



Empowering Small Business:

The Impact of Technology on U.S. Small Business

Third Edition



U.S. Chamber of Commerce
Technology
Engagement Center

Introduction

The U.S. Chamber of Commerce Technology Engagement Center report, *Empowering Small Business: The Impact of Technology on U.S. Small Business*, examines the pivotal role that diverse technology platforms have in helping small businesses operate and compete. Introduced in 2022, this nationwide survey and econometric analysis of U.S. small businesses continue to explore the various types and applications of technology used by small businesses, how these factors have changed over time, and the effects of these trends on these enterprises and the economy at large.

The latest edition of this report focuses on the profound emergence of artificial intelligence (“AI”) in the marketplace and the heightened interest in—and use of—the technology by small businesses. While small businesses continue to express concern over inflation, the affordability of employee benefits, interest rates, supply chain issues, and the recruitment of skilled talent, the report reveals that

technology provides opportunities for small businesses to save time and money, while providing more tailored services to compete with larger companies.

As with previous editions, C_TEC partnered with Teneo Research to conduct this nationwide survey of U.S. small businesses and explore the following:

- How small businesses use various technology platforms.
- How the use of technology affects business operations and key business metrics.
- How the adoption of technology sets up small businesses for future success.
- How U.S. small businesses adopt AI.
- How the current and proposed regulatory landscape surrounding issues like AI and data privacy could impact small business benefits of technology.



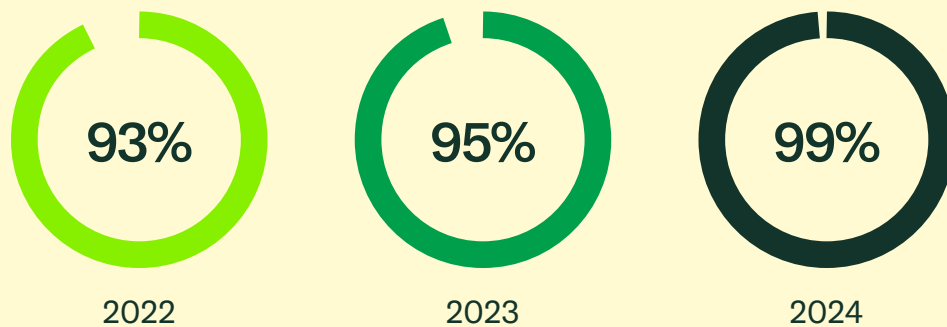
Similar to previous versions of the report, the results demonstrate that various technology platforms have played a critical role in helping small businesses weather challenges and small businesses that fully embrace technology outperform their peers and are more optimistic about the future. Companies are also looking at emerging technologies like AI to add to their arsenal of digital tools to compete and expand their business. This new version of the report found the following:

- 99% of small businesses are using at least one technology platform.
- 40% of small businesses self-identified they use generative AI—nearly double the level from just last year (23% in 2023).
- 91% of businesses actively using AI say it will help their business grow in the future.
- 81% of small businesses plan to increase their use of technology platforms.
- 77% of small business owners plan to adopt emerging technologies, including AI and metaverse.
- While education around the benefits of AI remains the top barrier to adoption, new concerns are growing around compliance and staffing.
- 86% of small business owners say that proposed technology regulations would harm their ability to grow.
- Small businesses using the most technology are substantially more likely to have grown this past year.
- Small business owners who are using the most technology have a far brighter economic outlook.
- With inflation being the biggest challenge facing small businesses, 79% report that technology has helped them avoid raising prices for consumers.



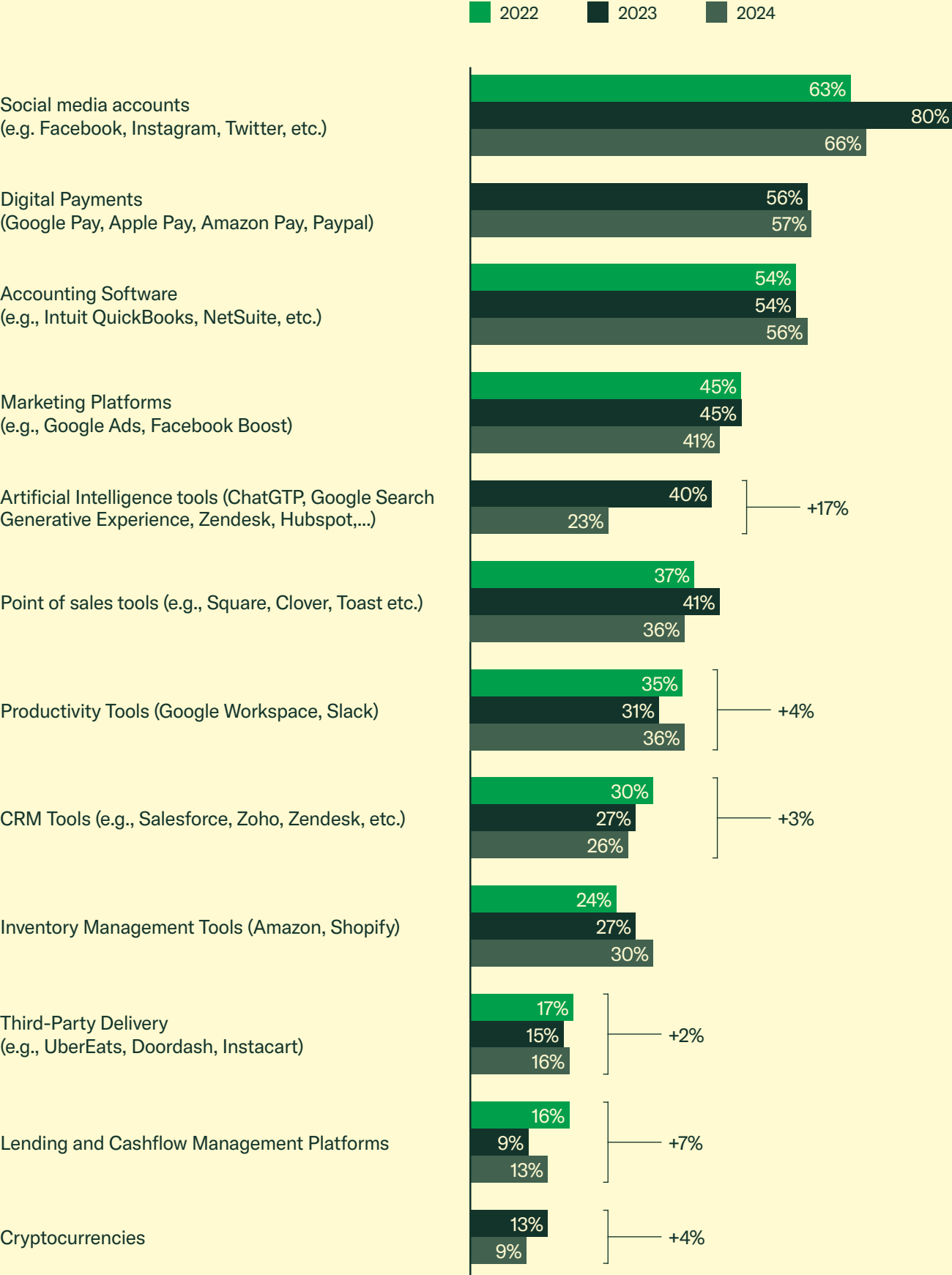
Part One: Technology Usage in General

Technology use by small businesses is nearly universal (99%), and it has become widely distributed, with no *one* category of technology dominating. However, there exists a sizeable increase in AI as well as cash flow management platform adoption, *with AI use nearly doubling* since 2023 and becoming the 5th most used technology for small businesses.



Use at least one technology platform

Which, if any, of the following types of technology platforms is your business using?

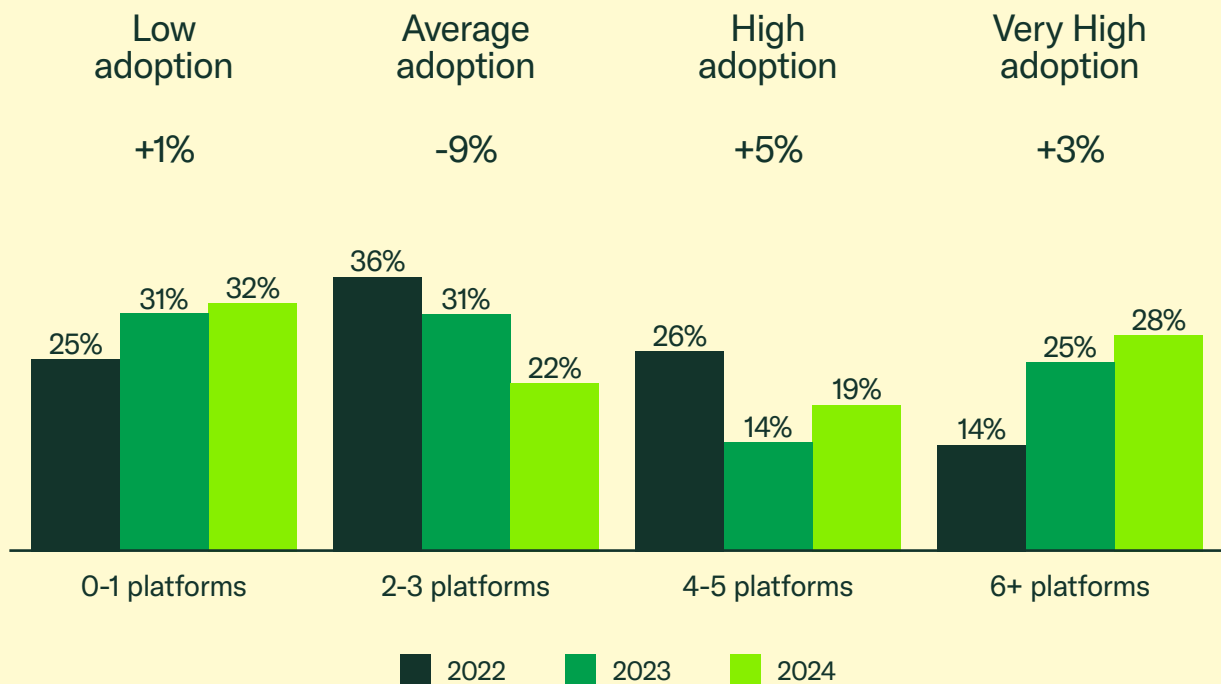


More small businesses are becoming seasoned users of multiple technology platforms, with growing levels of high-rate tech adoption. Our survey defined “high adoption” to include use of four to five platforms, with “very high adoption” to include use of six or more platforms. Nearly half of all U.S. small businesses now fall into the *high* or *very high* technology adoption categories (47% overall). More than a quarter of small businesses use six or more technology platforms to run their small business.

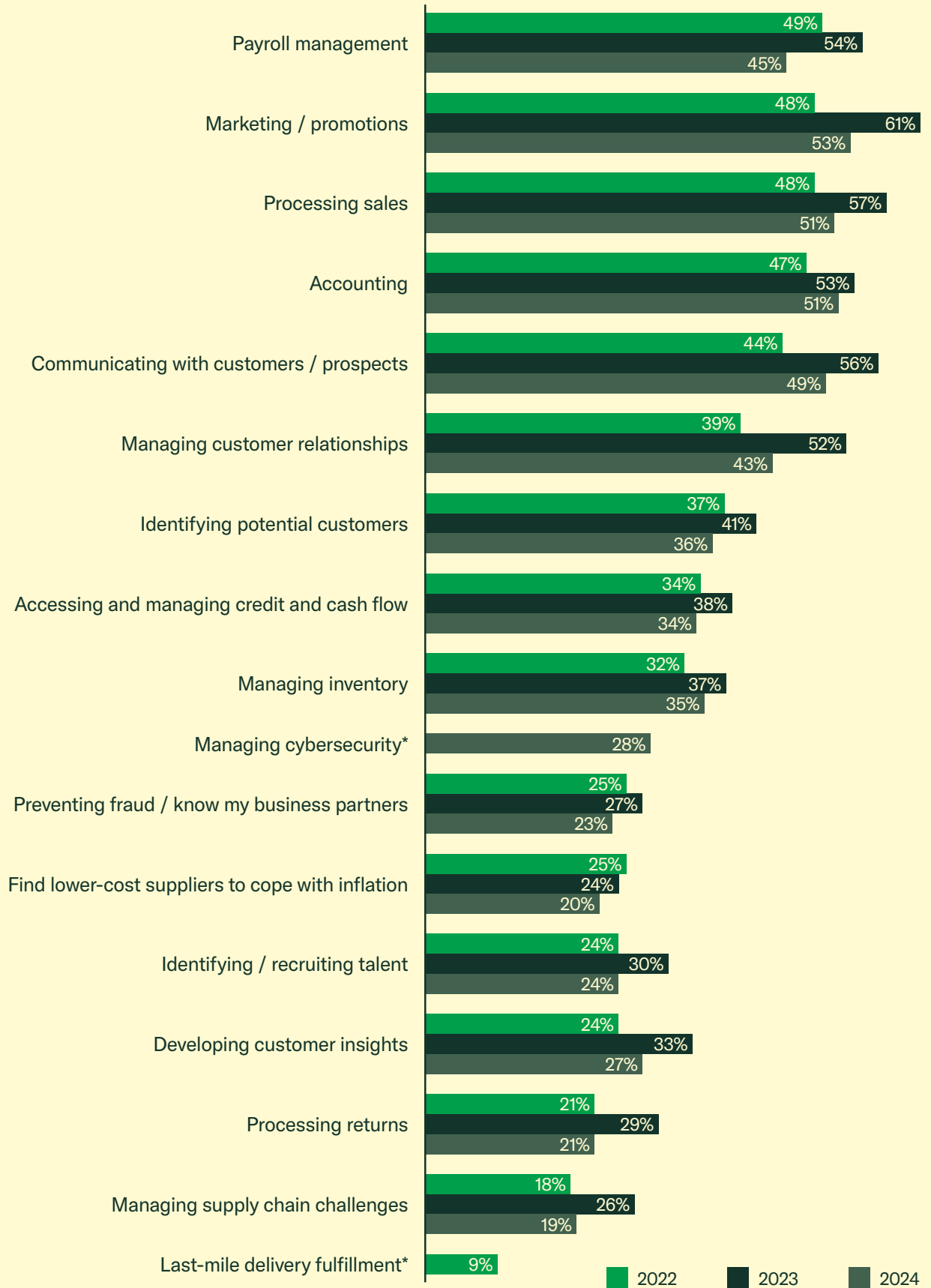
Low adoption businesses (those using no more than one platform), when selecting a platform, tend to utilize social media, accounting software, and/or marketing platforms.

Small businesses use technology to solve a wide range of business needs. The most common applications for technology in small businesses help manage the finances of the business (e.g., payroll, sales processing, accounting). This is followed by a range of customer engagement activities (e.g., marketing, communications, identifying and managing customer relationships).

Which, if any, of the following types of technology platforms is your business using?

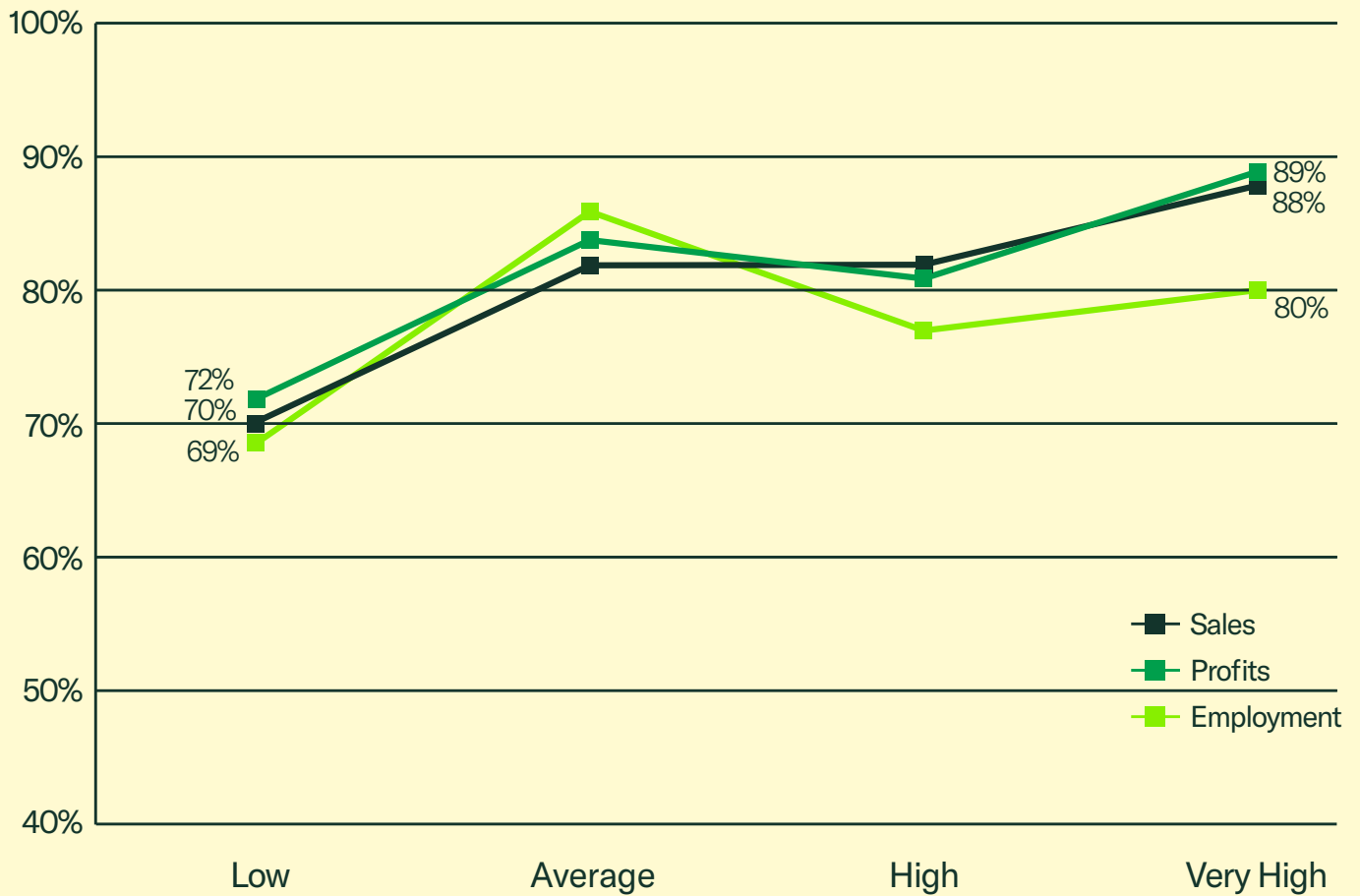


How does your business use technology?



Technology use is linked to growth among small businesses. Small businesses that leverage technology platforms are more likely to have experienced growth in sales and profits over the past year as well as an increase in their workforce.

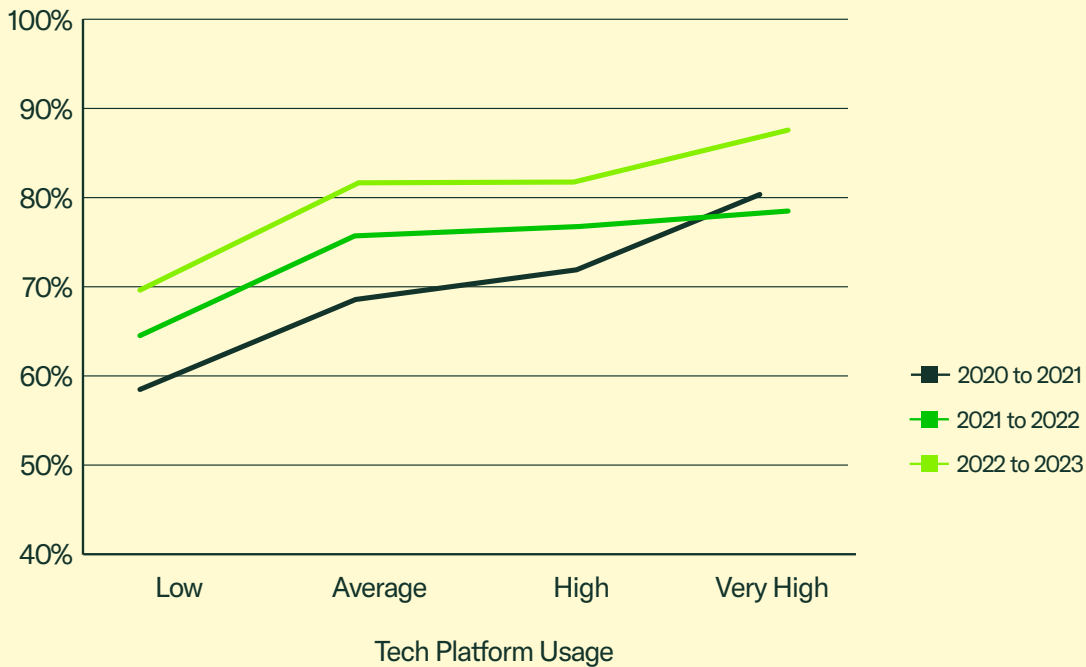
Percentage Share of Small Businesses That Grew Since 2022



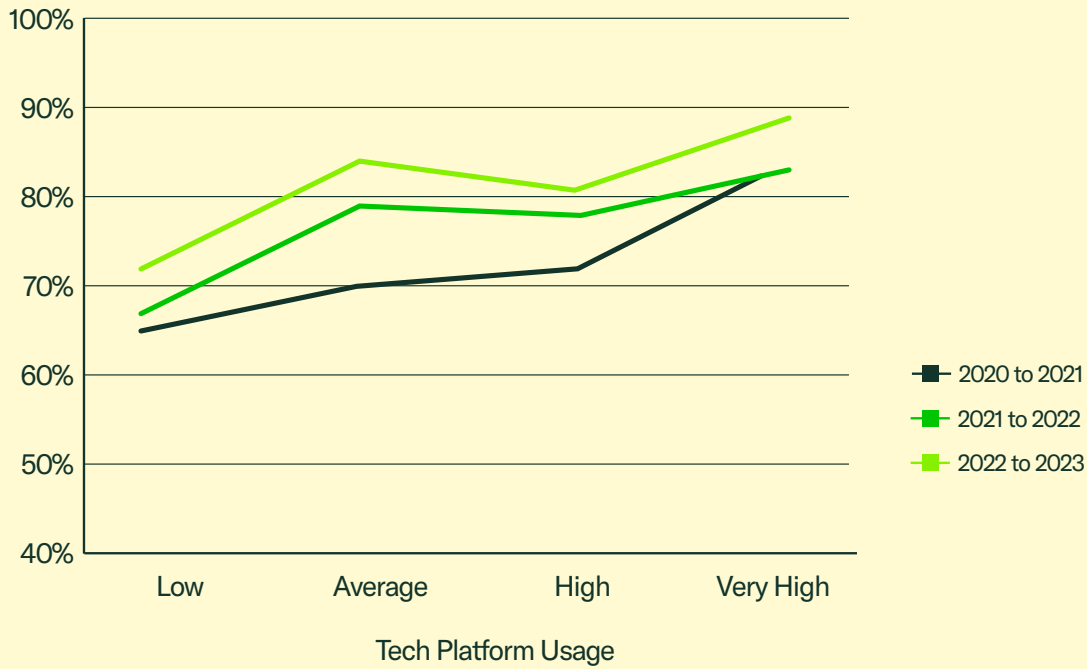
High-tech use companies realized growth last year ahead of lower-tech companies. While we see year-over-year improvement in the share of small businesses that are growing across the three key performance indicators of sales, profits, and employment, for the third year in a row companies that are utilizing a wide range of technologies are more likely to be growing than their non-tech-enabled peers.

Percentage Share of Small Businesses That Grew Since 2020

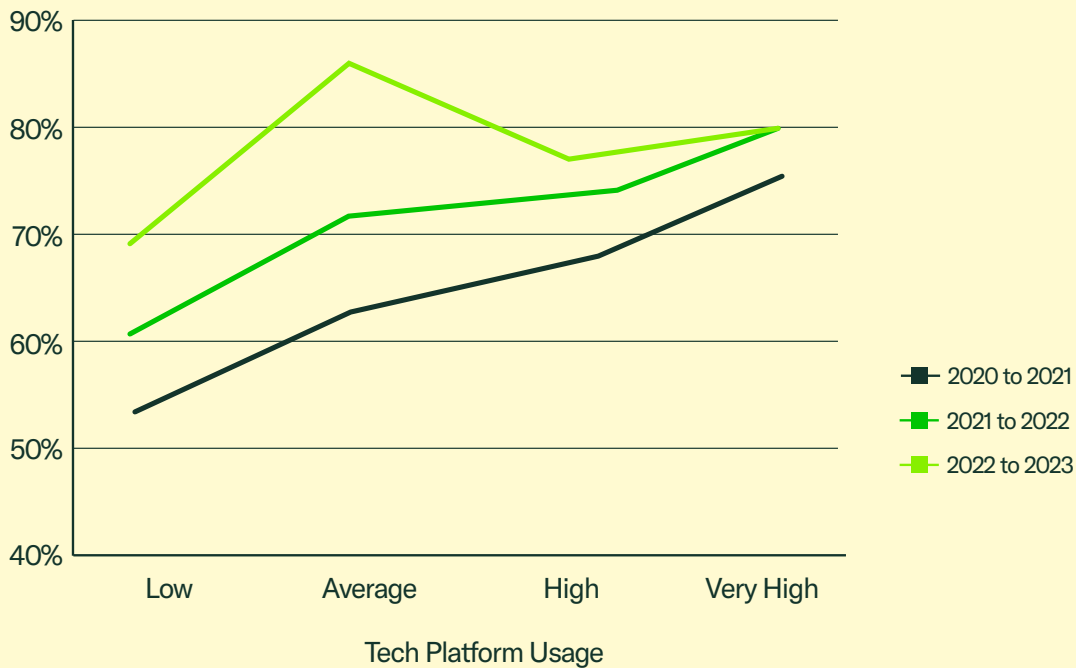
Sales Growth



Profit Growth

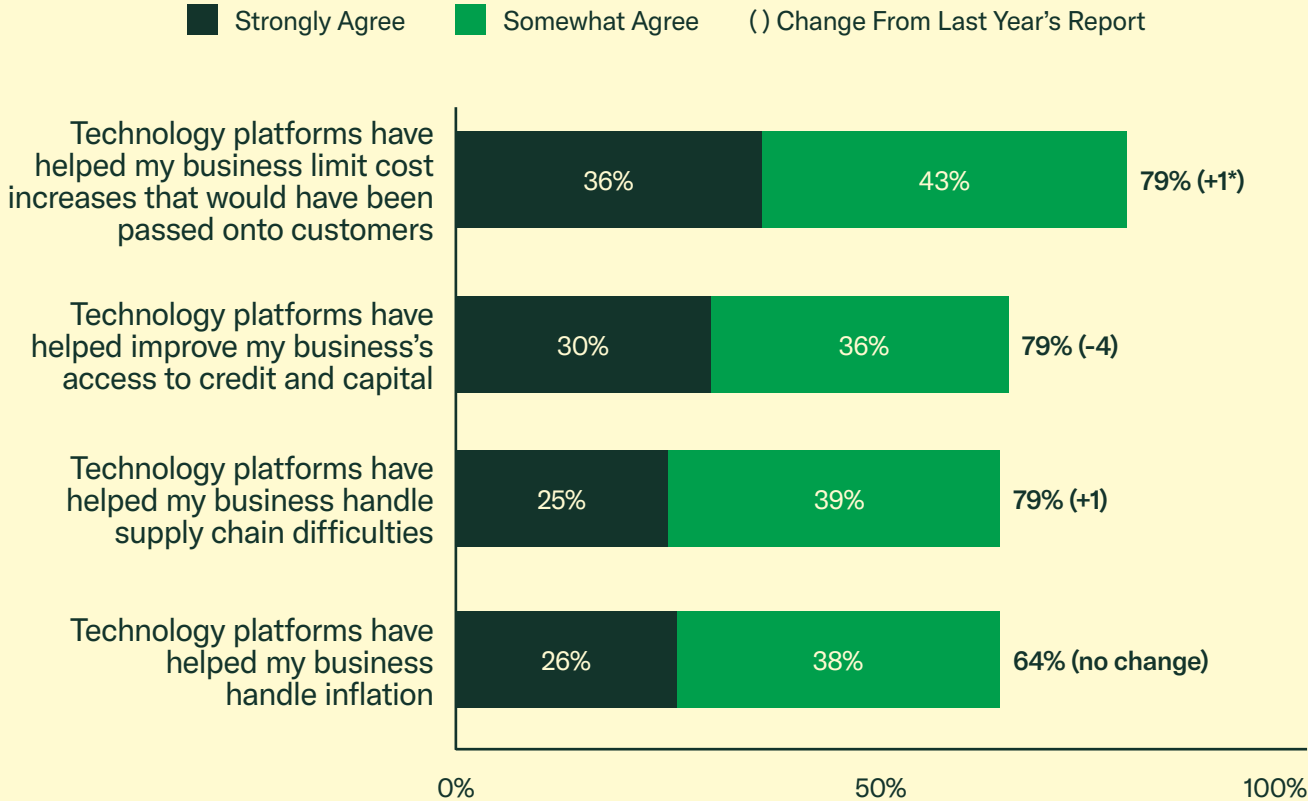


Employment Growth



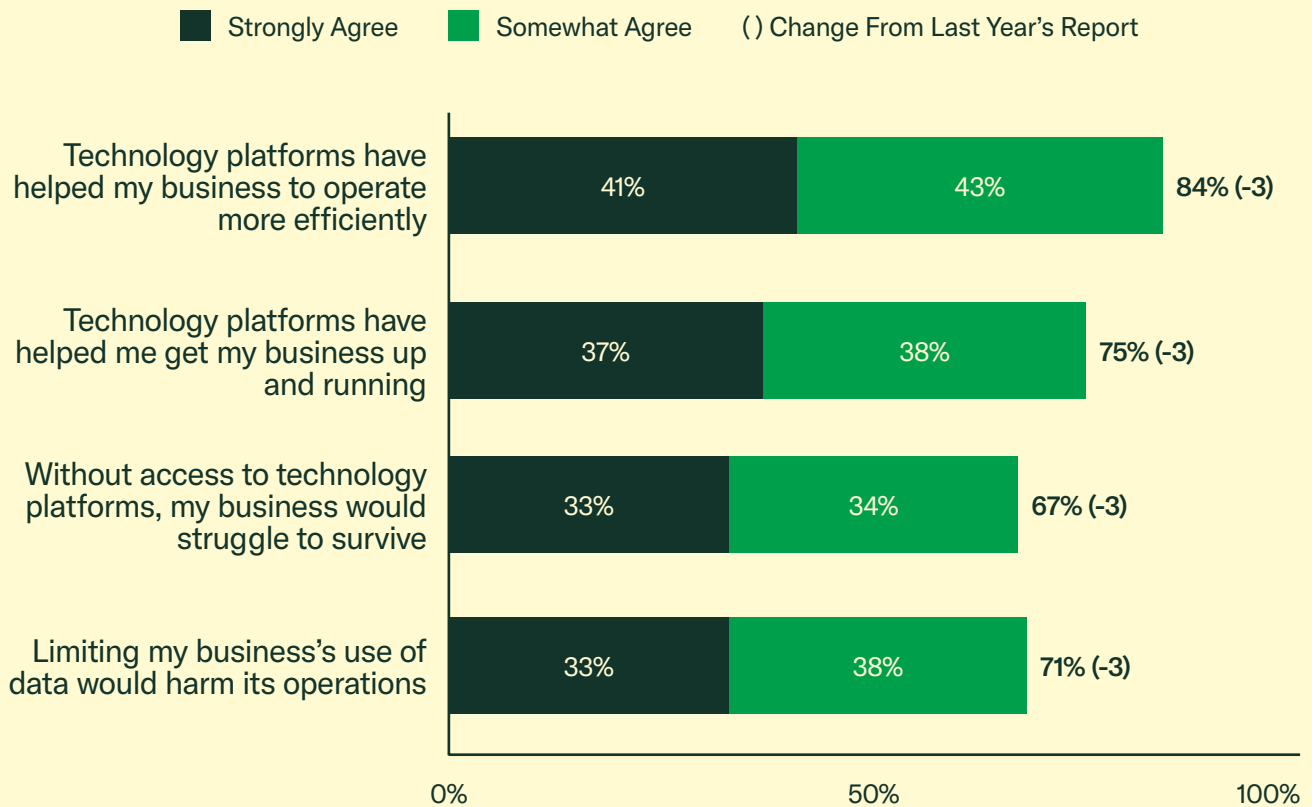
As inflation remains the single most prevailing headwind for small businesses, nearly four in five small businesses report that technology platforms help them prevent passing on cost increases to consumers. Nearly two-thirds have indicated that technology platforms enable them to mitigate supply chain difficulties.

Please indicate whether you agree or disagree with each of the following statements about how the use of technology has affected your business.



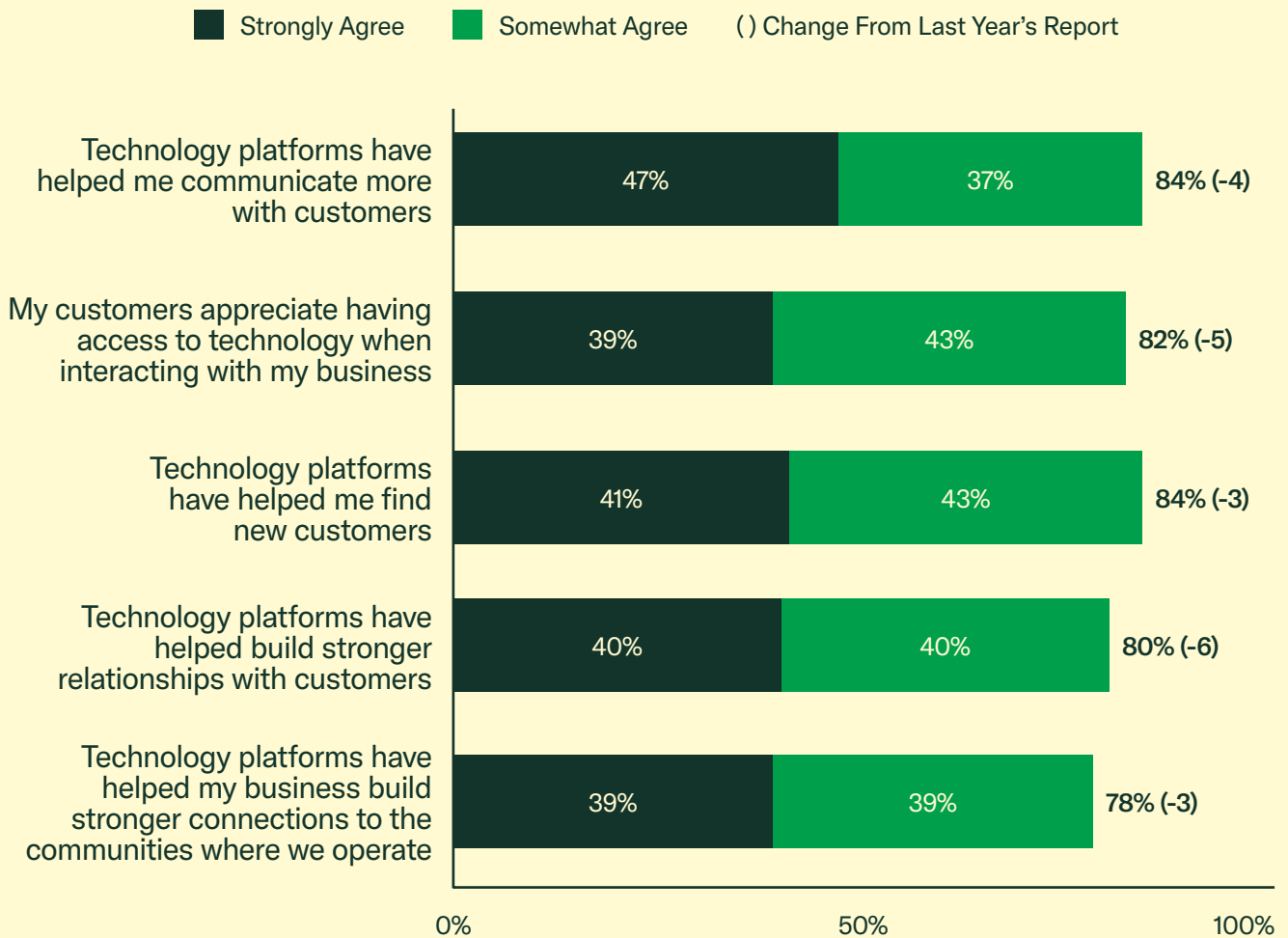
The overwhelming majority of U.S. small businesses rely on technology to operate efficiently and sustain their businesses. **Three-quarters** of U.S. small businesses used technology to help them get their business running, and in today's economic environment, **two-thirds** would not be able to survive without technology.

Please indicate whether you agree or disagree with each of the following statements about how the use of technology has affected your business.



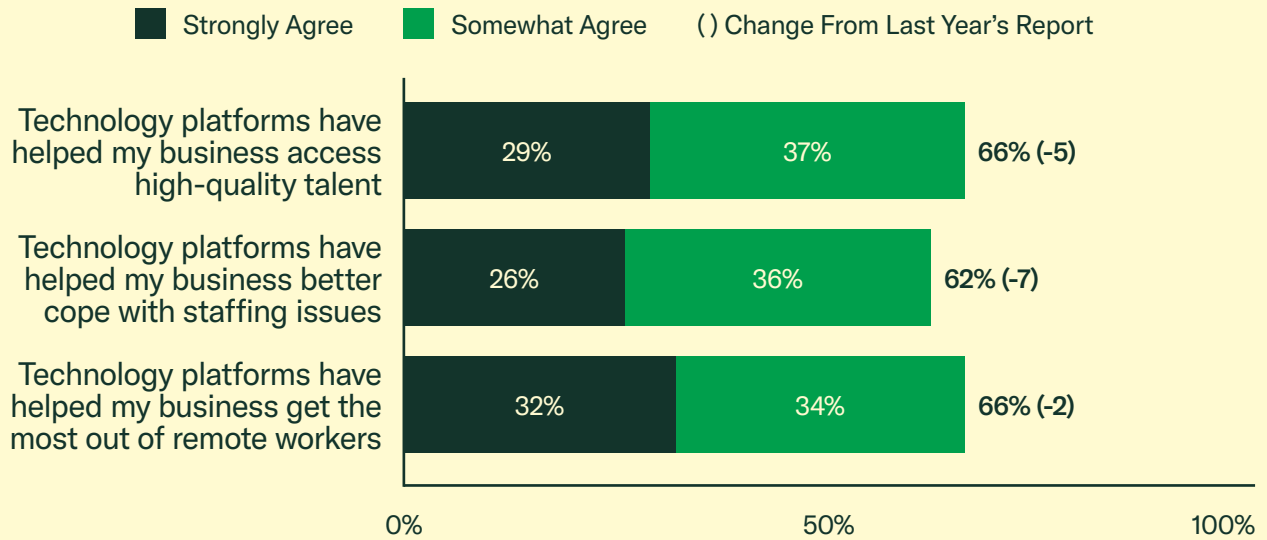
Four in five small business owners report that technology enables better relationships with customers and that customers directly benefit from using tech to interact with the business.

Please indicate whether you agree or disagree with each of the following statements about how the use of technology has affected your business.



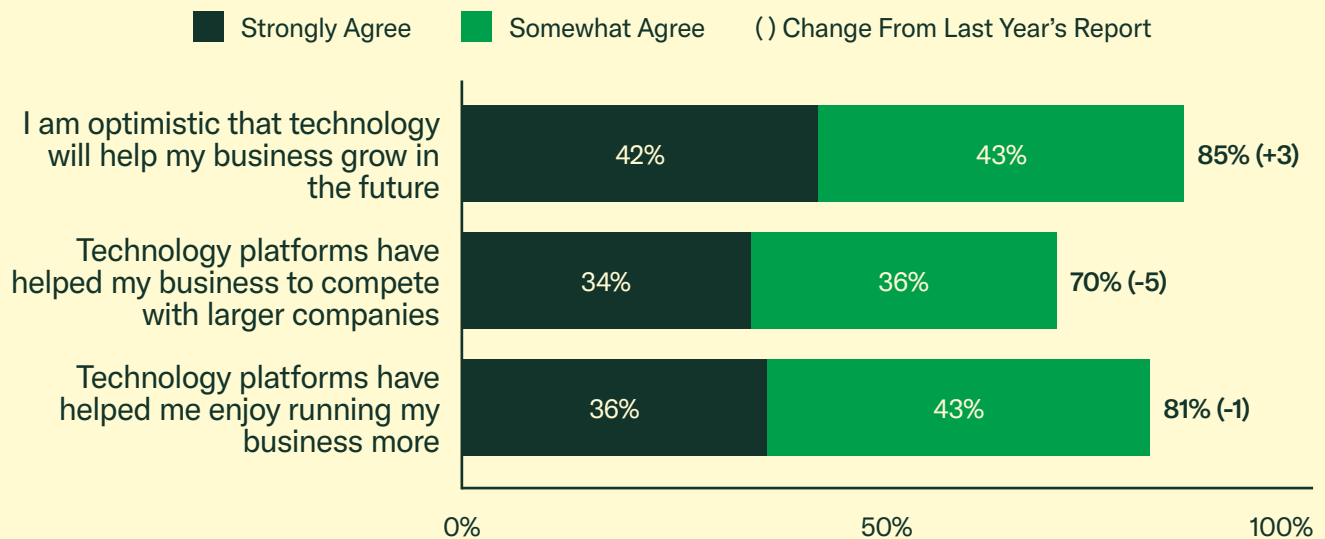
Two-thirds of U.S. small businesses benefit from technology when recruiting and managing their workforce.

Please indicate whether you agree or disagree with each of the following statements about how the use of technology has affected your business.



Tech optimism increased this year, with a record number of small business owners confident that technology will help their business grow. This year 85% of small business owners were optimistic that technology platforms would help them grow their business compared to 82% in 2023.

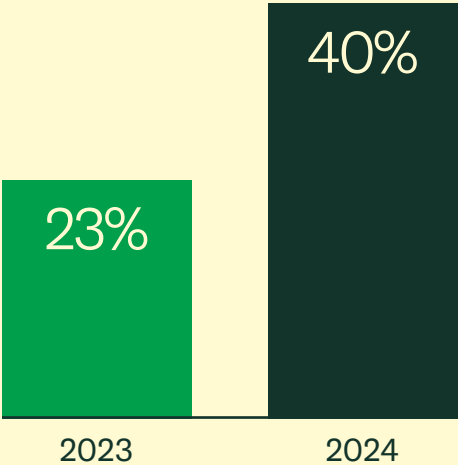
Please indicate whether you agree or disagree with each of the following statements about how the use of technology has affected your business.



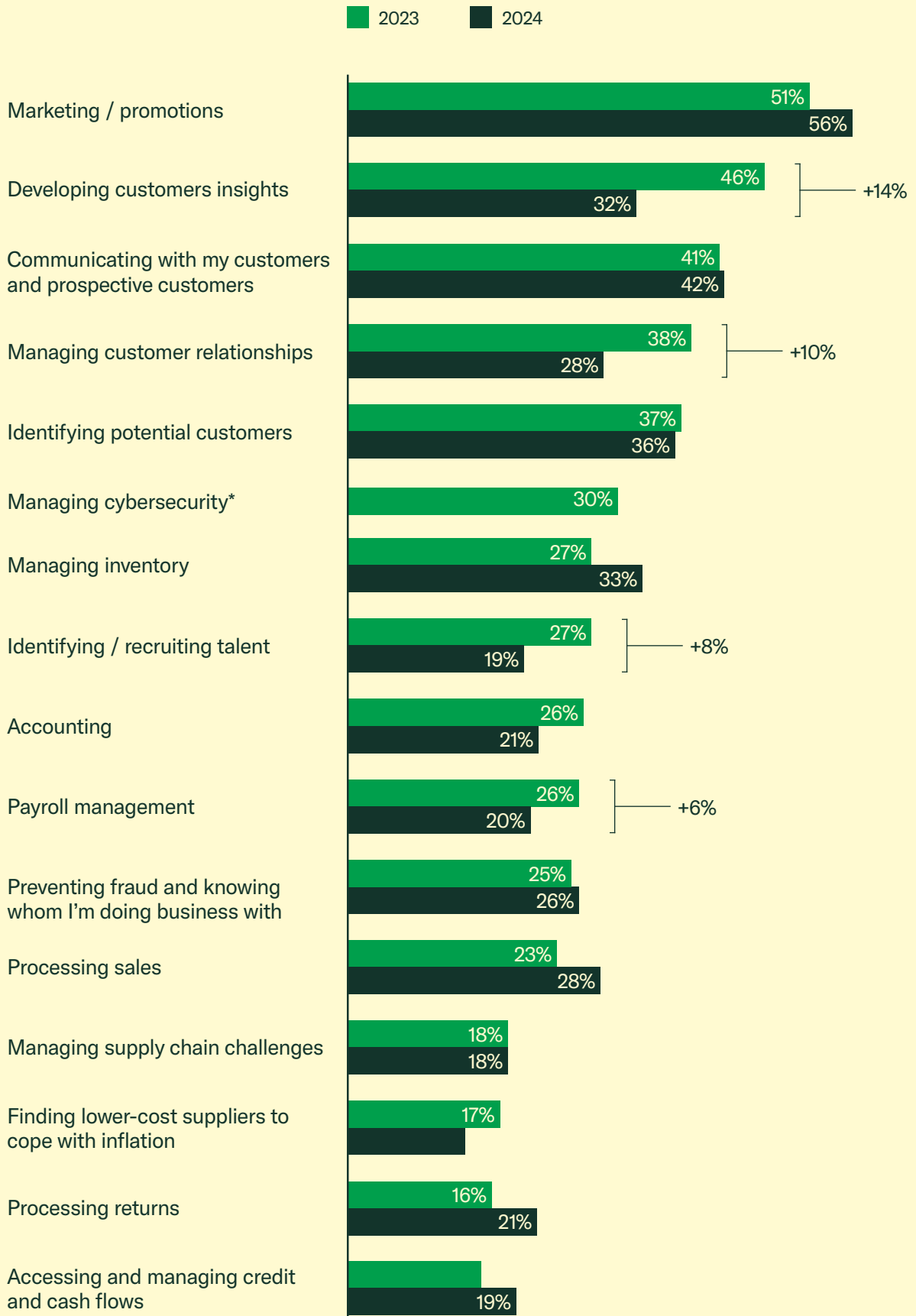
Part Two: AI Use Among Small Businesses

AI use among small businesses is booming. Compared to 2023, generative AI use has nearly doubled to 40%. The most prevalent uses of AI are for marketing, developing customer insights, and communicating with customers. Some of AI's biggest leaps in usage compared to 2023 are for customer insights, managing customer relationships, and identifying and recruiting talent.

Two-in-five
U.S. small businesses
are using Generative AI



For applicable businesses, how does your business use AI today?



AI Enables Outsized Impact for Small Business

Founded by Peace Corps volunteers in Nicaragua, Blake Thomas and his team have woven the essence of community and technology into the fabric of their business, Tiny House Coffee.

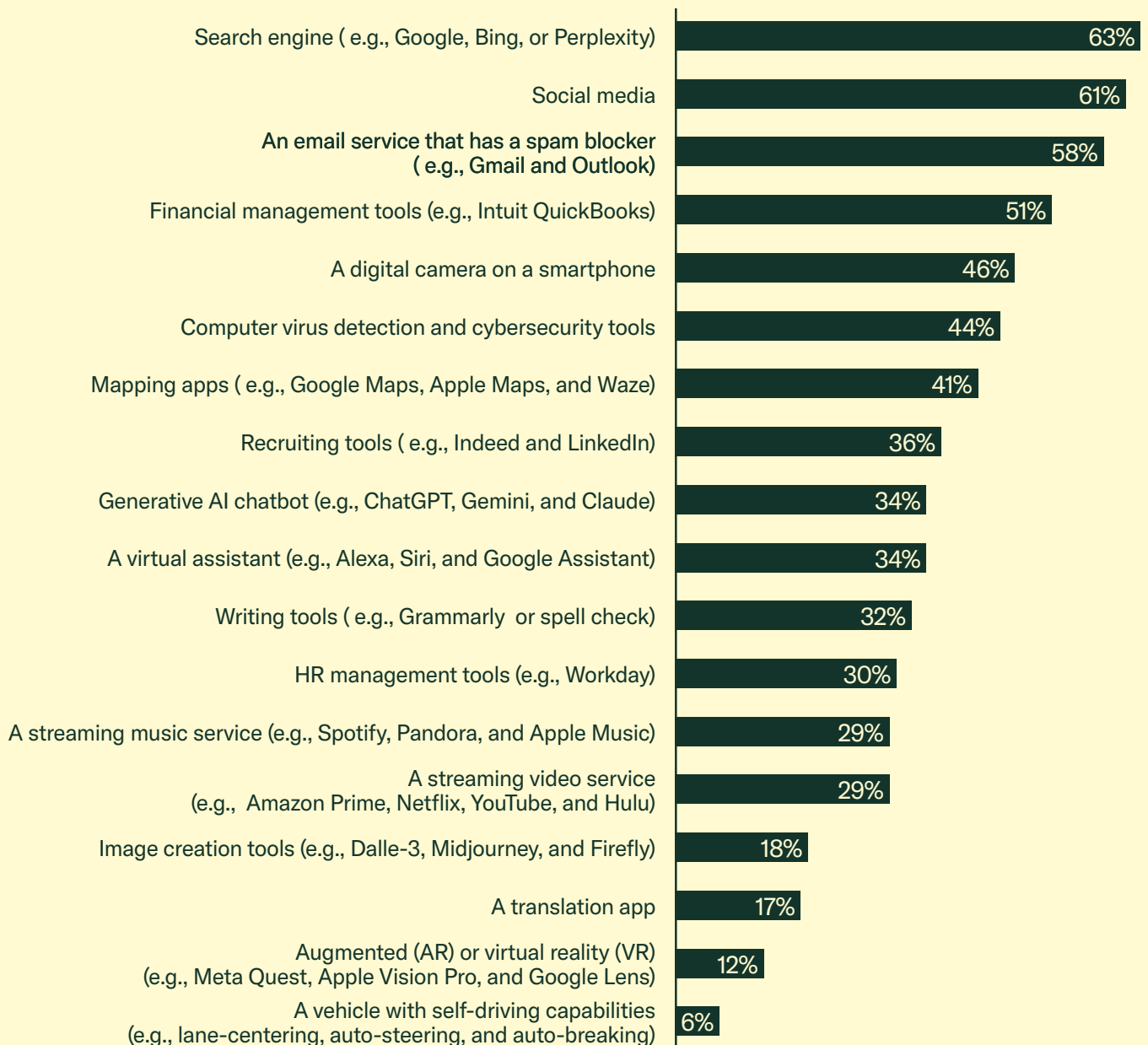
By harnessing the power of AI, Tiny House Coffee refines its marketing narratives and streamlines equipment management, enhancing operational efficiency. The recent integration of AI in sourcing raw materials signifies a leap toward inventive product development. This strategic application of AI has helped Tiny House Coffee reflect the sophistication of a larger enterprise, while staying true to its mission of uplifting small producers. Tiny House Coffee, an Intuit Small Business Council member, exemplifies how AI can be a catalyst for growth, enabling small businesses to scale new heights in a competitive landscape.



While 40% of small businesses actively self-reported that they are using generative AI tools, when asked about specific products like generative AI chatbots and image creation tools, **42%** are, in fact, using generative AI for their business.

Not all AI is the same. Artificial intelligence has enabled many common tools like mapping apps, financial management tools, and virus detection. When asked about a wide variety of technologies, **98%** of small businesses are using tools that are in some way AI-enabled.

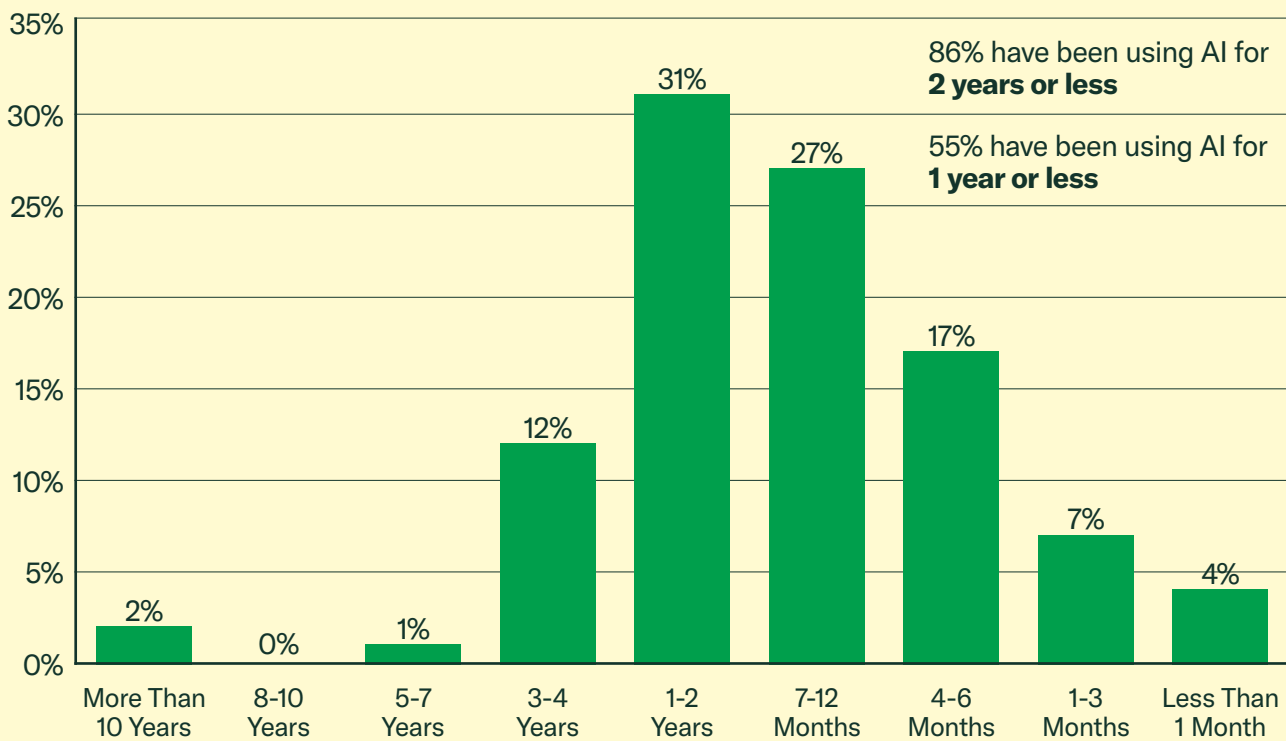
AI-Enabled Tool Use (Including Generative)



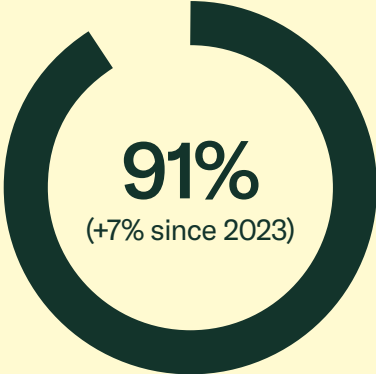
Nearly all small businesses who have adopted generative AI have done so in the last two years (86%). Half of those who have adopted generative AI have done so within the last year. Businesses in the following industries have been the earliest adopters of AI (using it for three+ years):

- Financial services (50%)
- Hospitality / tourism (40%)
- Education (33%)
- Retail (21%)
- Technology (21%)

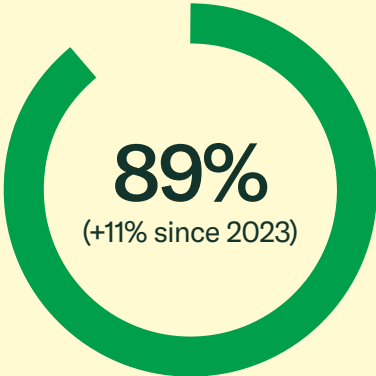
How long have you been using AI tools at work. (asked among those using AI)



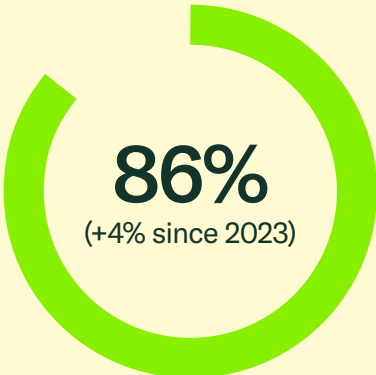
When small businesses adopt AI, they are optimistic, efficient, and enjoy their work. The benefits AI brings to small businesses is growing, and increasingly a majority of small business owners report that AI helps them cope with everything from inflation to hiring to stronger customer engagement.



Of small businesses using AI are **optimistic** that it will help future growth



Agree AI has helped owners **enjoy** running their business more



Agree AI has helped increase **efficiency** of business operations

AI Helps Make Patient Care More Understandable

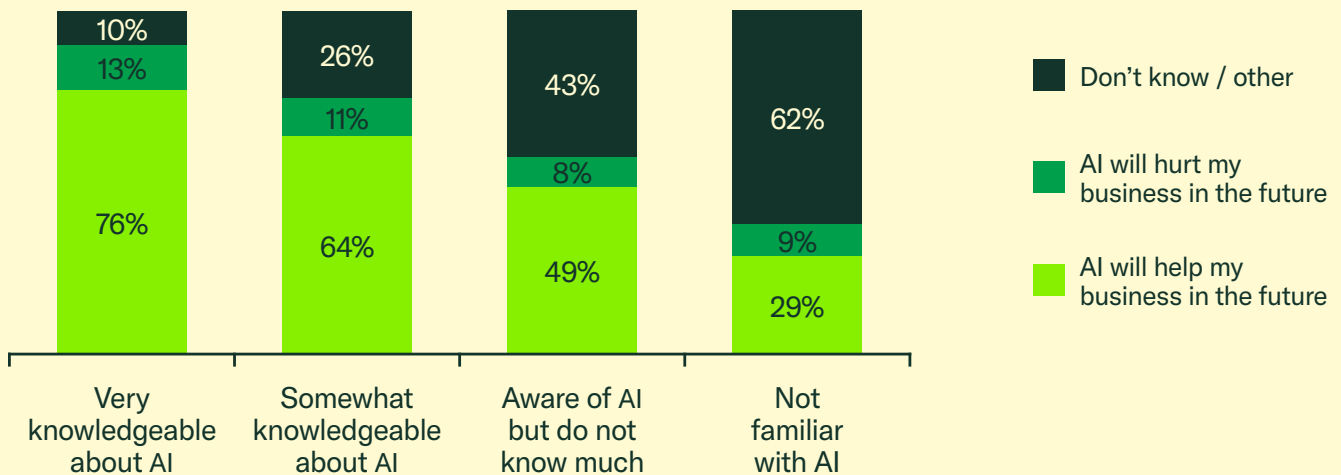
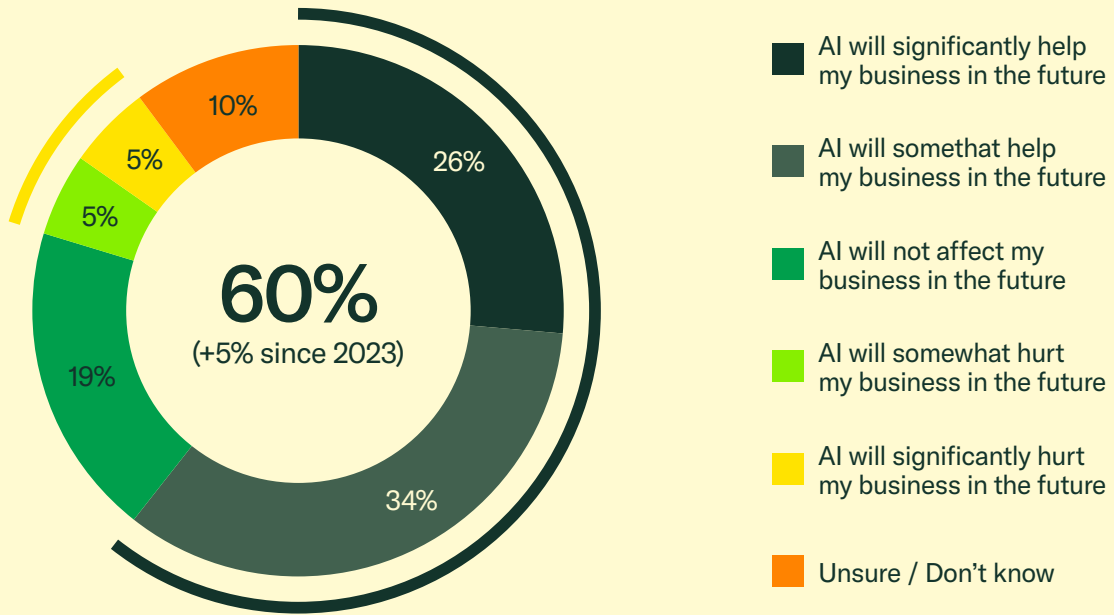
SweetBio, co-founded by Kayla Rodriguez Graff and Dr. Isaac Rodriguez, is a testament to the power of diversity and innovation in the biotech industry. Founded by a Puerto Rican sibling duo, the enterprise has made significant strides in revolutionizing wound care. Their flagship product, VERIS, embodies their commitment to merging high-quality performance with affordability. Utilizing a unique blend of collagen and Manuka honey, VERIS addresses severe wounds, such as diabetic ulcers and post-skin cancer surgeries, with unprecedented ease and cost-effectiveness.

SweetBio, a member of intuit's Small Business Council, and its use of AI is particularly noteworthy in the dermatology market, where they have harnessed generative AI to create educational materials for patients. This initiative not only streamlines the patient education process but also enhances the overall patient experience by providing clear, accessible information during critical treatment phases. SweetBio's innovative approach to AI application exemplifies its dedication to improving lives through advanced technology and compassionate care.



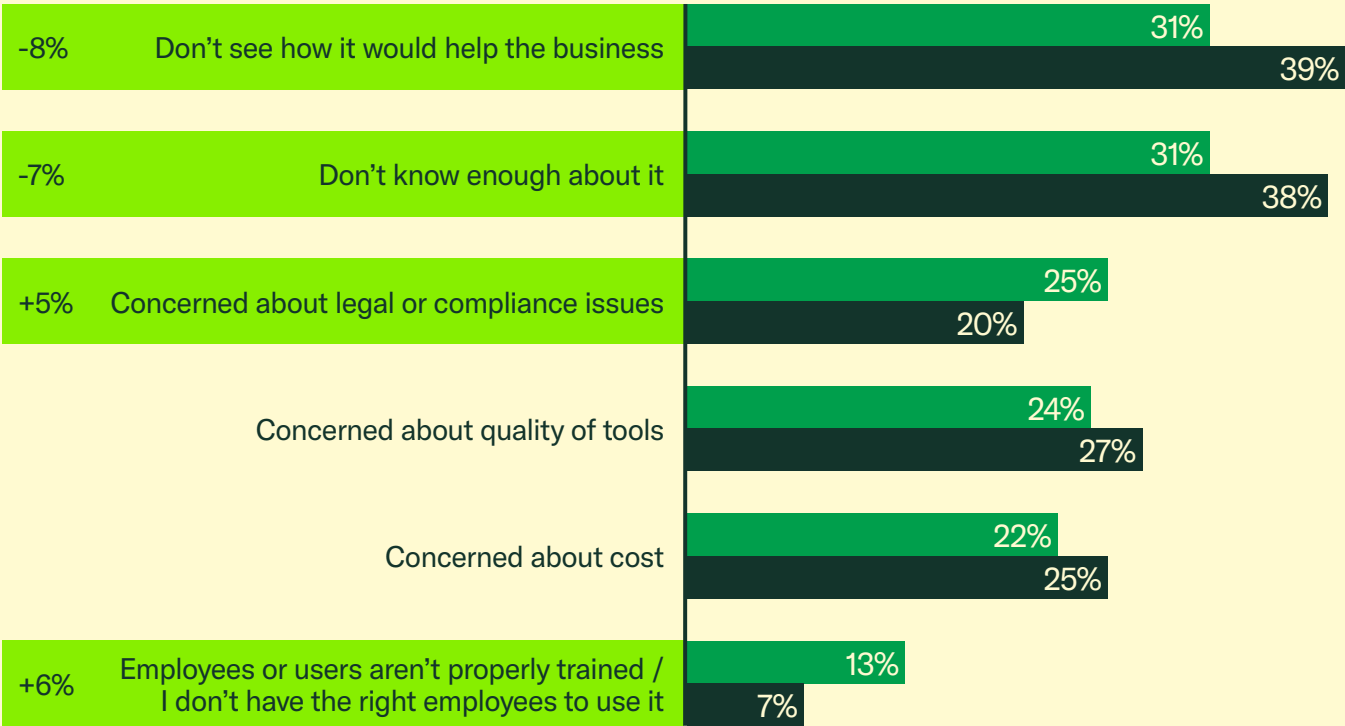
Most small businesses believe that AI will benefit their company in the future. As small business owners learn more about AI, their optimism grows significantly.

How long you believe AI will affect your small business in the future?



While education around the benefits of AI remains the top barrier to small business adoption, new concerns are growing around compliance and staffing. As small business owners' sophistication around AI grows, their concerns are increasingly turning toward the practical implementation of AI for their business and need greater clarity on regulatory compliance and support for upskilling and identifying AI-ready workers.

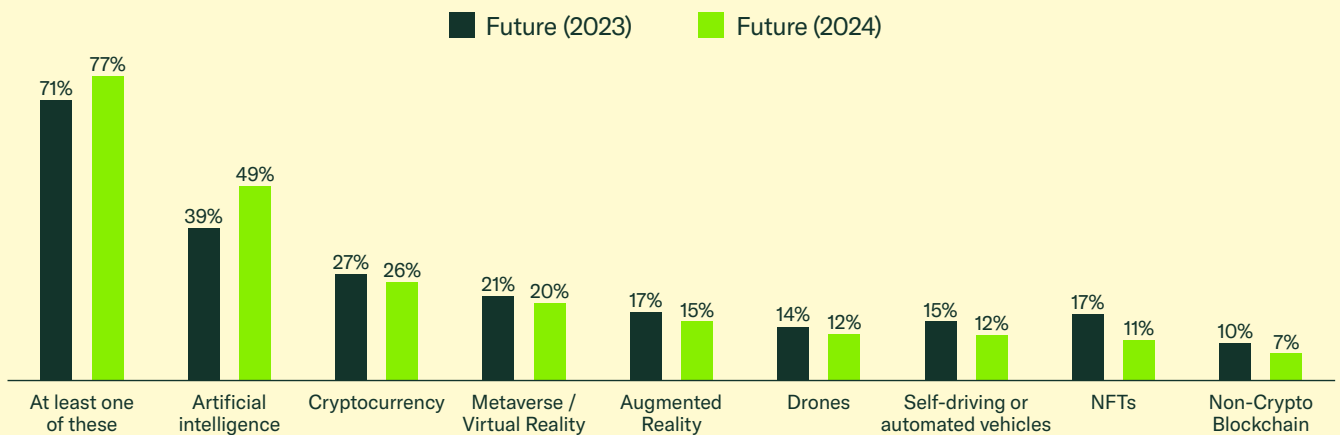
What are the reasons why your business is not yet using AI (artificial intelligence)? (asked among non-AI users)



Part Three: Emerging Technology Outlook

The vast majority of small businesses (77%) plan to grow their tech adoption in the coming years, with half indicating they will be using AI and a quarter planning to utilize cryptocurrencies.

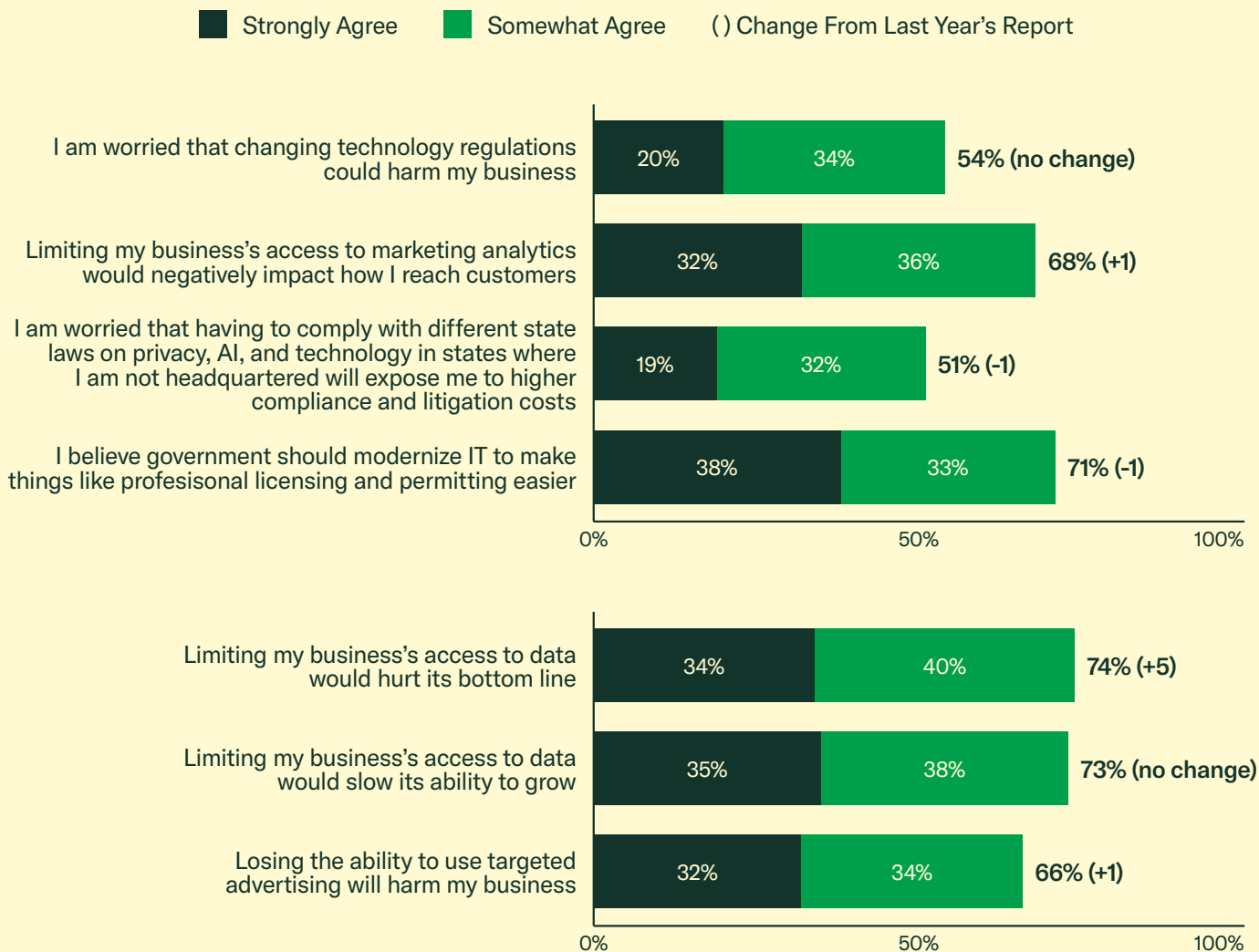
Will your business use any of the following newer technologies in the future?



Part Four: How Government Policies Impact Small Businesses

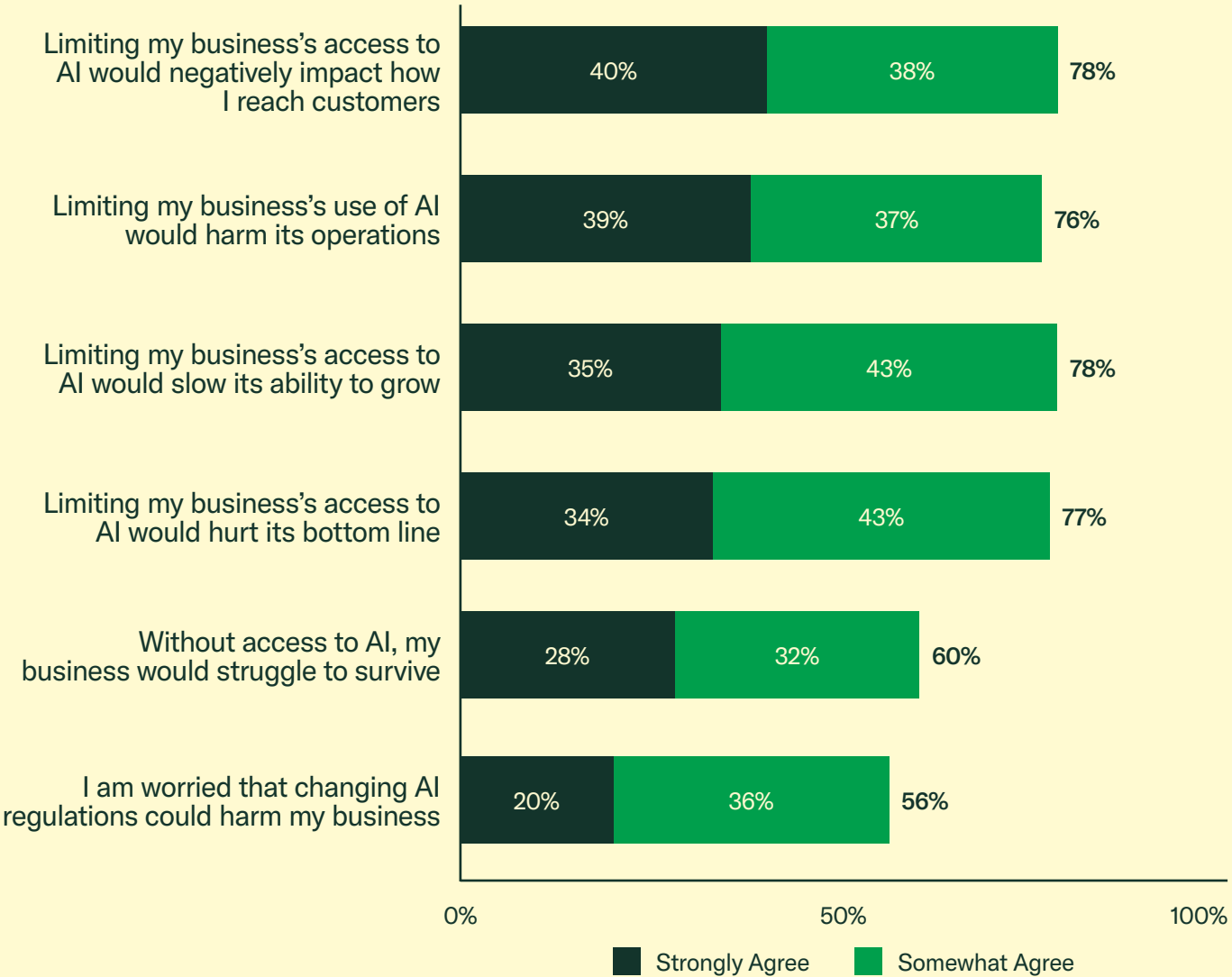
Most business owners worry about the impact that tech regulation could have on their own small business. Limiting access to data, analytics, and targeted advertising would negatively impact small business operation and growth.

Please indicate whether you agree or disagree with each of the following statements about how the use of technology has affected your business.



Limiting access to AI technology would also have a material impact on small businesses. More than three-quarters of small businesses that use AI report that limits on the technology would impact their growth (78%), impact how they reach customers (78%), and hurt their bottom line (77%). A majority (56%) worry that future regulations could usher in these harms.

Please indicate whether you agree or disagree with each of the following statements about how the use of technology has affected your business. (asked among AI users)

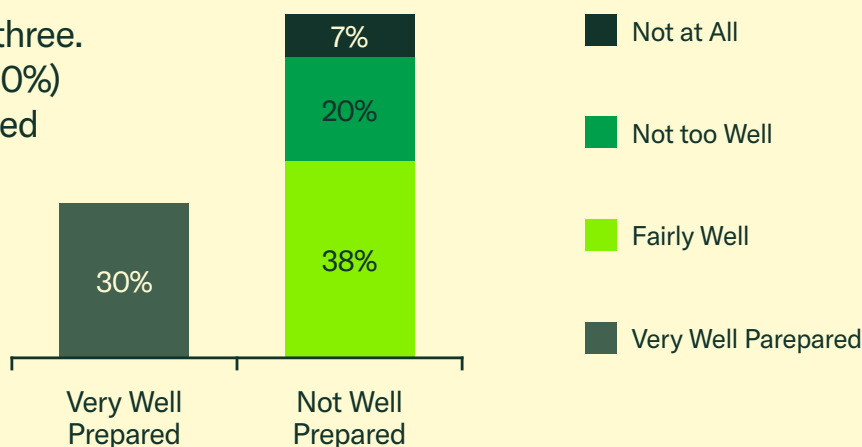


Small businesses would struggle with proposed AI regulations. Some states are proposing or implementing new regulations on AI use. These laws may require businesses to disclose to customers when AI is being used, implement a risk assessment of their AI tools, explain to customers how AI

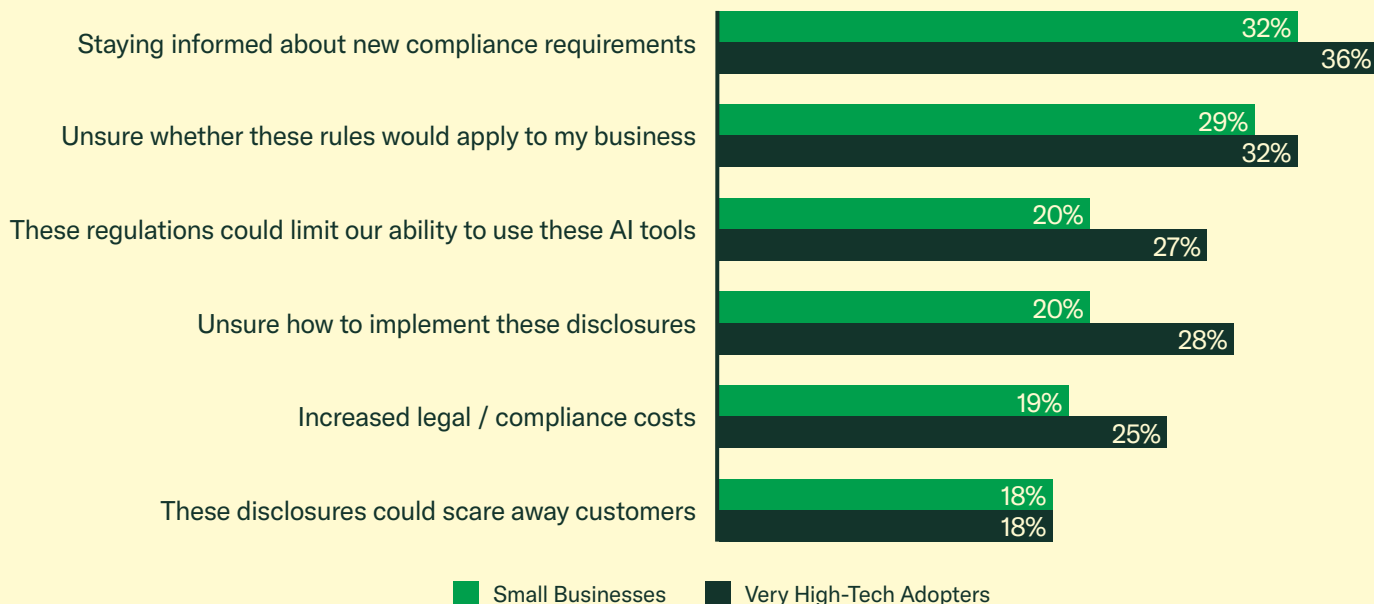
tools could affect customer interactions, and implement human oversight over AI systems that make consequential customer decisions. **Eighty-six percent** of small business owners report that their business would face challenges complying with these types of regulations.

How well prepared would your business be to comply with these new laws today?

Fewer than one-in-three small businesses (30%) are very well prepared to handle pending AI regulations



What challenges, if any, would your business face in complying with these new laws? (please select all that apply)



Part Five: Policy Implications and Recommendations

- Small businesses that leverage technology platforms reap the benefits in terms of growth, operational efficiency, and customer relationships.
- Small businesses continue, on average, to use at least four different types of technology platforms to run their business.
- Four in ten small businesses are using generative AI and almost all are using technology assisted by it. Users report they believe that AI is helping their business.
- Most small businesses believe that they would have challenges complying with proposed AI regulations.
- A growing concern of small businesses is finding and retaining employees with AI skills.

Technology, in part, has helped small businesses stay competitive and thrive despite inflationary, workforce, and supply chain challenges. Without the right policies to encourage a virtuous cycle of technology development and adoption, small businesses could lose their ability to adapt, confront, and compete with larger competitors as they face new challenges in the 21st century economy.

The U.S. Chamber of Commerce offers the following recommendations to policymakers to ensure that America's small businesses realize their potential through AI and other digital tools and platforms:

- **Enacting smart national data privacy legislation**

Most small businesses are concerned about increased litigation and compliance costs from dealing with multiple out-of-state privacy laws. Additionally, two-thirds are worried that bans on targeted advertising will harm their business. Most believe that limiting business access to data will harm their ability to grow and compete. For this reason, Congress should pass comprehensive privacy legislation that protects all Americans equally. A national privacy law must provide strong preemption of state privacy laws to provide a clear set of rules of the road for businesses to follow.

Such legislation should be based on the Consensus State Approach that states like Texas and Colorado have adopted that place reasonable limits on data use while allowing consumers—not government—to choose whether to delete data or opt out of targeted advertising. Data protection laws should

grant consumers robust rights, but restrictions or bans on the use of broad categories of data as well as allowing for abusive class-action lawsuits against tech companies and end users could deprive small businesses of the benefits of digital tools like advertising.

- **Getting AI regulations right**

With nearly **40%** (and 98% using AI-assisted tools) of small businesses already using AI and as the economy experiences increasing adoption from small businesses that indicate further value from these key investments, Congress must ensure that the U.S. remains at the leading edge of technological development which provides a competitive advantage for our small business.

Policies must promote innovation while mitigating risk. In March 2023, the U.S. Chamber of Commerce's Commission on AI Competitiveness, Inclusion, and Innovation released a report highlighting the need for a risk-based approach to AI regulation and not one-size-fits-all bans, pauses, or rules.¹ Not all AI is the same. Different applications may require different regulatory frameworks.

Moreover, small business owners have stated that complying with proposed new AI regulations would present significant challenges. State governments should avoid rushing to pass AI laws that would create regulatory conflicts and confusion and hinder responsible deployment.

Governments should also avoid passing duplicative laws, which disproportionately harm small businesses, and instead on laws already on the books to protect consumers.

- **Upskilling the digital workforce and education**

The government must promote a 21st century workforce that includes small business owners and invests in science, technology, engineering and mathematics (STEM) and computer science education to prepare the next generation of digital tool developers.

- **Closing the tech literacy gap for small businesses**

Congress should provide resources through agencies like Small Business Administration resource centers, community colleges, and nonprofit organizations to provide small business-specific training. Policymakers should provide Small Business Administration (SBA) employees with the necessary training to help small businesses use emerging technologies, including AI-powered tools as well as direct education for small businesses and their employees on how to use emerging technologies, including AI-powered tools.

In addition to education on AI tools and literacy, policymakers should provide regular support to small businesses and their employees about the resources that are available to them in order to adopt AI tools into their

¹ <https://www.uschamber.com/technology/artificial-intelligence-commission-report>

businesses, update small business resource programs to ensure that small businesses can use the funds to adopt AI-powered technologies, and ensure that small businesses have a seat at the table with any type of AI regulation.

- **Preventing overexposure to liability**

In 1996, Congress enacted Section 230 of the Communications Act, which generally prevents interactive computer services from being liable for the activities of third-party content. Since 1996, the internet and the data-driven economy have thrived. Congress should reject calls to outright repeal this landmark law.

- **Using fair competition policy**

Some contend that America's long-standing antitrust laws should be used to specifically target America's technology sector. Congress should refrain from passing competition legislation that singles out companies for enforcement and deprives the companies of due process.

- **Promoting the gig economy**

As mentioned, small businesses using third-party delivery platforms have benefited. Governments should avoid unnecessarily imposing limitations on flexible work arrangements or preventing app-based delivery companies from communicating valuable, flexible earnings opportunities to the public.

- **Connecting all Americans**

Broadband access is foundational for small businesses to use most digital tools and connect with consumers across the country. To complement private sector efforts, policymakers must make targeted investments in high speed broadband in unserved areas and must appropriately address broadband affordability for low-income Americans. To maximize these investments, policymakers should streamline permitting requirements and avoid costly regulatory mandates such as public utility-style rules for broadband and domestic content requirements.

- **Modernizing and digitizing government**

Eighty-two percent of small businesses believe that the government should invest in IT modernization to help streamline and improve important small business needs like permitting and professional licensure. By investing in upgraded IT, the government will provide better service to constituents and save money in the long run.

Methodology

Working closely with C_TEC, Teneo Research surveyed 1,100 U.S. small businesses, defined as those having fewer than 250 employees, including oversamples in the States of Arizona, California, Colorado, Connecticut, Florida, Ohio, Texas, and Washington. Data were collected between June 21 and July 16, 2024. The survey was fielded online and is available for desktop and mobile devices.

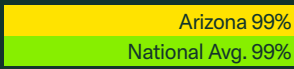


Appendix A:
State Impact Scorecards



Key Numbers in Arizona

99% of AZ small businesses currently use at least 1 technology platform (+3pts*)



81% plan to increase their use of technology in 2-3 years (-6pts)



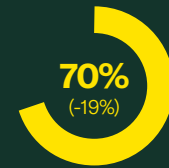
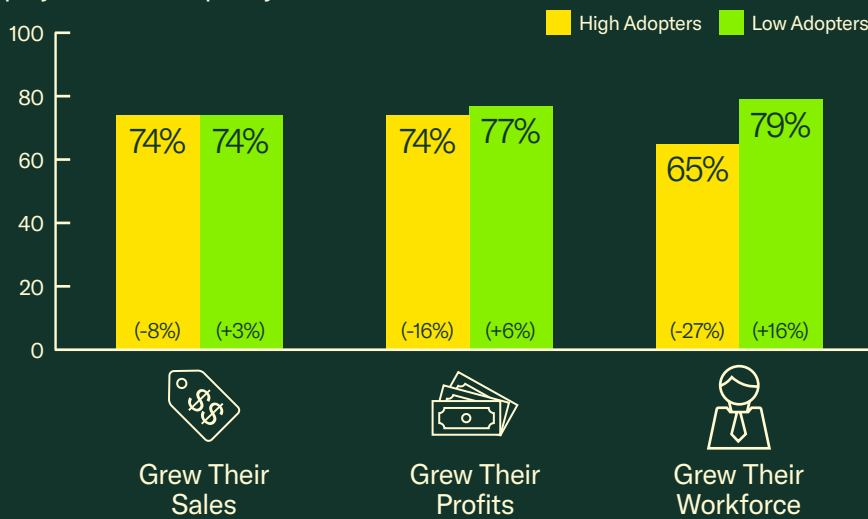
43% of AZ small businesses currently use an AI platform (-7pts)



75% believe that AI will help their business in the future (+4pts)



AZ small businesses generally experienced growth in sales, profits, and employees over the past year.

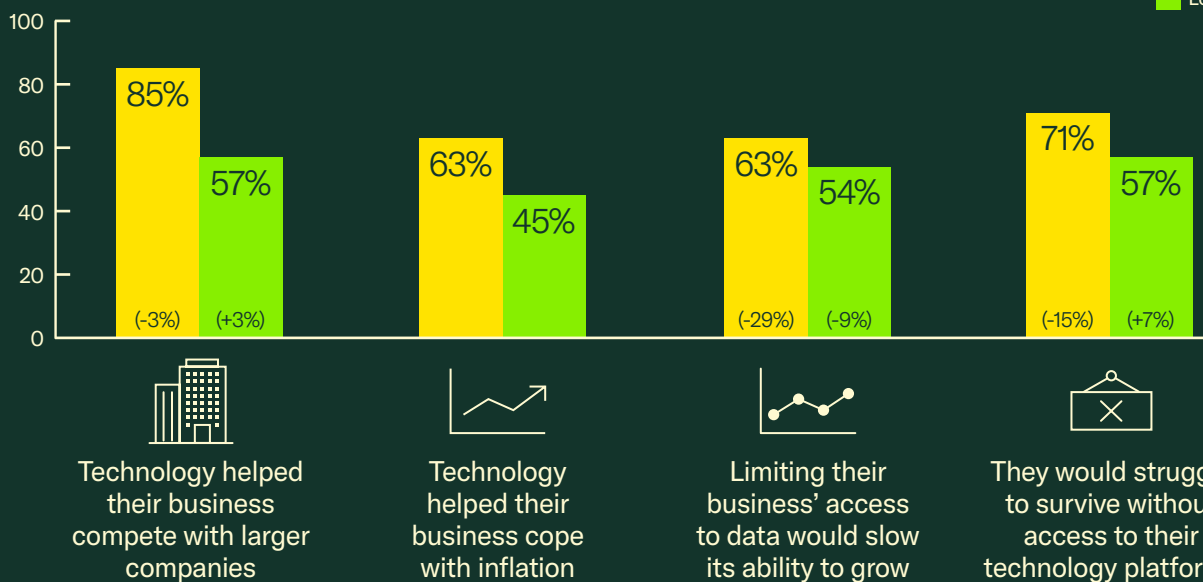


AZ small business owners are optimistic that technology will help their business grow in the future.



But a majority worry that a patchwork of state-level tech policies will drive up legal/compliance costs.

AZ small businesses that make greater use of tech are more likely to say:



Key Numbers in California

94% of CA small businesses currently use at least 1 technology platform (-2pts*)

California	94%
National Avg.	99%

32% of CA small businesses currently use an AI platform (+3 pts)

California	32%
National Avg.	40%

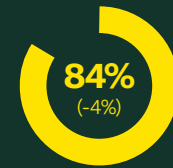
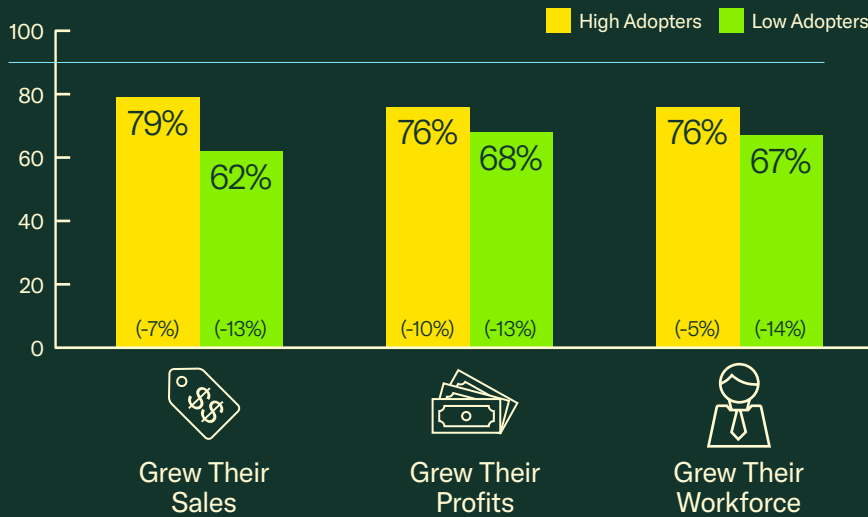
83% plan to increase their use of technology in 2-3 years (no change)

California	83%
National Avg.	81%

81% believe that AI will help their business in the future (+22 pts)

California	81%
National Avg.	60%

CA small businesses that make greater use of tech are more likely to have experienced growth in sales, profits, and employees over the past year.

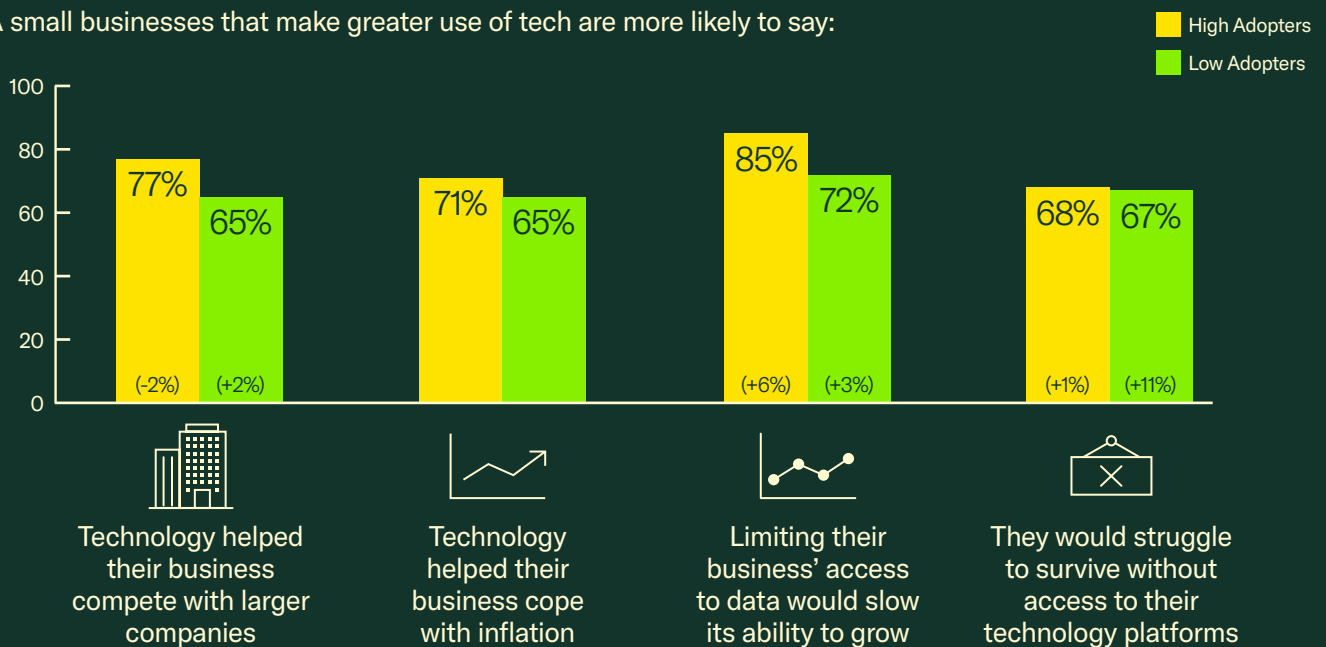


CA small business owners are optimistic that technology will help their business grow in the future



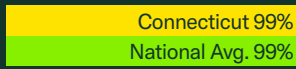
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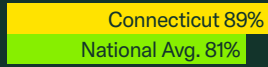


Key Numbers in Connecticut

99% of CT small businesses currently use at least 1 technology platform



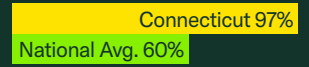
89% plan to increase their use of technology in 2-3 years



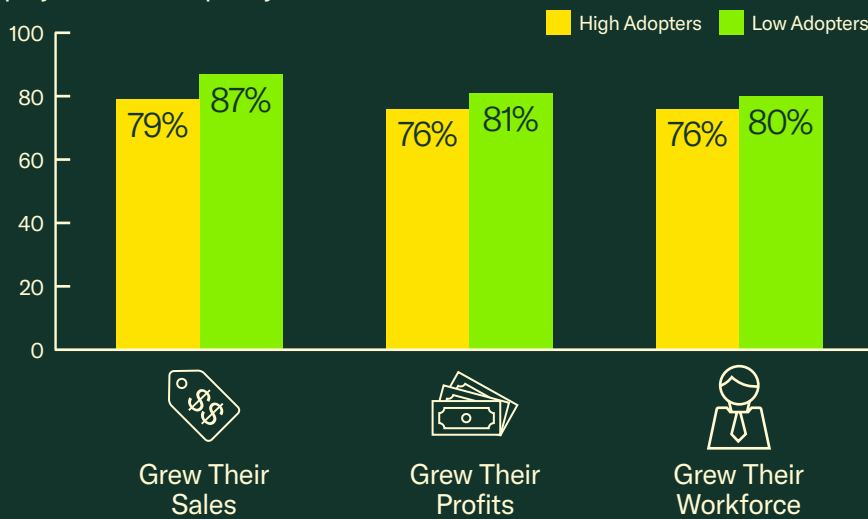
47% of CT small businesses currently use an AI platform



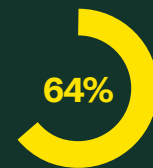
97% believe that AI will help their business in the future



CT small businesses generally experienced growth in sales, profits, and employees over the past year

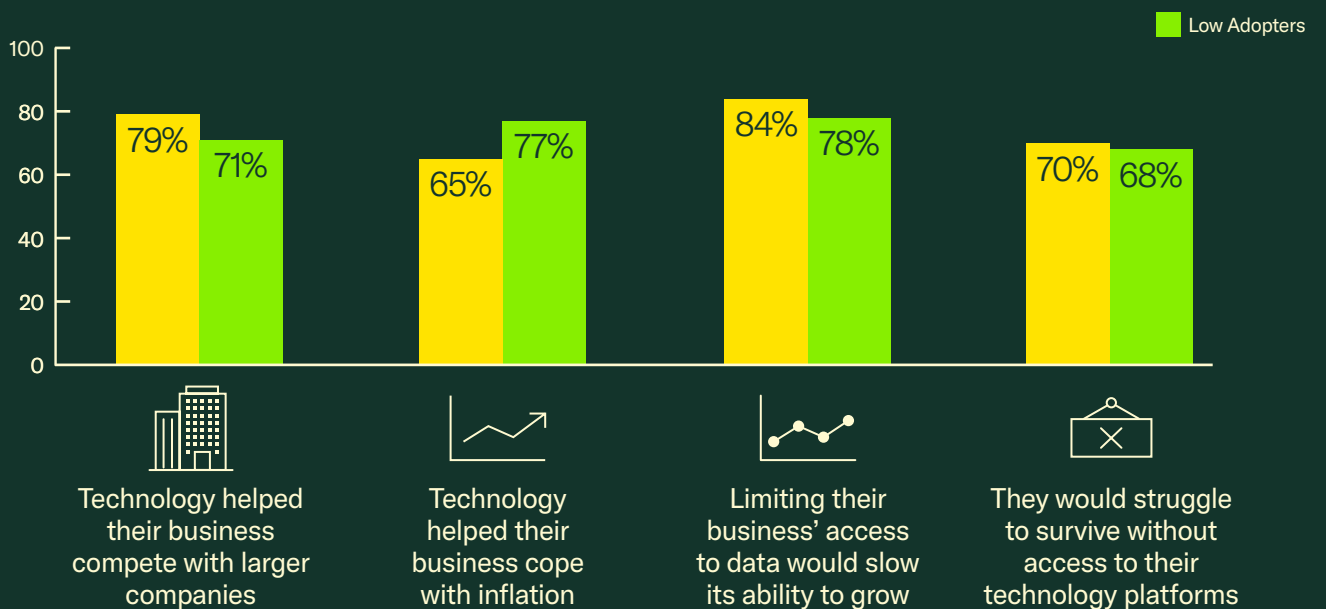


CT small business owners are optimistic that technology will help their business grow in the future.

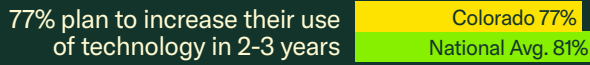


But a majority worry that a patchwork of state-level tech policies will drive up legal/compliance costs.

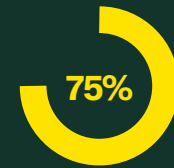
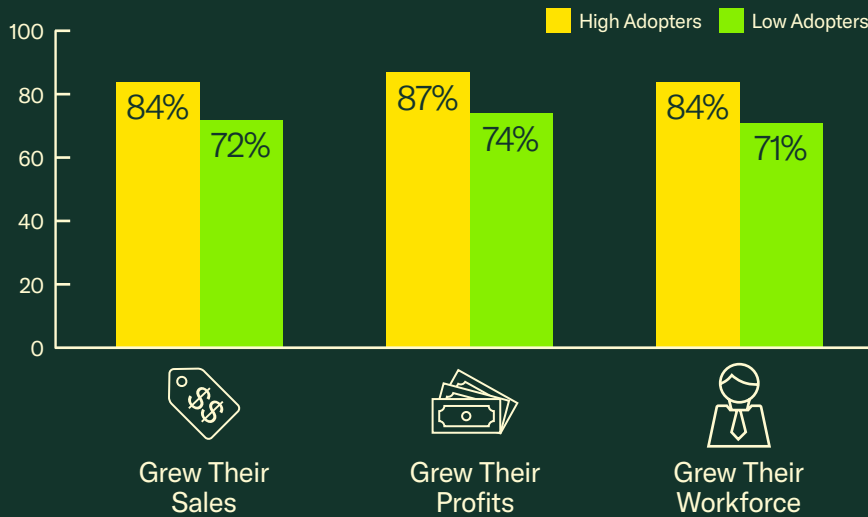
CT small businesses report a significant role for technology powering their operations



Key Numbers in Colorado



CO small businesses that make greater use of tech are more likely to have experienced growth in sales, profits, and employees over the past year

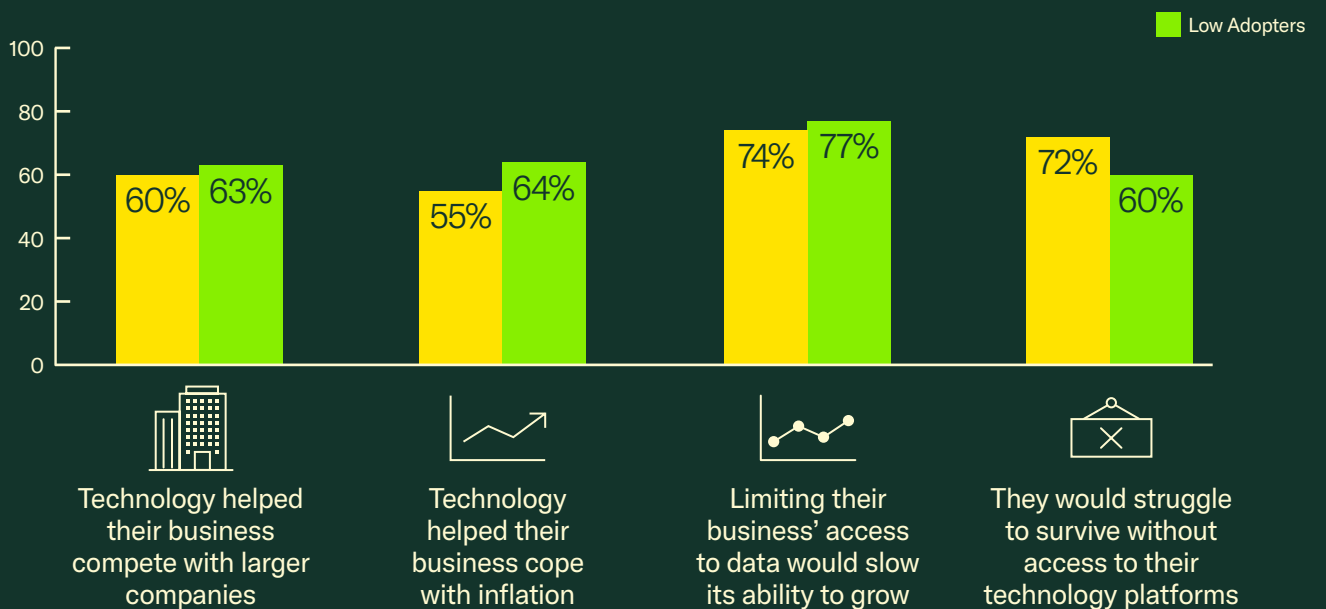


CO small business owners are optimistic that technology will help their business grow in the future.

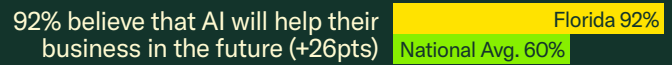
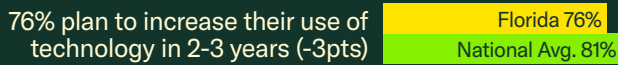


But a majority worry that a patchwork of state-level tech policies will drive up legal/compliance costs.

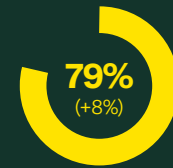
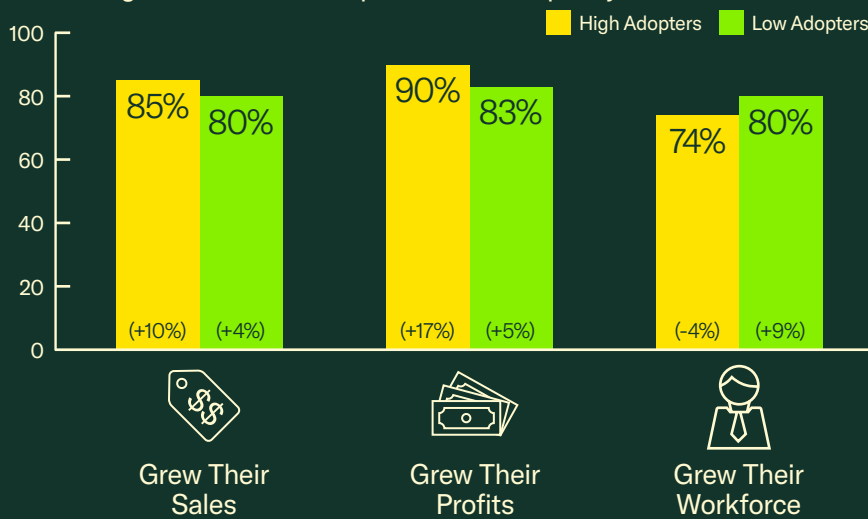
Majorities of CO small businesses indicate technology is playing a major role in their operations



Key Numbers in Florida



FL small businesses that make greater use of tech are more likely to have experienced growth in sales and profits over the past year.

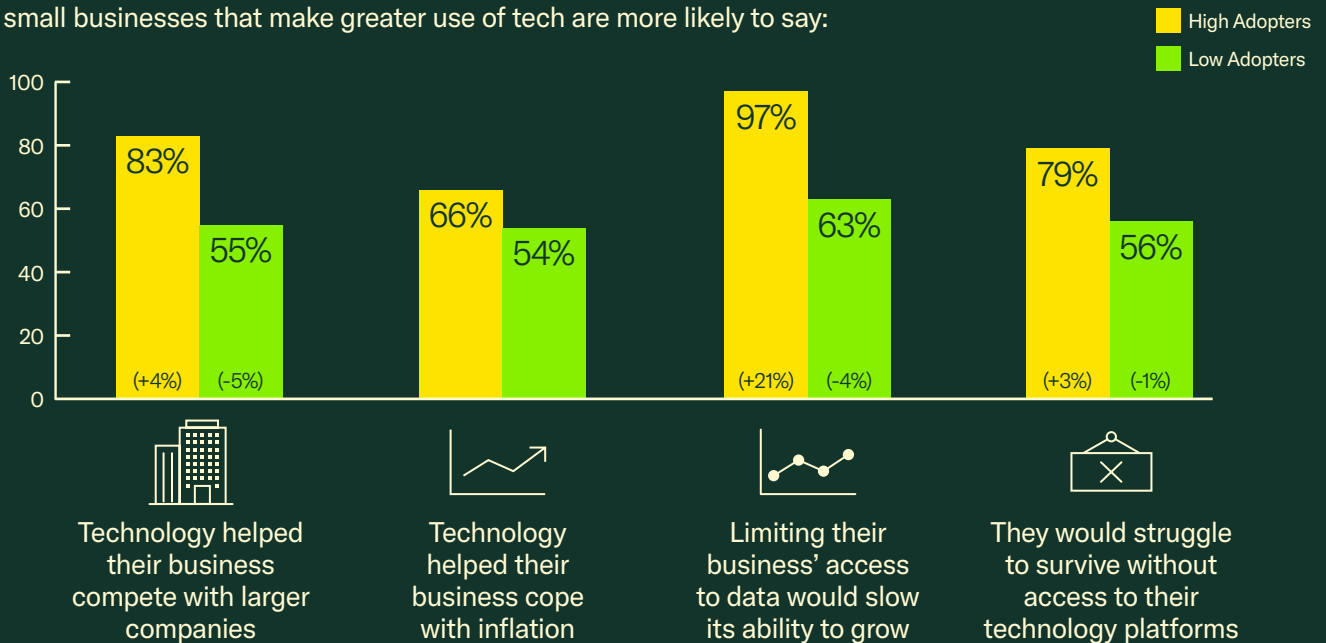


FL small business owners are optimistic that technology will help their business grow in the future.



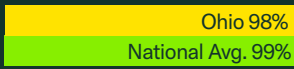
But a majority worry that a patchwork of state-level tech policies will drive up legal/compliance costs.

FL small businesses that make greater use of tech are more likely to say:

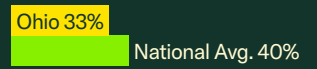


Key Numbers in Ohio

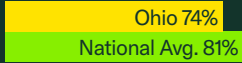
98% of OH small businesses currently use at least 1 technology platform (+3pts*)



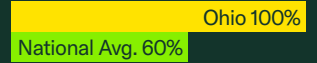
33% of OH small businesses currently use an AI platform (+16pts)



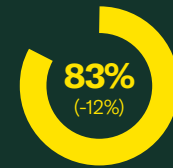
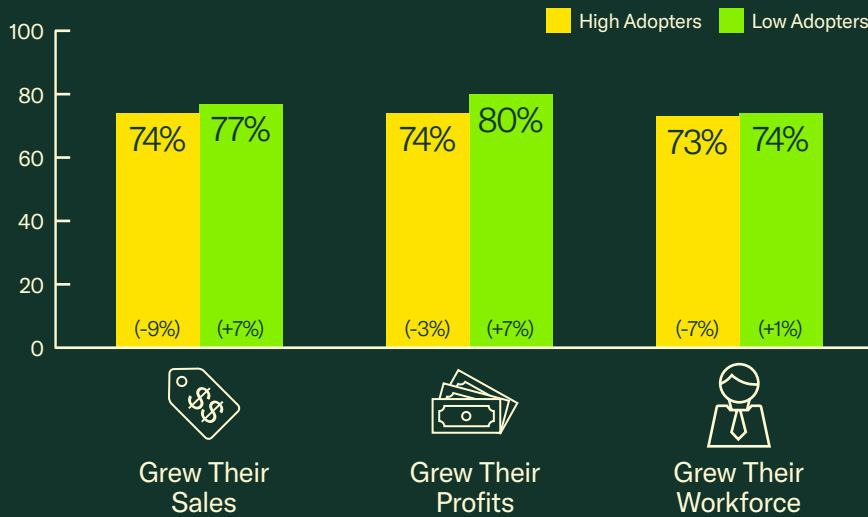
74% plan to increase their use of technology in 2-3 years (-11pts)



100% believe that AI will help their business in the future (+52pts)



CA small businesses that make greater use of tech are more likely to have experienced growth in sales, profits, and employees over the past year.

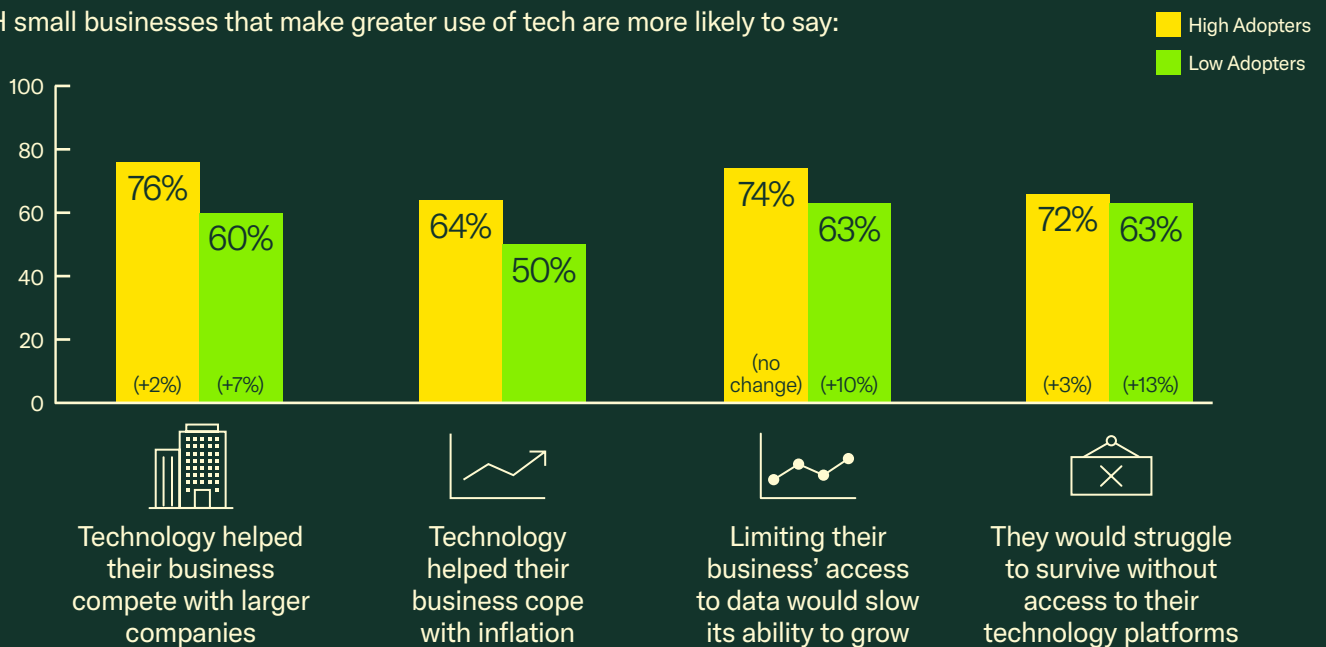


OF small business owners are optimistic that technology will help their business grow in the future.



But a majority worry that a patchwork of state-level tech policies will drive up legal/compliance costs.

OH small businesses that make greater use of tech are more likely to say:



Key Numbers in Texas

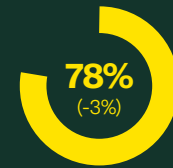
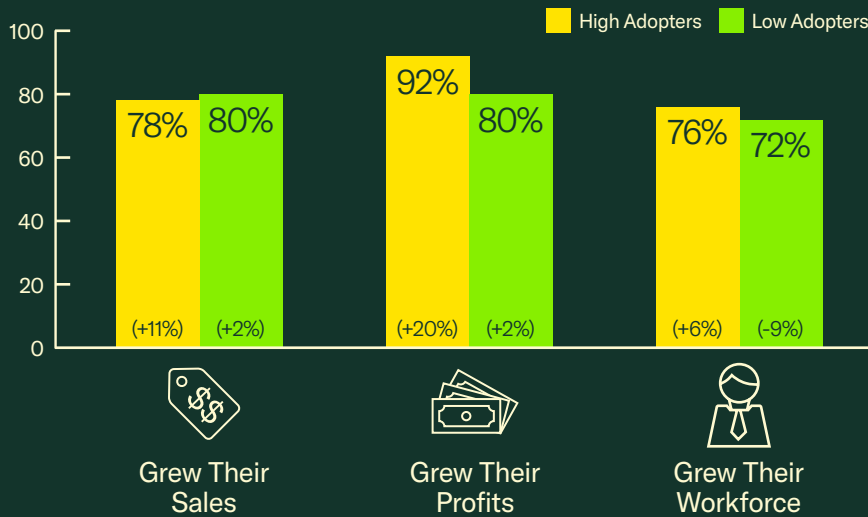
100% of TX small businesses currently use at least 1 technology platform (+3pts)
 Texas 100%
 National Avg. 99%

46% of TX small businesses currently use an AI platform (+14pts)
 Texas 46%
 National Avg. 40%

77% plan to increase their use of technology in 2-3 years (-8pts)
 Texas 77%
 National Avg. 81%

86% believe that AI will help their business in the future (+28pts)
 Texas 86%
 National Avg. 60%

The majority of TX small businesses that make greater use of tech experienced growth in profits and employees over the past year.

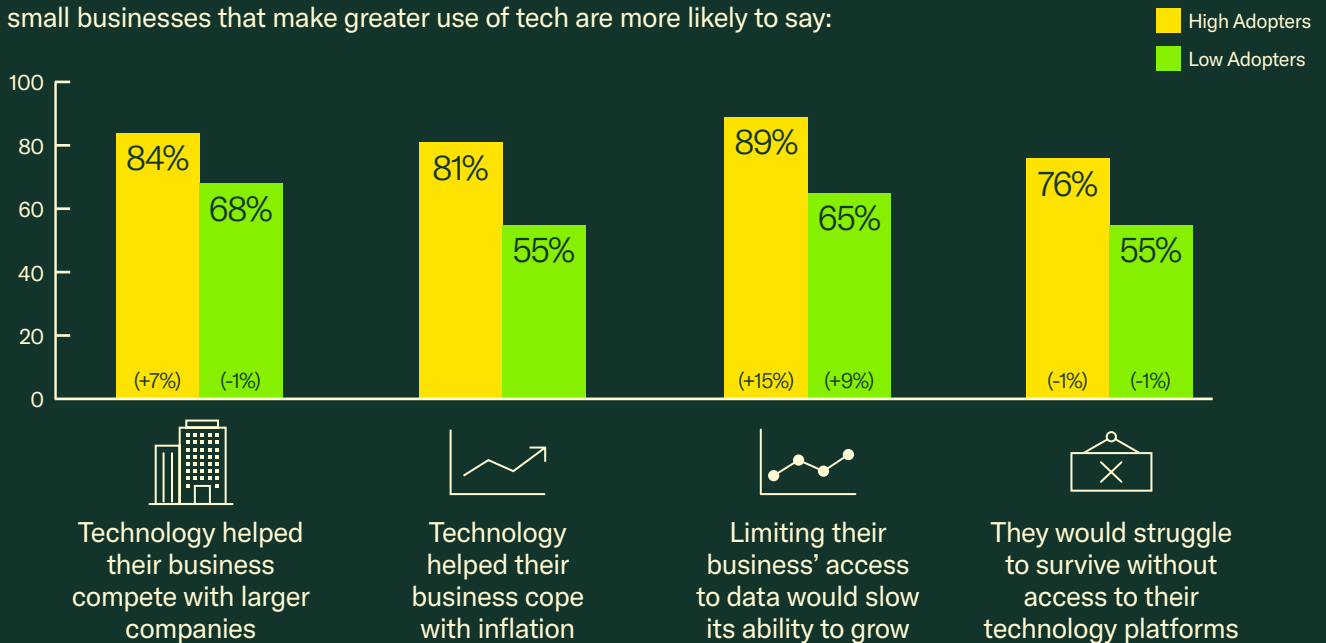


TX small business owners are optimistic that technology will help their business grow in the future.



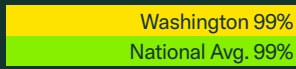
But a majority worry that a patchwork of state-level tech policies will drive up legal/compliance costs.

TX small businesses that make greater use of tech are more likely to say:

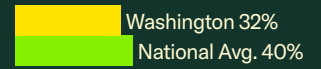


Key Numbers in Washington

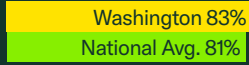
99% of WA small businesses currently use at least 1 technology platform (+3pts*)



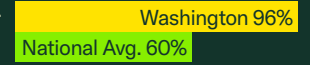
36% of WA small businesses currently use an AI platform (-7pts)



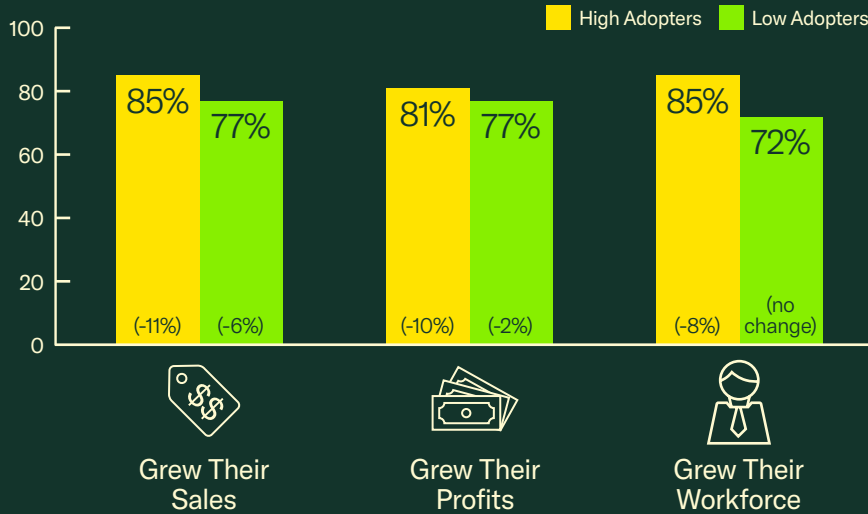
83% plan to increase their use of technology in 2-3 years (-4pts)



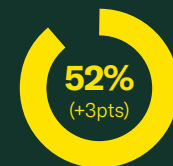
96% believe that AI will help their business in the future (+32pts)



WA small businesses that make greater use of tech are more likely to have experienced growth in sales, profits, and employees over the past year.

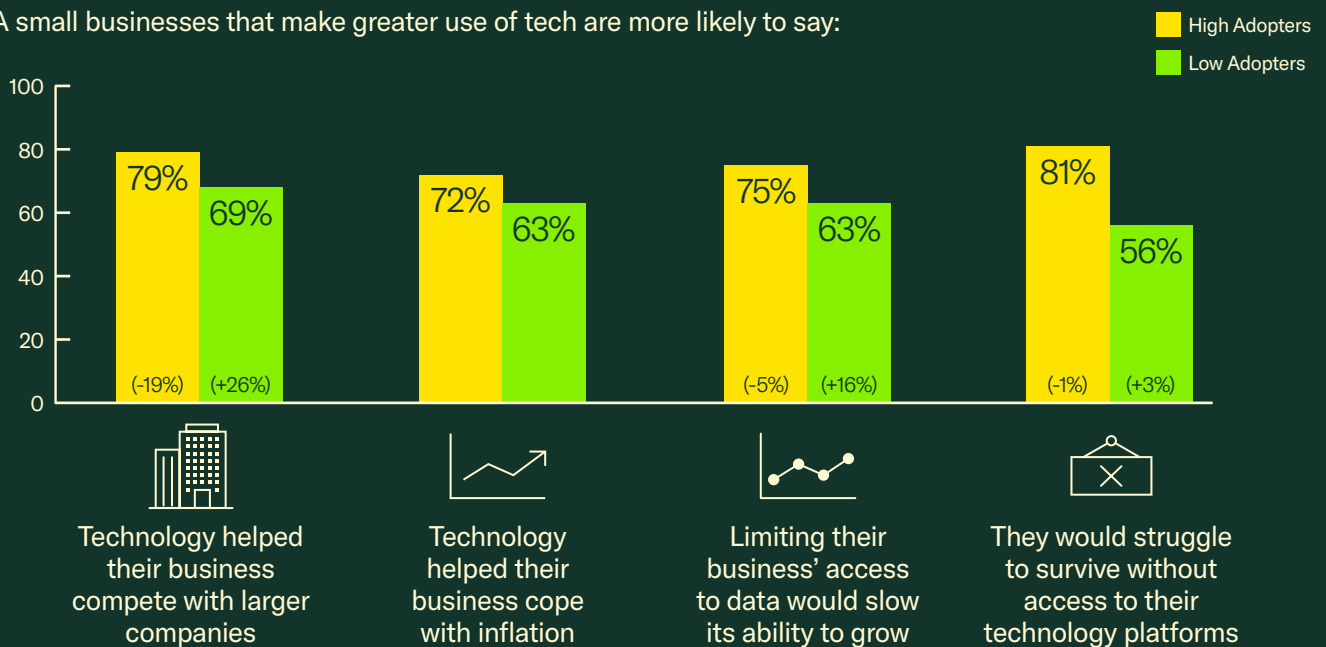


WA small business owners are optimistic that technology will help their business grow in the future.



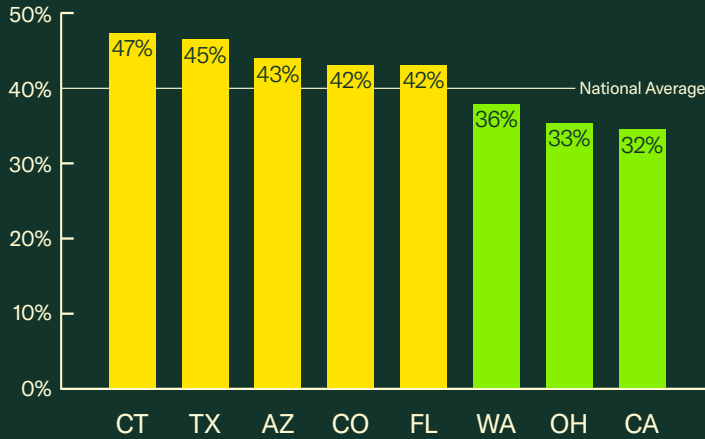
But a majority worry that a patchwork of state-level tech policies will drive up legal/compliance costs.

WA small businesses that make greater use of tech are more likely to say:

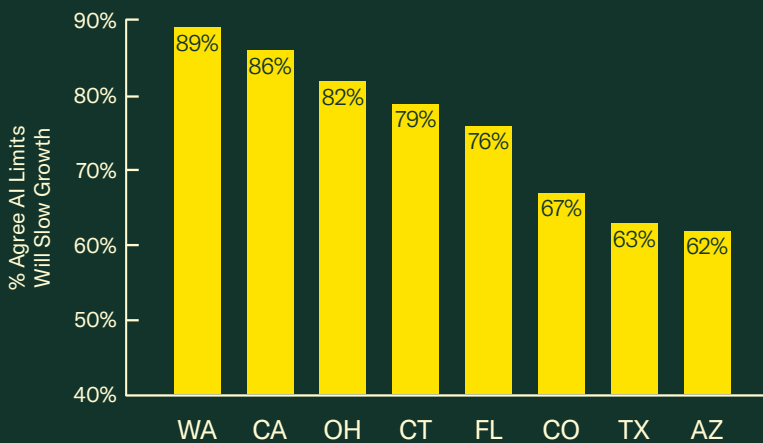


AI Impact Across Key States

Small businesses in 5 states rank above the national average in AI adoption, while WA, OH, and CA lag



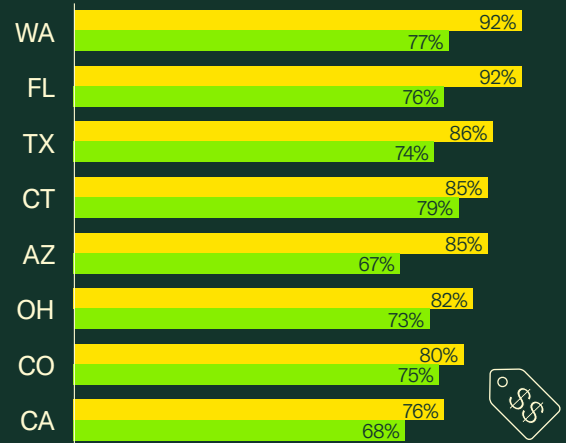
Government restrictions on AI use would limit small business growth



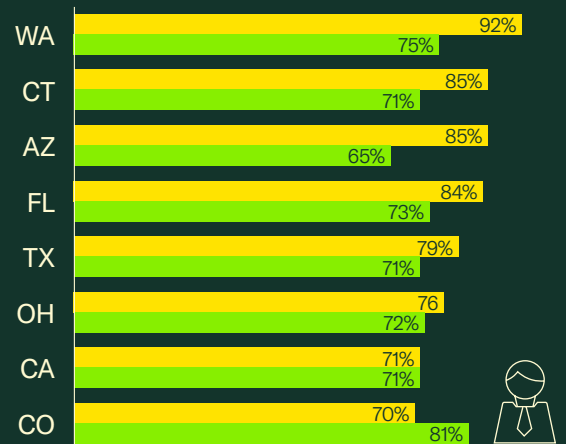
Small businesses using AI were more likely to see their sales, profits, and even their employment increase, suggesting that AI may help create jobs at small businesses

Using AI (Yellow) Not Using AI (Green)

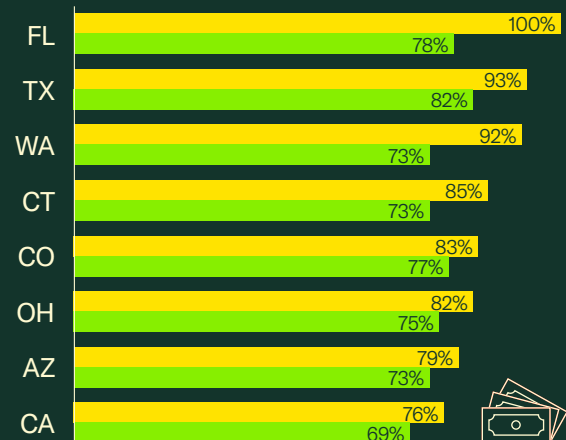
Sales Increase



Employment Increase



Profits Increase



Appendix B:
Woman-, Minority-,
and Veteran-Owned
Small Business Impacts



Key Numbers Among Women-Owned Businesses

97% of women-owned small businesses use at least 1 technology platform (+3pts*)

Women-Owned	97%
National Avg.	99%

37% of women-owned small business use AI

Women-Owned	37%
National Avg.	40%

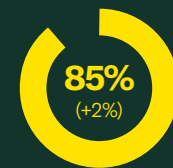
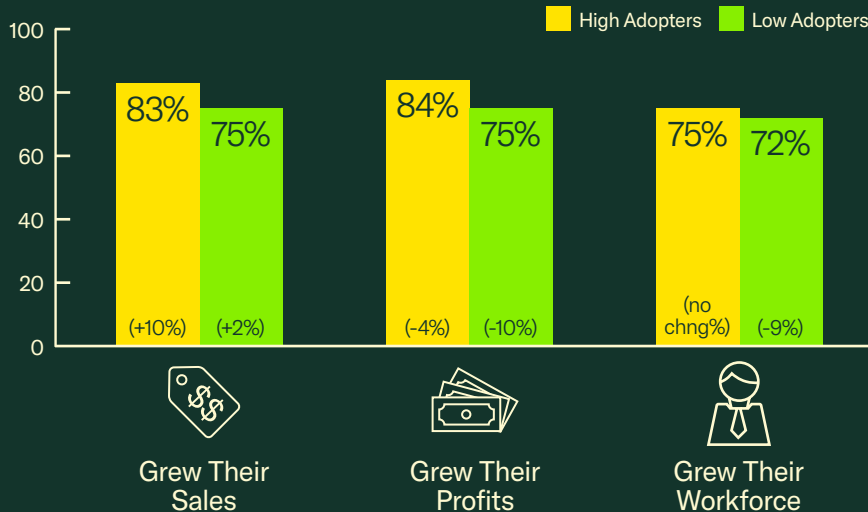
82% plan to increase their use of technology in 2-3 years (no change)

Women-Owned	82%
National Avg.	81%

58% believe AI will help their business in the future (-2pts)

Women-Owned	58%
National Avg.	60%

Women-owned small businesses generally experienced growth in sales, profits, and employees over the past year.

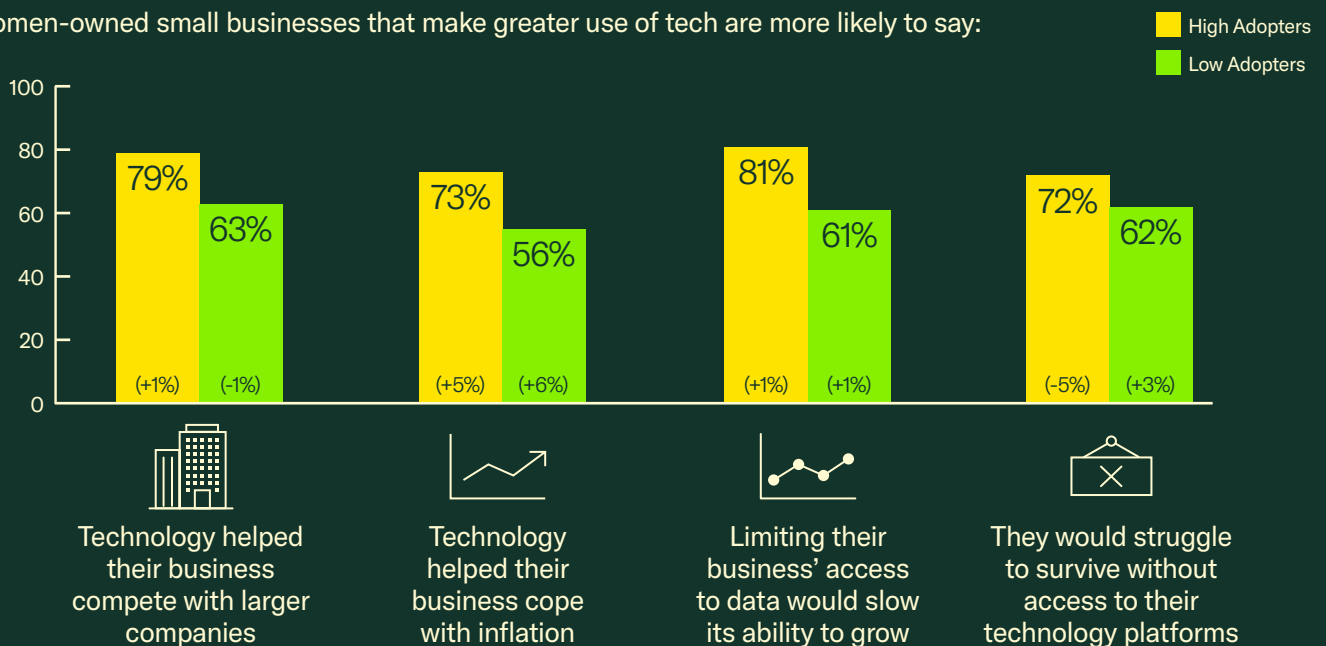


Women-owned small businesses are optimistic technology will help their business grow in the future.



But many worry that a patchwork of state-level tech policies will drive up legal/compliance costs.

Women-owned small businesses that make greater use of tech are more likely to say:



Key Numbers Among Minority-Owned Businesses

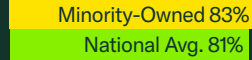
97% of AZ small businesses currently use at least 1 technology platform (no change*)



46% of minority-owned small businesses use AI



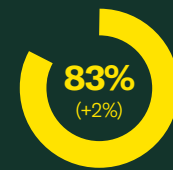
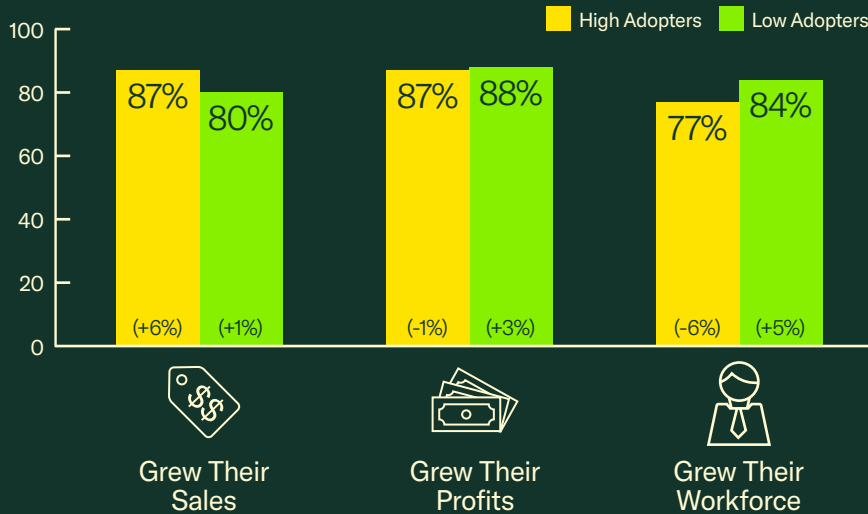
83% plan to increase their use of technology in 2-3 years (-5pts)



62% believe AI will help their business in the future (+2pts)



Minority-owned small businesses generally experienced growth in sales, profits, and employees over the past year.

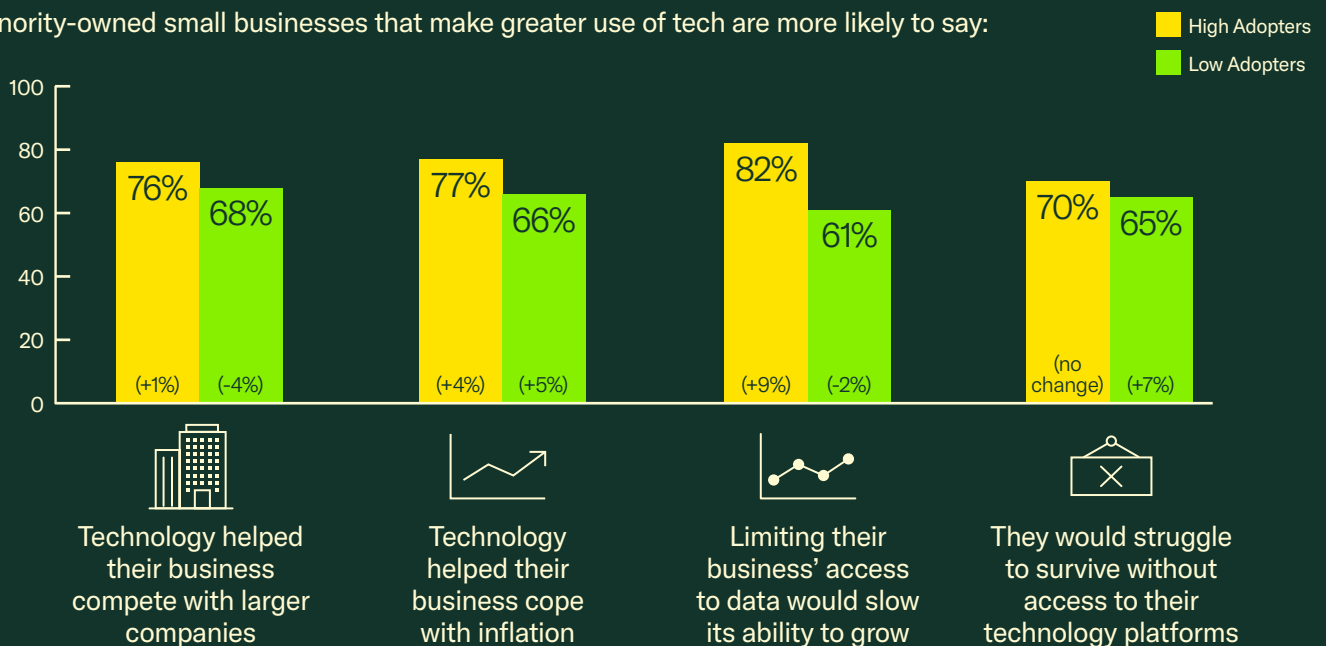


Minority-owned small businesses are optimistic technology will help their business grow in the future.



But half worry that a patchwork of state-level tech policies will drive up legal/compliance costs.

Minority-owned small businesses that make greater use of tech are more likely to say:



Key Numbers Among Veteran-Owned Businesses

95% of veteran-owned small businesses use at least 1 technology platform (+5pts*)

Veteran-Owned	95%
National Avg.	99%

31% of veteran-owned small businesses use AI

Veteran-Owned	31%
National Avg.	40%

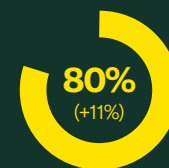
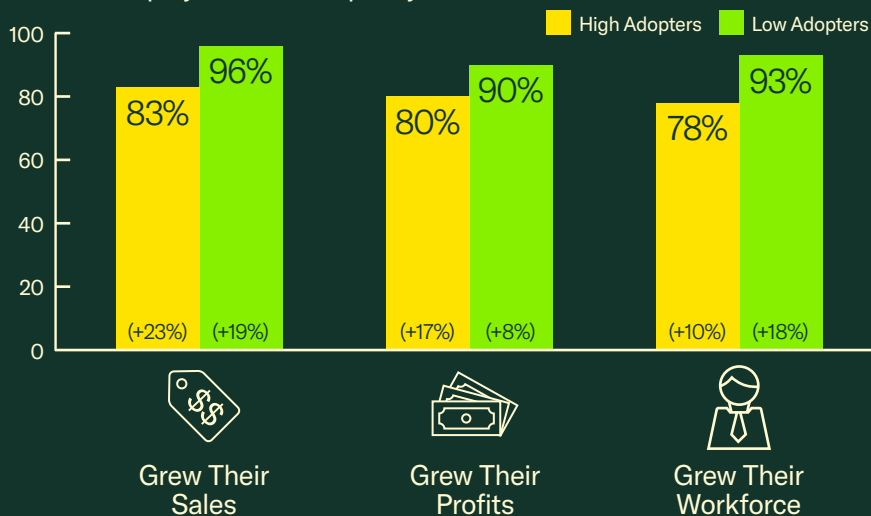
86% plan to increase their use of technology in 2-3 years (no change)

Veteran-Owned	86%
National Avg.	81%

63% believe AI will help their business in the future (+1pt)

Veteran-Owned	63%
National Avg.	60%

Veteran-owned small businesses generally experienced growth in sales, profits, and employees over the past year.

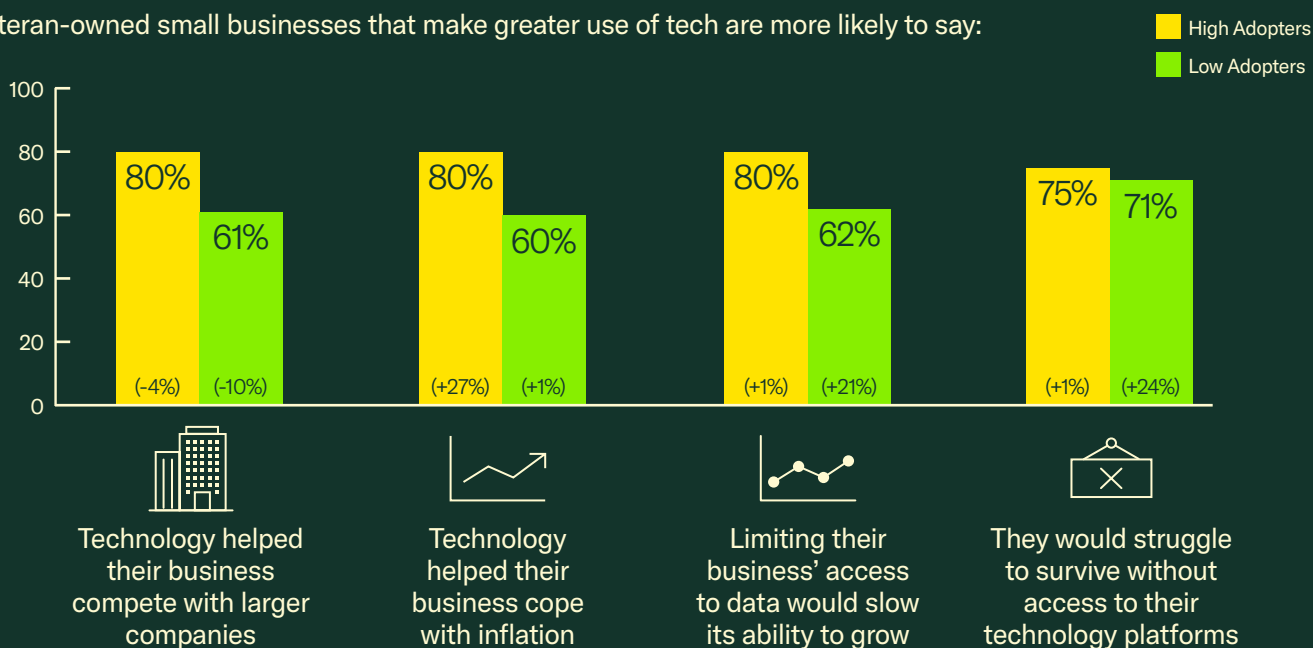


Veteran-owned small businesses are optimistic technology will help their business grow in the future



But a majority worry that a patchwork of state-level tech policies will drive up legal/compliance costs

Veteran-owned small businesses that make greater use of tech are more likely to say:

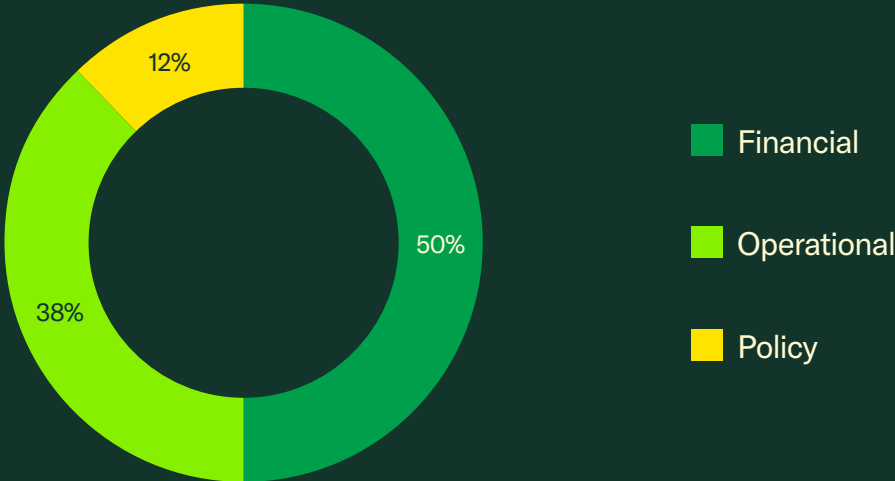
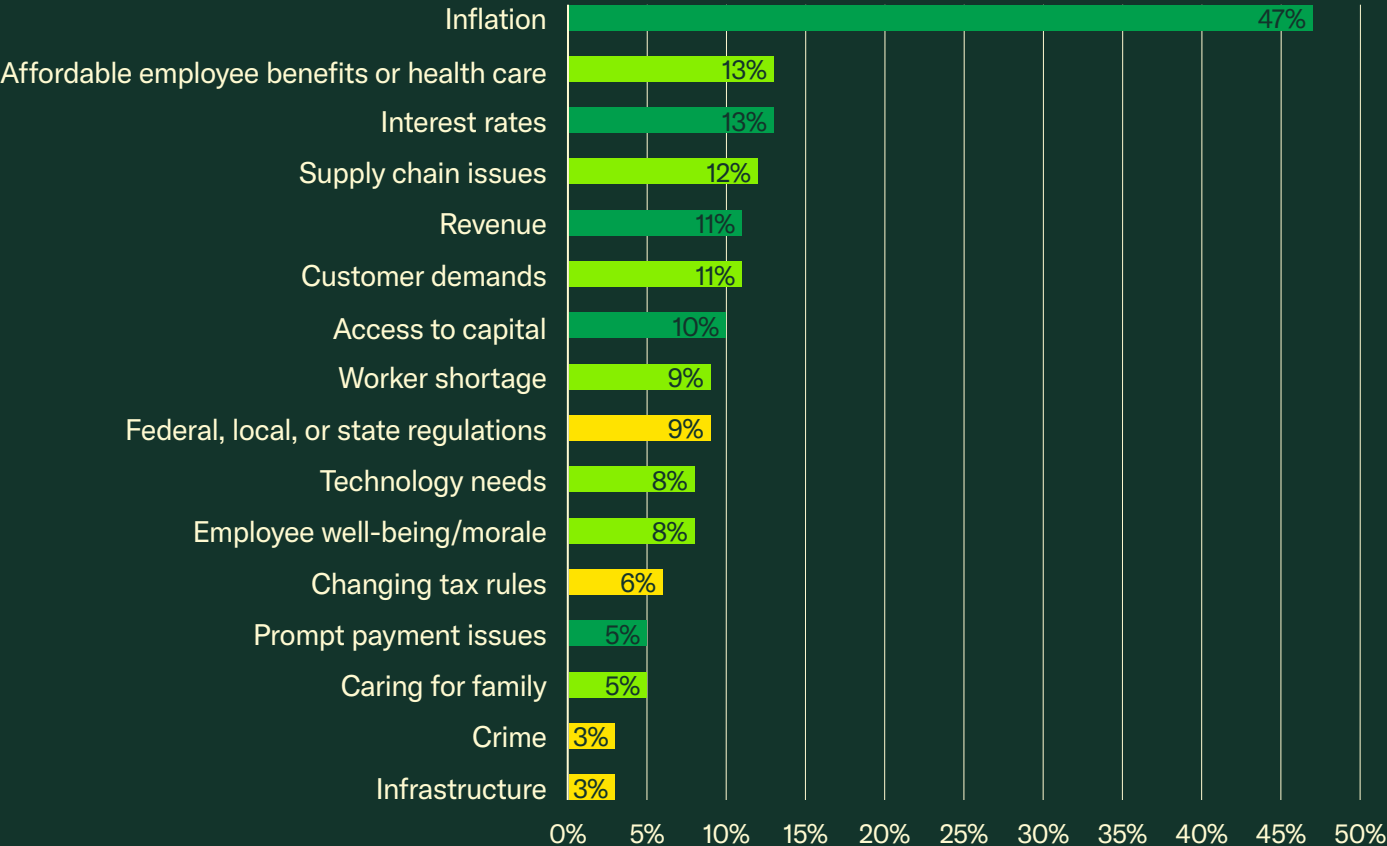


Appendix C:
**Small Business
Challenges**



While small businesses cite a range of challenges, nothing compares to the impact of inflation

Which of the following are the biggest challenges facing small business owners right now? You may select up to two.





U.S. Chamber of Commerce
Technology
Engagement Center