Small business profits have been lower over the past six months.

Inflation is having a negative impact on many aspects of running a small business... and many are raising prices to compensate. Slower sales and increased expenses are impacting many small businesses.

On average, small businesses increased prices by 11%.

Over the past six months, profits have been:

- Much lower than expected: 45%
- Somewhat lower than expected: 22.7%
- Expected levels: 21.9%
- Somewhat higher than expected: 12.1%
- Much higher than expected: 5.2%

Over the past six months, sales have been:

- Much lower than expected: 37.4%
- Somewhat lower than expected: 22.7%
- Expected levels: 19.9%
- Somewhat higher than expected: 14.9%
- Much higher than expected: 4.5%

Over the past six months, expenses have been:

- Much lower than expected: 37.6%
- Somewhat lower than expected: 21.0%
- Expected levels: 21.9%
- Somewhat higher than expected: 14.9%
- Much higher than expected: 4.5%

Have you experienced any of the following effects from inflation? (Check all that apply.)

- Higher prices from vendors/suppliers: 65.7%
- Higher utilities, including gas: 53.5%
- Need to increase compensation due to higher personal expenses: 32.3%
- Customers demanding lower prices: 22.4%
- Problems with cash flow: 21.9%
- Current workers demanding pay increase: 22.7%

What are some of the actions you have recently taken or plan to take to improve the profitability of your company? (Check all that apply.)

- Price increase to match market: 54.8%
- Change in target customer: 39.6%
- Change in product mix: 28.8%
- Higher productivity through automation or process improvements: 28.2%

On average, small businesses increased prices by 11%.

How much on average have you changed prices?

- Raised prices more than 30%: 4.4%
- Raised prices 25-30%: 5.1%
- Raised prices 20-25%: 9.7%
- Raised prices 15-20%: 12.1%
- Raised prices 10-15%: 22.5%
- Raised prices 5-10%: 19.5%
- Raised prices 0-5%: 8.1%
- No price change: 7.0%
- Lowered prices: 8.1%

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