

2022 Cox Consumer Pulse on Small Businesses



A survey of more than 1,000 American consumers explores their support of local small to mid-sized businesses and shares their sentiments on what factors would increase their willingness to shop and dine small.

Forces of Habit

This year, most consumers have shopped the same amount (**50%**) or more often (**35%**) with small businesses.



Of those that have continued or increased support, a vast majority (**77%**) did so because they wanted to support a small or local brand.

Over **three-fourths (78%)** of this group also said they have encouraged those in their circle to shop with small businesses they love this year.

The Price Isn't Right

However, rising prices and decreased availability are driving some shoppers away from Main Street.

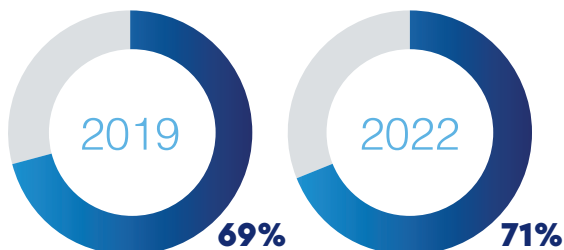
Of the **11%** of respondents that shopped less frequently or stopped shopping small this year, top factors impacting their patronage include:



Only **4%** of those surveyed reported never shopping with small businesses, but a **majority of that group** said they shop at larger stores primarily because prices are more affordable.

Uncle Sam on Main Street

More eyes are on Washington to support small business. Most (**71%**) of consumers feel that the federal government isn't doing enough to support small business growth – up from **69%** in 2019.

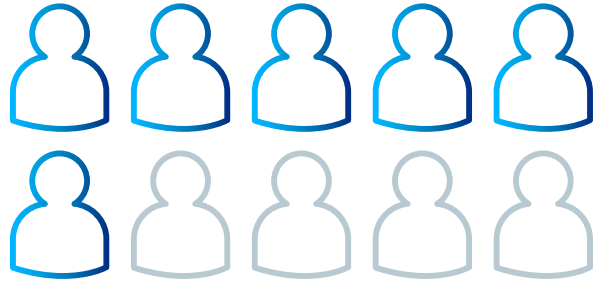
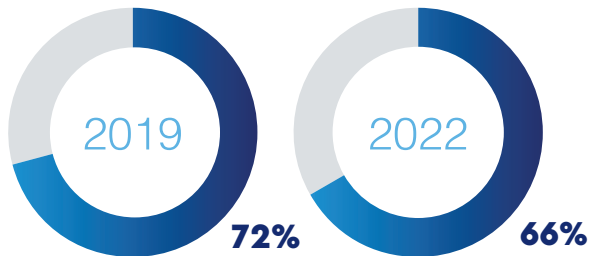


Democrats beat out Republicans (**30% to 22%**) as the party consumers believe does more to support small business, but a slim majority of respondents think all political parties need to step it up.

Tax incentives are the top way that the government can better support Main Street, according to consumers, followed by extending more contracts to SMBs and providing more small business loans.

A Dip in Diversity Devotion

While **two-thirds** of respondents say it is important to them that SMBs practice diverse and inclusive hiring, this number is down from around **72%** in 2019.



A **majority (61%)** of shoppers make an effort to support minority- and female-owned businesses. Shoppers ages 35-44 are the most likely to make this a focus.

Appreciate in Values



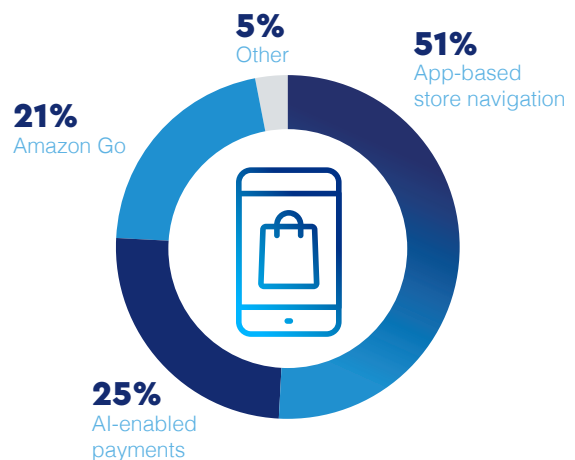
Similar to years past, **seven in ten** respondents say small business owners should promote causes they believe in, and social responsibility is a factor in how they choose to support small businesses.

Yet, there is a fine line as **two-thirds** would stop shopping with a brand if the causes they support weren't in sync with their values (up from around half in 2019).

Upwardly Mobile

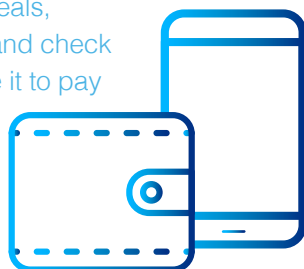
However, mobile payments are still a focus for shoppers – WiFi enabled or not. **Just over half** of respondents said that contactless payments options like Apple Wallet, tap-to-pay cards, or in-app purchases, would improve the in-store shopping experience. Compare that to just **21%** who said the same in 2019.

Other top tech includes real-time personalized discounts (**51%**), app-based store navigation (**25%**) and AI-enabled payments a la Amazon Go (**21%**).



Price Check on iPhone 12

While a majority of shoppers that leverage WiFi in-store use the connection to browse the brand's website for deals, price/availability match, and check inventory – **only 26%** use it to pay with a mobile wallet.



Metaverse on Main?

Are shoppers ready to don an Oculus to run errands? Not quite.

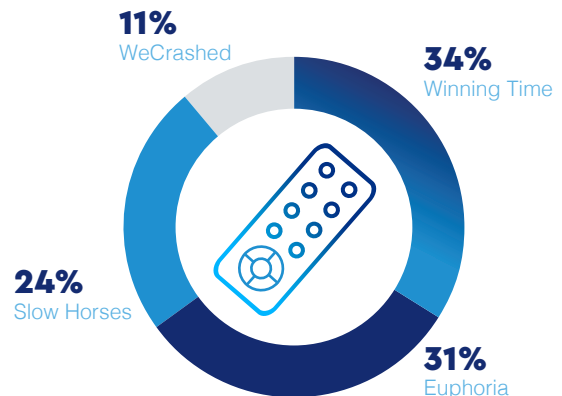


Only **one-fifth** of shoppers have interacted with a retailer in the metaverse, but of those that have, **75%** would interact more with SMBs if they had a virtual presence there.

Shoppers ages 25-44 are most interested in engaging with retailers in the metaverse, outpacing their Gen Z counterparts.

As Seen on TV

Small business meets the small screen. When asked which hit show best describes their view of technology adoption by small businesses, respondents said:



About the 2022 Cox Business Consumer Sentiment Survey on Small Business

Cox Business commissioned a blind survey of American consumers in April of 2022. Respondents to the online survey included a total of 1,256 consumers. The margin of error for this survey is plus or minus 8.45%.

The commercial division of Cox Communications, Cox Business provides voice, data and video services for more than 355,000 small and regional businesses nationwide, including health care providers; K-12 and higher education; financial institutions; and federal, state and local government organizations. The organization also serves most of the top-tier wireless and wireline telecommunications carriers in the U.S. through its wholesale division.

For more information, please visit www.coxbusiness.com

COX
BUSINESS