

Small Business Credit Survey: 2025 Louisiana 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 2024 for the Small Business Credit Survey (SBCS).² This brief highlights key findings for 152 Louisiana small employer firms (“firms”).³

Firm Conditions & Financing

More than half of Louisiana’s firms reported poor or fair financial conditions in 2024 (71 percent), a 12 percent increase from 2022.⁴ In 2024, more firms said they experienced a decrease in revenues the prior 12 months than in 2022, while fewer firms said revenues increased. Thirty-eight percent of firms applied for loans, lines of credit, or merchant cash advances, most frequently citing the need to meet operating expenses. Among firms that applied for financing in 2024, business loan applications decreased four percent, and firms seeking lines of credit decreased 10 percent compared with 2022.



38%

Applied for loan, line of credit, or merchant cash advance in the prior 12 months *compared with 39% in 2022* (N=152)

71%

Reported that 2024 financial conditions were poor or fair *compared with 59% in 2022* (N=152)

39%

Reported operating at a loss at the end of 2024 *compared with 47% in 2022* (N=142)

Revenue Change in the Last 12 Months (N=146)

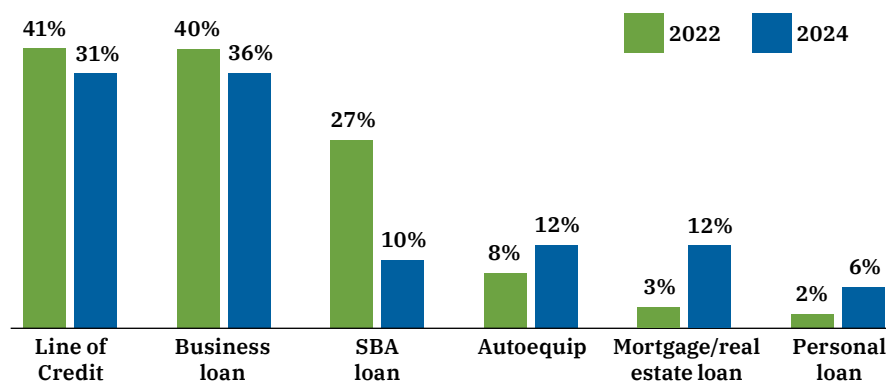
2023-2024



2021-2022



Application Rate by Line of Credit or Merchant Cash Advance (N=61)



To read the 2025 report, scan the QR code or click [here](#).

¹The 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.

²The SBCS is a national sample of over 7,500 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.

³See demographic details on page 2. Note that data are weighted to be representative of all small businesses in Louisiana 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.

⁴For the state of Louisiana, we utilized 2022 data as a comparison. There were an insufficient number of survey responses in 2023 to create a state report.

SBCS 2025: Louisiana

Challenges in 2024

In 2024, Louisiana firms reported challenges similar to those in 2022. However, issues closely related to the pandemic, such as hiring and retaining staff and supply chain problems, saw significant year-over-year declines and were reported less frequently in 2024. The most widely cited operational challenges in 2024 were reaching customers or growing sales (66 percent), hiring or retaining qualified staff (52 percent), and supply chain issues (36 percent). Other operational challenges included complying with government regulations (30 percent), utilizing technology (26 percent), and ensuring the health and safety of customers or employees (seven percent). The most common financial challenges were increased costs of goods, services, and/or wages (86 percent); uneven cash flow (62 percent); and paying operating expenses (55 percent). Additional financial challenges included weak sales (45 percent), making payments on debt/interest rates (39 percent), and credit availability (34 percent).

Firm Demographics (N=152)⁵

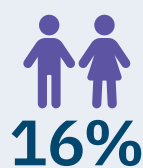
Louisiana employer firms consisted of the following demographic groups:



Male-owned



Female-owned



Equally owned

Race/Ethnicity of Owner(s)

White
84%

People of Color
16%

Industry

Services, except finance
57%

Goods, retail, and finance
43%



52%

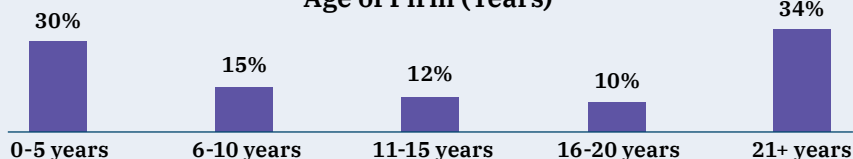
Have 1–4
employees



21%

Earn <\$100K in
annual revenues

Age of Firm (Years)



Top Operational Challenges (N=147)

66%

Reaching customers/
growing sales compared
with 56% in 2022

52%

Hiring or retaining
qualified staff compared
with 68% in 2022

36%

Supply chain issues compared
with 69% in 2022



Top Financial Challenges (N=151)

86%

Increased costs of goods,
services, and/or wages
compared with 81% in 2022

62%

Uneven cash flow compared
with 55% in 2022

55%

Paying operating expenses
compared with 54% in 2022

⁵Percentages 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 2022 Annual Business Survey (gender, race/ethnicity), 2022 Business Dynamic Statistics (firm age), and 2022 County Business Patterns (industry and firm size).