Small business owners remain optimistic despite recent focus on a potential recession.

The next twelve months could bring fresh challenges to all small business owners, but if they prepare now for the unexpected, they should be able to weather any storms.

*Brad Jiulianti*
Head of Small Business Card
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**KEY TAKEAWAYS FROM SMALL BUSINESS OWNERS**

- 64% Believe current business conditions are good or excellent, a 5% increase in optimism*
- 43% Are concerned about a recession, although they’re reporting a 6% decrease in anxiety*
KEY FINDINGS

An economic downturn would have a major impact on small businesses - especially women-owned businesses. If a recession hits, business owners expect they would:

- 65% Be more conservative when it comes to inventory or supplies
- 61% Experience a negative impact on cash flow
- 59% See a decrease in sales
- 57% Have less ability to grow and expand

Mission-driven initiatives

Mission-driven initiatives are emerging as a way for businesses to attract and retain customers. 36% of business owners have a mission-driven or community impact initiative, which includes:

- 62% Donating money
- 50% Volunteering
- 39% Focusing on pro bono work
- 29% Green or recycling programs

2020 Outlook

Business owners are keeping an eye on the 2020 presidential election, with 65% saying it will have an impact on their business. As they plan for the future, top concerns for 2020 include:

- 56% Rising taxes
- 41% Keeping up with competition
- 39% Keeping up with technology
- 38% Maintaining adequate cash flow

Future hiring

Hiring remains steady, with business owners relying on increased salaries to recruit new employees. These business owners say they plan to hire in the near future:

- 50% Millennial business owners
- 50% Women business owners
- 50% Minority business owners

ABOUT CAPITAL ONE SPARK BUSINESS

Capital One® offers a broad spectrum of financial products and services to consumers, small businesses, and commercial clients. Spark Business® from Capital One offers a diverse suite of financial products, tools and services designed specifically for small businesses, including credit cards with unlimited rewards and banking products and services. Capital One Spark Business is committed to fueling the courageous entrepreneurial spirit that’s at the heart of American small businesses. We are focused on listening to and learning from the millions of businesses we serve every day to make sure our products, services and experiences work as hard as they do.

Capital One’s Fall 2019 Small Business Growth Index Survey was conducted by the market research and business intelligence firm Engine (formerly ORC International). For this telephone study, Engine interviewed a national sample of 500 for profit small businesses. In the U.S., Small businesses are defined as those with a total annual revenue less than $10 million. Interviews were conducted from July 29-August 22, 2019. One respondent per business was interviewed. The margin of error is +/- 4.38 percentage points at a 95% confidence level.