# Small Business Credit Survey: 2024 Atlanta Insights

Federal Reserve Bank *of* Atlanta

Community and Economic Development

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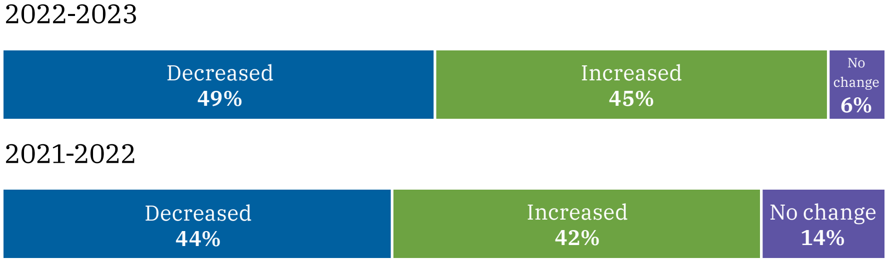
Owners of small employer firms (firms with one to 499 employees) were surveyed in the fall of 2023 for the Small Business Credit Survey (SBCS).[2] This brief highlights key findings for 102 Atlanta-Sandy Springs-Roswell MSA, from now on referred to as "Atlanta," small employer firms ("firms").[3]

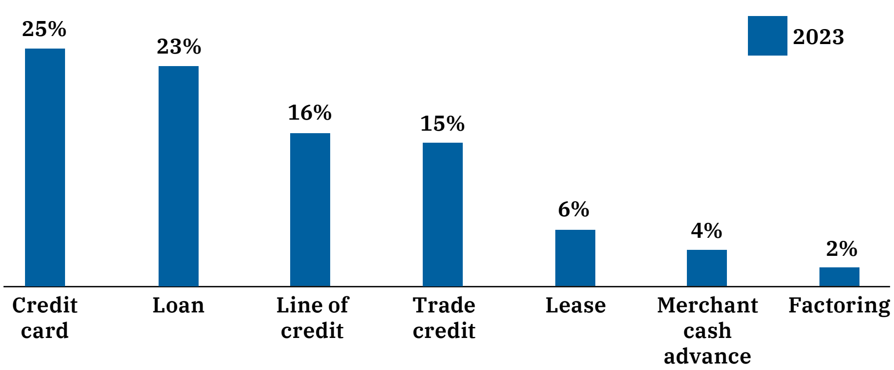
**Firm Conditions & Financing**

More than half of Atlanta's firms reported poor or fair financial conditions in 2023 (53 percent); this represents a five percent increase in the share of firms reporting such financial conditions than the previous year. In 2023, more firms said they experienced increased revenues the prior 12 months than firms responding in 2022, while fewer firms saw no change in revenues. Thirty-seven percent of firms applied for loans, lines of credit, or merchant cash advances, most frequently citing meeting operating expenses as the reason for seeking financing. Among firms that applied for financing in 2023, credit cards (25 percent), loans (23 percent), and lines of credit (16 percent) were sources of financing most sought by Atlanta respondents

**Revenue Change in the Last 12 Months** N=99




**Application Rate by Type of Financing** N=102




**37%**

Applied for financing in the prior 12 months *compared with 36% in 2022* (N=102)

**53%**

Reported that 2023 financial conditions were poor or fair *compared with 48% in 2022* (N=102)

**31%**

Reported operating at a loss at the end of 2023 *compared with 33% in 2022* (N=102)

To read the 2024 report, scan the QR code or click here.

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[1]The views expressed here are those of the authors and do not necessarily represent the views of the Federal Reserve Bank of Atlanta or the Federal Reserve System.
[2]The SBCS is a national sample of over 6,000 small businesses focused on firms' financing and debt needs and experiences. The national report and corresponding data used for this brief are available at www.fedsmallbusiness.org/survey.
[3]See more demographic details on page 2. Note that data are weighted to be representative of all small businesses in Atlanta and that not all yearly comparisons included are statistically significant, partly owing to sample size. Percentages may not sum to 100 because of rounding and, for some figures, respondents could select more than one option.

## SBCS 2024: Atlanta

### Challenges in 2023

The most prevalent challenges reported by Atlanta firms were similar in 2023 to 2022; however, some challenges closely related to the pandemic saw significant declines year over year, including supply chain issues, which were reported less frequently in 2023. The most widely cited operational challenges were reaching customers or growing sales (55 percent), hiring or retaining qualified staff (52 percent), and supply chain issues (41 percent). Other operational challenges included complying with government regulation (21 percent), utilizing technology (17 percent), and ensuring the health and safety of customers or employees (five percent). The most common financial challenges were increased costs of goods, services, and/or wages (73 percent); uneven cash flow (66 percent); and paying operating expenses (49 percent). Additional financial challenges included weak sales (43 percent), making payments on debt/interest rates (34 percent), and credit availability (33 percent).

### Firm Demographics N=102[4]

Atlanta employer firms consisted of the following demographic groups:

**65%** Male-owned

**24%** Female-owned

**11%** Equally owned

#### Race/Ethnicity of Owner(s)

| White | People of Color |
|---|---|
| 68% | 32% |

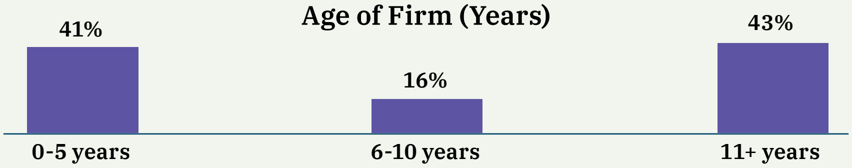
#### Industry

| Services, except finance | Goods, retail, and finance |
|---|---|
| 62% | 38% |

**61%** Have 1–4 employees

**17%** Earn <$100K in annual revenues

#### Age of Firm (Years)




### Top Operational Challenges
N=101

**55%** Reaching customers/ growing sales

**52%** Hiring or retaining qualified staff

**41%** Supply chain issues

### Top Financial Challenges
N=101

**73%** Increased costs of goods, services, and/or wages

**49%** Paying operating expenses

**66%** Uneven cash flow

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[4]Percentages and sample sizes include only weighted responses from employer firms. The population data used to generate state and MSA level weights come from the US Census Bureau's 2021 Annual Business Survey (gender, race/ethnicity), 2021 Business Dynamic Statistics (firm age), and 2021 County Business Patterns (industry and firm size).