2020 is all about growth. Building on the optimism reflected in the 2019 Business Leaders Outlook, small businesses are still feeling positive and are looking forward to managing a long-standing business that can live on.

What else is on their minds? To find out, Chase Market Research surveyed over 1,000 decision-makers at businesses with revenues of $100,000 to $20 million. Let’s look at the survey results focused on the most notable findings.

**TOP 4 LEARNINGS IN 2019**

1. **OPTIMISM REMAINS STRONG CLOSEST TO HOME**

   **THINGS TO NOTE**
   - The majority of small business leaders are optimistic about their company’s performance and their industry in the year ahead
   - Optimism is relatively unchanged from last year

   **2019 VS 2018**

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>GLOBAL</td>
<td>40%</td>
<td>38%</td>
</tr>
<tr>
<td>NATIONAL</td>
<td>52%</td>
<td>55%</td>
</tr>
<tr>
<td>LOCAL</td>
<td>59%</td>
<td>58%</td>
</tr>
<tr>
<td>INDUSTRY</td>
<td>67%</td>
<td>68%</td>
</tr>
<tr>
<td>COMPANY</td>
<td>74%</td>
<td>74%</td>
</tr>
</tbody>
</table>

   “Optimism is one of the most important attributes you can possess when you have a business. How you deal with the highs and lows defines your success.”

   —Lisa King, President/Founder, Brownie Points and Chase Business Customer

2. **MORE RELIANCE ON TECHNOLOGY**

   **THINGS TO NOTE**

   The rapid pace of emerging technology is challenging for all business leaders, and an increasing number say they feel vulnerable enough to take steps to mitigate business disruption.

   **COMPANIES INCREASINGLY FEEL VULNERABLE TO EMERGING/DISRUPTIVE TECHNOLOGY**

<table>
<thead>
<tr>
<th>COMPANY</th>
<th>INDUSTRY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extremely/Quite Vulnerable</td>
<td>Extremely/Quite Vulnerable</td>
</tr>
<tr>
<td>17%</td>
<td>25%</td>
</tr>
<tr>
<td>22%</td>
<td>23%</td>
</tr>
</tbody>
</table>

   **SMALL-TO MEDIUM-SIZED BUSINESSES ARE ACTIVELY PREPARING FOR DISRUPTION IN 2019**

<table>
<thead>
<tr>
<th>ACTION</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Created a contingency plan</td>
<td>25%</td>
<td>25%</td>
</tr>
<tr>
<td>Collected additional data for analysis</td>
<td>19%</td>
<td>19%</td>
</tr>
<tr>
<td>Designated in-house person/team for identifying threats and opportunities</td>
<td>19%</td>
<td>19%</td>
</tr>
<tr>
<td>Developed proactive counter measures</td>
<td>18%</td>
<td>18%</td>
</tr>
<tr>
<td>Implemented regular firewall testing</td>
<td>18%</td>
<td>18%</td>
</tr>
<tr>
<td>Hired external consultant to identify threats and opportunities</td>
<td>16%</td>
<td>16%</td>
</tr>
<tr>
<td>Purchased interruption insurance</td>
<td>15%</td>
<td>15%</td>
</tr>
</tbody>
</table>

   **Survey Methodology:** The 2020 Chase Small Business Leaders Outlook survey was conducted online from October 7–15, 2019 and gathered the views of 1,000 financial decision-makers at U.S. small businesses (annual revenue of $100,000 to $20 million). The results are within statistical parameters for validity, and the error rate is plus or minus 2.5% at the 95% confidence level.
3 Unexpected Growth is Common

**Things to Note**

Unexpected growth for small- to medium-sized business is both common and largely a positive experience, despite strained staff and increased expenditures.

**Frequency of Unexpected Growth**

- 69% have experienced unexpected growth.
- Of those, 91% experienced it multiple times.

**Actions Taken During Unexpected Growth**

- 58% work longer
- 43% buy more inventory
- 40% hire more staff

**Emotions Associated with Unexpected Growth**

- 90% Positive
- 41% Negative
- 57% Exciting
- 51% Rewarding
- 38% Surprising
- 35% Inspiring
- 26% Stressful
- 14% Tough
- 12% Scary
- 9% Frustrating
- 6% Worrisome

**Small Business Leaders Want Their Business to Live On**

**Things to Note**

Most small business leaders would prefer to see the business live on, most often by passing it to a family member or selling it.

- 81% want their business to live on when it’s time to transition.
- Of those:
  - 1 in 3 want to transfer it to a family member

**In an Ideal World, When I’m Through Running My Business I’ll...**

- 33% Pass the business on to a family member
- 24% Sell to an outside third party
- 12% Take the business public
- 12% Transfer shares to a partner(s) or group of key employees
- 19% Close the business

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