

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

Continuing the Pandemic Comeback

Small businesses are preparing for a new type of market. One that's not driven by the direct impact of COVID-19 – but rather, one determined by the economic aftermath of the pandemic. Economic indicators like inflation will require adjustments, but the...

Apr. 28, 2022



By Kathryn Petralia.

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

COVID Concerns Wane

Our data suggests U.S. small businesses are now less impacted by the pandemic. In the latest *Small Business Recovery Report*, responses showed over 90% of businesses did not have to stop, slow, limit or shut down their companies due to the Omicron COVID-19 variant, while 70% stated they weren't affected at all.

With pandemic challenges subsiding, U.S. small businesses are growing. Respondents reported their average monthly revenues increased 77% in the past six months, from \$47,900 in July 2021 to \$84,935 in February 2022. Additionally, average monthly profits have increased an average of 39% in the same period.

Although, these growth percentages are heavily weighted toward larger small businesses. The smallest small businesses—those with fewer than 20 employees—reported a 13% increase in average monthly revenues and a 12% increase in average monthly profits from July 2021 to February 2022, while large businesses reported 145% and 29%, respectively.

Adjusting for Inflation

Respondents reported increasing prices by an average of 21% across industries, largely due to increased costs from their vendors (54%) and of raw materials (45%).

Looking ahead, 65% of businesses plan to keep prices at this inflated, current rate for the next six months, while nearly one in five (18%) said they plan to raise prices even more. Combating increasing costs of their own is a primary contributor, and over half (53%) expect their business to be impacted by supply chain issues for the next three months to a year.

A Shift in Hiring

The Department of Labor's [February jobs report](#) shows that employers added

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

=====

Kathryn Petralia is the co-founder of [Kabbage](#), an American Express Company.

Small Business

CPA Practice Advisor is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

© 2024 Firmworks, LLC. All rights reserved