

Moscow, Idaho (Newsworthy.ai) Friday Jan 12, 2024 @ 12:15 PM Pacific —

The January Freedom Economy Index, a joint survey of 70,000 small businesses by PublicSquare and RedBalloon, found that following wave after wave of economic turbulence, America's small businesses appear to be in a "holding pattern," locking down expenses and taking a wait-and-see approach.

Key Findings

1. The Good? Sentiment may be stabilizing. Wrong-track sentiment dropped ever-so-slightly to pre-November levels, and the number of business owners who believe we're headed into a recession is the lowest since our August survey.
1. The Bad? Businesses and employees are financially stressed. 1 out of every 3 businesses had to take on more debt in 2023 to survive, and 70% of business owners say their employees and/or contractors are falling behind financially. Additionally, 60% reported that Christmas economic activity was below expectations, and 77% say they believe consumer confidence is still poor or bad.
1. The Ugly? Inflation still lingers as 73% report that their supplier prices continued to increase in December, and 53% of businesses were forced to raise their prices yet again last month.

Key Quotes

"Despite all of the bad news in 2023, Freedom Economy businesses stood firm," Michael Seifert, PublicSquare CEO, said. "This is a good sign for the broader economy since many of these businesses are on 'Main Street', they're integral to their communities, and are seen as the lifeblood of our American economic environment. Their resilience causes optimism in me as we kick off 2024."

"There's a glimmer of hope that 2024 will be better for small businesses," Andrew Crapuchettes, RedBalloon CEO, said. "They've weathered high inflation, aggressive interest

rates, and a tight labor market. Those that survived will be stronger moving forward.”

Detailed Results

70% of small businesses report that their employees and/or contractors are falling behind financially in this current economy.

37% of employers reported they had to take on more debt in 2023 to survive, while 53% said they had to maintain the same level of debt. Only 10% were able to reduce their debt load in 2023.

80% of small business owners say they plan to hold back from making any major capital purchases this year, and 65% say they are neither hiring nor reducing their staff.

Sampling of employer verbatim responses:

- “Holding steady, unless we get increased business. Then, will add staff.”
- “Desperately need to hire to operate effectively, but sales are so down that I don’t know what to do.”
- “No hiring. Just trying to keep the bottom line out of the red.”
- “I just lost my last employee the week before Christmas. Now I do everything. I don’t have the money after taxes & fees to buy materials, let alone hire someone.”
- “Depending on outcomes, may have to layoff or close business.”

In another sign of locking down expenses, nearly half (44.3%) of small businesses say they are planning less business travel in 2024, while less than 10% say they are planning more.

When asked “How was the overall Christmas season economic activity,” 41.3% said it was

“slower than normal,” while another 27.7% said it was downright “poor.”

Another 59.7% report that the Christmas season economic activity was below their expectations, while only 4.1% said it exceeded their expectations.

Small business owners’ optimism about their business’s future remained steady rather than declining from November yet and much lower than the mid-summer numbers.

And, 76.3% say we’re headed into a “major recession,” down 5 points from November, while another 14.69% believe we’re headed to a minor recession and 7.6% say we will avoid recession but not grow.

93% still believe the US is on the “wrong track,” down slightly from the September/October highs.

Methodology

The Freedom Economy Index surveyed over 70,000 small business owners throughout the United States, fielding the questionnaire from January 4 to 10, 2024 with 964 respondents. The survey has a margin of error of +/-3.0% at the 95% confidence level.

Download the January report [here](#).

To schedule an interview with PublicSquare CEO Michael Seifert and RedBalloon CEO Andrew Crapuchettes, contact Isaac Lopez at (208) 997-8013 or isaac@redballoon.work.

PublicSquare Is America’s largest nonwoke marketplace app with over 70,000 businesses and over 1.6 million active consumer members. They empower the consumers to put purpose behind every purchase, from daily essentials to non-woke restaurants in their area.

Founded In 2021, RedBalloon has quickly become America’s largest woke-free job board, connecting employers and employees who prioritize a positive workplace culture free from the divisiveness of cancel-culture mandates.



This press release is distributed by the [Newsworthy.ai™ Press Release Newswire](#) - News Marketing Platform™. Reference URL for this press release is [here](#).