

# Radio and Small Businesses are Perfect Partners

Author: Annette Malave, SVP/Insights, RAB

During the pandemic, while many businesses were impacted, the role that small local business within communities was magnified. Many small businesses had to pivot to survive or struggled to keep their doors open.

Defined as independent companies with 500 employees or less according to the Small Business Association, the U.S. Chamber of Commerce estimates that there are over 33 million small businesses. The focus on their role within communities wasn't about shuttered doors, but it was about their impact on the economy. Small businesses:

- Account for 99.9% of all U.S. businesses.
- Employ nearly half (46%) of this country's private sector workforce.
- Represent over four-tenths (43.5%) of the GDP.

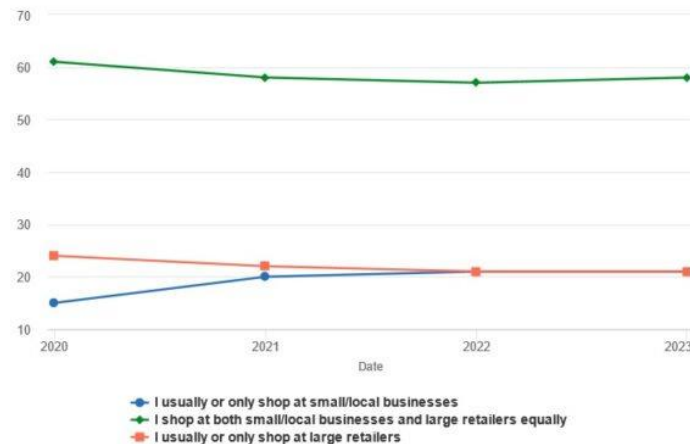
Small businesses continue to feel "the pinch." As of Q1 2023, only 32% of small business retailers state that the health of their business is very good; 34% state that their business is average. Inflation continues to be a big challenge for small businesses according to MetLife and U.S. Chamber of Commerce Small Business Index Q1 2023.

Despite this challenge, 65% of small business owners (SBOs) anticipate revenue growth within the next year. Why? One possible reason is that 34% believe the national economy will improve within the next 12 months per a Bank of America 2023 survey.

Consumer behavior has also helped to encourage this positive perspective. Shopping at local and small business went up significantly between 2020 and 2022 and remains level since its 2022 highpoint, per CivicScience data.

Shopping at local and small businesses went up significant between 2020 and 2022 and has thus far leveled off.

*When shopping, which of the following best describes your store choice?*



© 2023 CivicScience, Inc. | All Rights Reserved



SBOs have a unique opportunity. As part of the local community, they have an incredible opportunity to “humanize” their business by focusing on the “who” they are – allowing themselves to differentiate themselves from national brands. They can share their stories, their growth and the employees that work with them every day to provide the goods and or services to the local community.

When it comes to local, no other medium connects, engages nor informs like broadcast radio. Broadcast radio listeners prefer to support local. Fifty-two percent of adult AM/FM radio listeners prefer to shop at local independent stores versus national chains as do their Black (48%) and Hispanic (52%) cohorts, per MRI-Simmons.

Broadcast radio and small businesses are the perfect partners. They each cater to the interests, tastes and welfare of the communities they serve.