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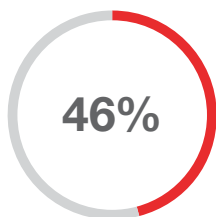
# 2025 Small Business Survey



## Small Business Reality Check:

### One in four small business owners are in survival mode, but adapting.

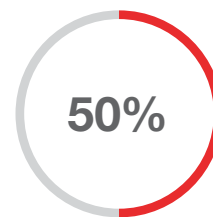
KeyBank's 2025 Small Business Survey found that **nearly a quarter (23%) of small business owners say they are stuck in survival mode** as economic uncertainties persist. Still, they are focused on strengthening their financial foundations to ensure not just sustainability, but also growth. Despite the variables owners face, **almost half (48%) of businesses either met or exceeded expectations over the past 12 months** — a true testament to the creativity, adaptability, and determination driving today's small business owners.



46% of small business owners say they are **certain they could cover one month of operating expenses if an emergency arises**, slightly down from this time last year (49%).



In response to rising costs and tariffs, a quarter of small business owners **(25%) are increasing prices for customers**.



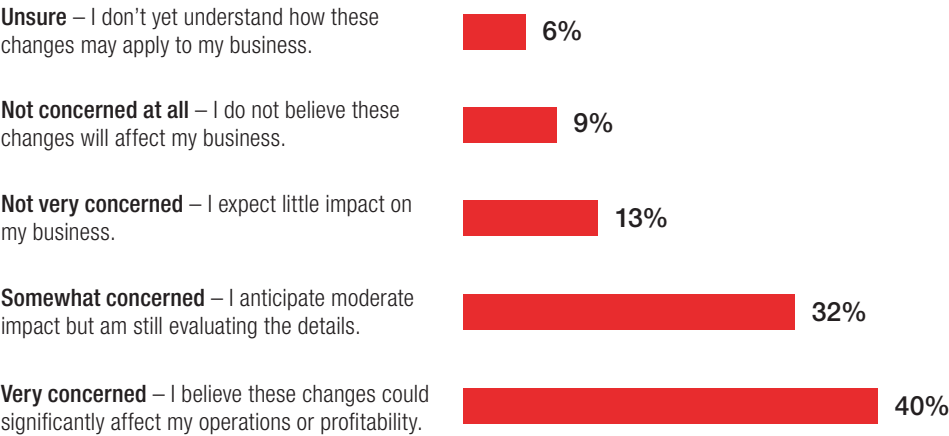
50% of small business owners say their top concern is **inflation and rising costs** — far outpacing things like **competition (33%)**, **cash flow (25%)**, and **labor shortages and hiring challenges (22%)**.





With major policy changes on the horizon, small business owners feel very concerned, but confident in their ability to adapt.

When asked how federal legislation changes coming in the next five months will impact their operations, small business owners said...



## Resiliency is on the forefront of owners' minds. When asked what would make them feel the most resilient moving into 2026, they said...



Having six+ months of operating expenses in reserve (41%).

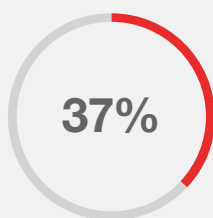


A good night's sleep (30%).

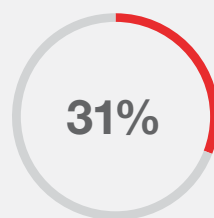


Regular conversations with their business banker (21%).

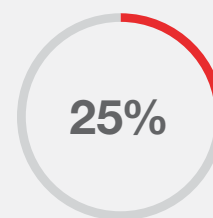
Policy changes have been top of mind for everyone, but especially for small business owners. The three things they've adjusted in the last three months in reaction to the current environment are:



Budget



Business plan or strategy



Cost structure



Fraud and cybersecurity protection tops owners' priority lists, especially regarding **payment fraud (41%)**, **phishing and email scams (27%)**, and **identity theft (26%)**.



As owners seek out conversations with their business banker, they'd particularly value advisory support for **managing cash flow and working capital (33%)**, **financial planning and forecasting (33%)**, and **tax strategy and planning (31%)**.



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