid a cash flow crunch.



Business Performance

Nearly half of SBOs haven't changed their plans for the second half of the year based on the economic climate and business performance of the first half of 2024. Most have seen revenue and profitability in line with forecasts from the beginning of the year, and even more are bullish about ending the year at or above projections for both by year's end.

REVENUE

86%

report they are at or above revenue expectations for H1 2024

70%

are optimistic about their revenue forecasts for H2 2024

PROFITABILITY

84%

report they are at or above profit expectations for H1 2024

72%

are optimistic about their profitability forecasts for H2 2024

Inflation's Impact on Pricing

Of the 77% who felt their businesses impacted by inflation, **55% raised prices to help counter those inflationary pressures.**

Some price increases were targeted

19%

reported raising prices across the board



42%

raised prices only on certain products and services

The biggest drivers of these price increases were:

Supply/materials costs **65%**

Payroll/benefits **41%**

Marketing/advertising costs **40%**

High interest rates driving up the cost of capital **33%**



Only 4% **lowered** prices on all or some of their products and services.

Spending & Credit

Roughly half of all small businesses plan to maintain their level of planned spending throughout 2024, undeterred by economic policy and political uncertainty. Meanwhile, one-third of SBOs will cut spending, nearly twice the amount of small businesses planning to increase spending in H2 2024.



Personal vs. Business Credit

Surprisingly, more than half of SBOs use their personal credit card for business purposes, despite the challenges this causes with monitoring accurate cash flow and accounting for company expenses.

52%

of SBOs use personal credit cards for business expenses

46%

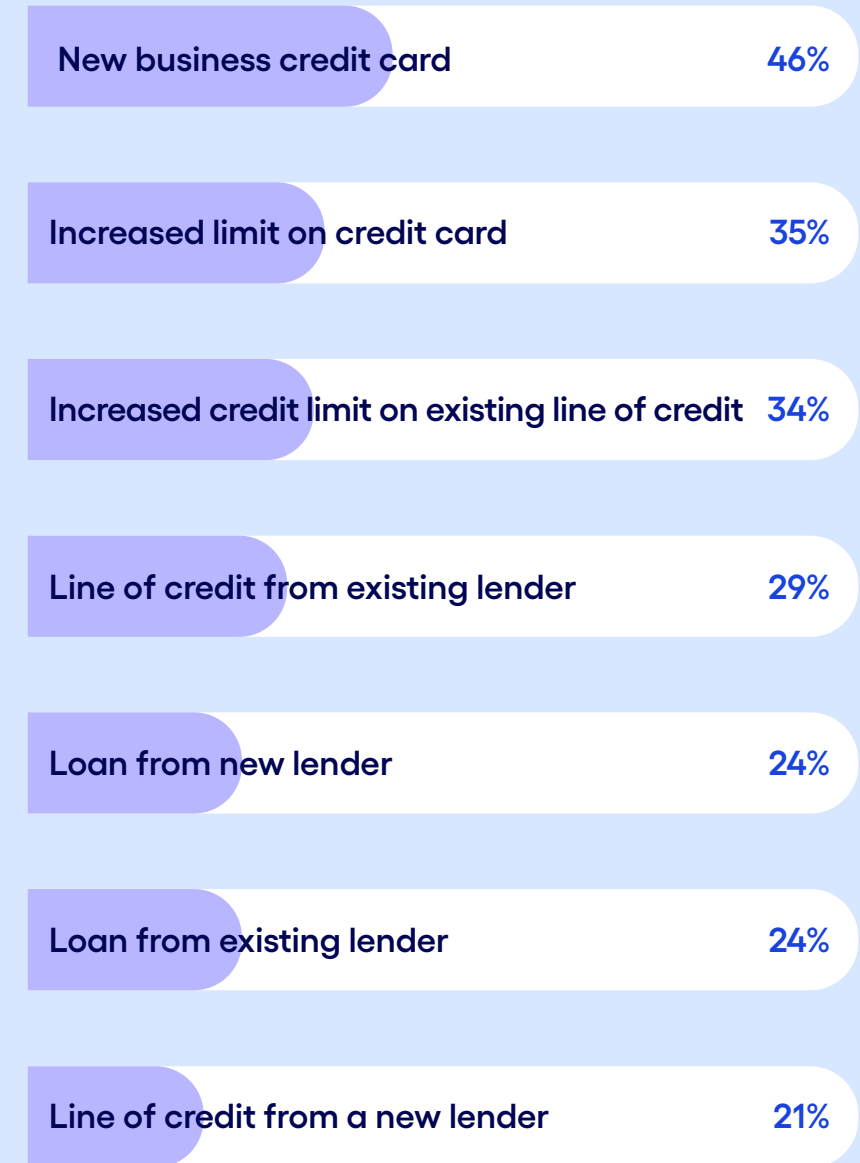
intend to get a new business credit card in 2024

35%

intend to increase their credit limit in 2024



Which forms of credit were preferred by SBOs?



Access to Capital

When it comes to accessing capital, SBOs continue to make progress. At the mid-way point in the year, two-thirds of SBOs received the additional capital they applied for via loan, line of credit, or credit card in H1 2024. And the vast majority who did receive capital got approved for the amount and interest rate they sought. This signals that small businesses have largely settled into their current economic reality and don't plan to just wait on the sidelines for the Fed to cut rates before investing in growth and operational goals.

Putting Money to Work

Of those seeking access to capital, the most popular purposes for the money are:

Growth and expansion 53%

Working capital 43%

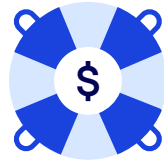
Upgrade/add technology 34%

Purchase assets 29%

(e.g., equipment, real estate)

Cover payroll 25%

Buffer in case of late payments 22%



Help Line

Despite market challenges and economic uncertainty, only one-third (34%) of SBOs have established a line of credit to help maintain a cash flow buffer - even though **working capital, covering payroll, and a buffer for late customer payments** rank among the most popular needs for raising capital.

66%

of SBOs received the additional capital they applied for via loan, line of credit, or credit card in H1 2024.

95% were approved for the amount of credit they applied for

83% received the APR they sought

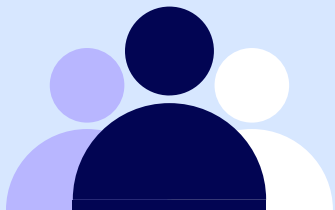


Hiring

2024 began with a promising hiring outlook among small businesses, with two-thirds reporting plans to make new hires. While roughly half of SBOs are holding steady to their 2024 hiring plans, the other half are nearly split on expanding and retracting their hiring projections compared to the start of the year.

75%

finished 2023 with the same or fewer employees.



67%

of SBOs began 2024 with plans to make new hires

63% planned a 10-50% increase in headcount

4% planned a 60-100% increase in headcount

33% did not plan on making new hires

Almost half of SBOs have changed their hiring plans for H2 2024, compared to the start of the year.

Hiring **more** than planned **20%**

No change to hiring plans **55%**

Will hire **less** than planned **25%**

Economics & Public Affairs

Government Policy

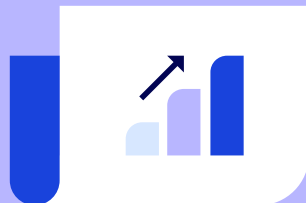
Inflation and taxes rank among the biggest concerns for SBOs when it comes to government policy, while regulations are simply not a concern to negatively impact business success.

Inflation 62%

Taxes 50%

Interest rates 40%

Regulations are not a concern 80%



Government Programs

To be more effective, state and federal **policy makers need to improve education and awareness** of the programs designed to support US-based small businesses. Almost half (44%) do not credit any government programs with helping them grow, yet **“Small Business Support” ranked among the top 5 issues** SBOs would like to see the federal government address in 2025.

Of those who have sought or will seek a business loan this year

39%

will apply for a Small Business Administration (SBA) loan

vs

74%

will seek a bank loan

29%

More than one in four SBOs say SBA programs have helped their business grow

24%

Only one-quarter of SBOs utilized state-based economic development programs to help their business grow



Election Outlook



While the voting for the presidential election is essentially a toss-up among small business owners, roughly three in five will be **voting based on their personal ideals over business-friendly policies** in November. And the vast majority of SBOs are not concerned about government regulations impacting their business success.

Presidential Election

Small Business Owners are evenly split along Democratic, Republican, and Independent party affiliations.

39%

Democrat

34%

Republican

28%

Independent/Other

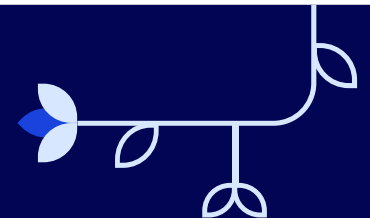
BUSINESS OWNERS DON'T VOTE WITH THEIR POCKETBOOKS

58%

of SBOs say they will choose a candidate who **most aligns with their personal ideology** over the candidate who is most likely to create a better climate for their business success.

ECONOMIC OR BUSINESS IMPACT?

SBOs are nearly split on the potential impact the outcome of the presidential election will have:



With a New Republican President

56%

expect a to have a positive effect on the economy

53%

expect a to have a positive effect on their business



With a New Democratic President

43%

expect to have a positive effect on the economy

40%

expect to have a positive effect on their business

Methodology

Research Objective

This Bluevine survey was conducted to measure small business owners' sentiments on a variety of topics including, business performance and goals, financial and organizational planning, as well as public policy impact, in order to benchmark current trends in the small business sector across the U.S.

Survey Methodology

Bredin, an independent market research firm, conducted a survey of 1,200 respondents across the U.S. between June 5-18, 2024. Respondents are company owners, founders, partners, CEOs, or presidents of businesses with annual revenue between \$100,000 and \$5,000,000. Survey respondents include a broad cross-section of industries, business and respondent ages, and geographical locations.

