Survey: Small Businesses Say Corporations Driving Inflation That is Hurting Main Street

March 2022
About Small Business for America’s Future

- Small Business for America’s Future is a national coalition of business owners and leaders working to provide small businesses a voice at every level of government.

- We’re committed to ensuring policymakers prioritize Main Street by advancing a just and equitable economic framework that works for small business owners, their employees and their communities.
Key Findings
Small Business Blames Corporations for Driving Inflation

● From March 2-6, 2022, Small Business for America’s Future conducted a national survey of 1,576 small business owners in its network to learn more about the ongoing economic challenges.

● Small businesses surveyed pointed to a number of economic issues stemming from the Covid-19 pandemic as the top challenges they are facing, including:
  ○ 60% said inflation is their top challenge
  ○ 55% said access to affordable and responsible capital is their top challenge
  ○ 48% said labor shortages is their top challenge

● 63% of small business owners surveyed said they think large corporations have been taking advantage of inflation to raise their prices on customers unnecessarily and increase profits
  ○ 97% of small business owners who think large corporations have been taking advantage of inflation to raise prices say that doing so hurts small business
Small Business Owners Supports Policies that Cut Costs & Address Labor Shortages

- As small business owners continue to feel the fallout of Covid-19 and the economic issues it created, they support policies that address their operating expenses and increase the labor pool.
- **80%** strongly support reforms to reduce the cost of healthcare and prescription drugs.
  - Though the Build Back Better Agenda, which included policies to address the cost of healthcare and prescription drug prices, is stalled in the Senate, **83%** of small business owners surveyed think it’s an important priority for the administration and Congress to continue pursuing policies to bring down healthcare costs.
- **65%** strongly support reforms ensuring corporations and the wealthy pay their fair share of taxes.
- **58%** support creating a federal paid family leave program that allows workers to take paid time to bond with a new child, care for a seriously ill loved one or heal from their own serious illness.
- **55%** support extending the child tax credit and capping childcare costs for families, which would help more women enter the workforce.
Survey Results
Q1: Are you a small business owner?
n=1,576

Yes

100%
Q2: Not including yourself, how many people do you employ?

- Self only: 26%
- 1-4: 37%
- 5-10: 17%
- 11-20: 10%
- 21-30: 4%
- 31-50: 4%
- 51-100: 1%
- 101-200: 1%
Q3: Below is a list of policy issues raised in the State of the Union. Please indicate whether you oppose or support each policy:

<table>
<thead>
<tr>
<th>Policy</th>
<th>Strongly support</th>
<th>Somewhat support</th>
<th>Somewhat oppose</th>
<th>Strongly oppose</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reforms to reduce the cost of healthcare and bring down prescription</td>
<td>80%</td>
<td>14%</td>
<td>3%</td>
<td>3%</td>
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<tr>
<td>drug prices</td>
<td></td>
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<tr>
<td>Reforms that ensure large corporations and the wealthy pay their</td>
<td>65%</td>
<td>18%</td>
<td>8%</td>
<td>9%</td>
</tr>
<tr>
<td>fair share of taxes</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Extending the child tax credit and capping childcare costs for</td>
<td>55%</td>
<td>24%</td>
<td>11%</td>
<td>10%</td>
</tr>
<tr>
<td>families</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Creating a federal paid family leave program that allows workers</td>
<td>58%</td>
<td>21%</td>
<td>9%</td>
<td>12%</td>
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<tr>
<td>to take paid time to bond with a new child, care for a seriously</td>
<td></td>
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<td>ill loved one or heal from their own serious illness</td>
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<tr>
<td>Policies to combat climate change and promote clean energy</td>
<td>58%</td>
<td>20%</td>
<td>8%</td>
<td>13%</td>
</tr>
<tr>
<td>Reducing barriers to voting rights and increasing voting</td>
<td>67%</td>
<td>12%</td>
<td>7%</td>
<td>13%</td>
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<tr>
<td>protections to safeguard democracy</td>
<td></td>
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</tbody>
</table>
Q4: The Build Back Better Act (BBB) included policies that would address the high cost of prescription drugs and healthcare. With BBB legislation stalled in the Senate, how much of a priority is it for you to have the Administration and Congress continue to pursue policies that bring down prescription drug prices and healthcare costs?

- A very important priority: 57%
- An important priority: 26%
- Not an important: 9%
- Not a priority at all: 8%
Q5: Do you think that large corporations have been taking advantage of inflation to raise their prices on customers unnecessarily and increase profits, OR do you think large corporations have no choice but to raise prices in response to rising costs?
Q6: Do you think corporate price gouging contributes to inflation that is harming small businesses?
Q7: The number of Americans considering opening a small business has hit a record high. How much do you agree or disagree with the following statement? The future for entrepreneurship is bright and those interested should pursue it as a career.

- **Strongly agree**: 39%
- **Somewhat agree**: 19%
- **Somewhat disagree**: 11%
- **Strongly disagree**: 31%
Q8: Please indicate which of the following issues present the biggest challenges to small businesses right now (Select all that apply):

- Inflation: 60%
- Access to affordable and responsible capital: 55%
- Supply chain issues: 50%
- Labor shortages: 48%
- Taxes: 48%
- Economic uncertainty due to Covid 19: 48%
- Healthcare cost and prescription drug prices: 44%
- Corporations getting unfair advantages through the tax code: 30%
- Tax complexity: 29%
- Staffing shortages due childcare challenges or lack of a federal paid leave policy: 22%
- Access to high-speed internet: 14%
- Consumer demand: 10%
Demographic Data
Q9: What is your age?
Q10: How do you identify yourself?

- Asian American/Pacific Islander (including Japanese American, Korean American, Filipino American, Southwest Asian American, Vietnamese American, and Chinese American) 10%
- Black, African or African American 30%
- Hispanic, Latino 19%
- Native American or Alaska Native 3%
- White or Caucasian 25%
- Multiracial, Other 5%
- Prefer not to answer 10%
Q11: What is your gender identity?

- Female: 47%
- Male: 47%
- Transgender: 0%
- Non-binary / non-conforming: 0%
- Prefer not to say: 6%
Q12: Which of the following best describes the principal industry of your business?
Survey Methodology

Methodology:
Survey Monkey survey of Small Business for America's Future small business network
Fielded from March 2-6

1,576 Total Responses