

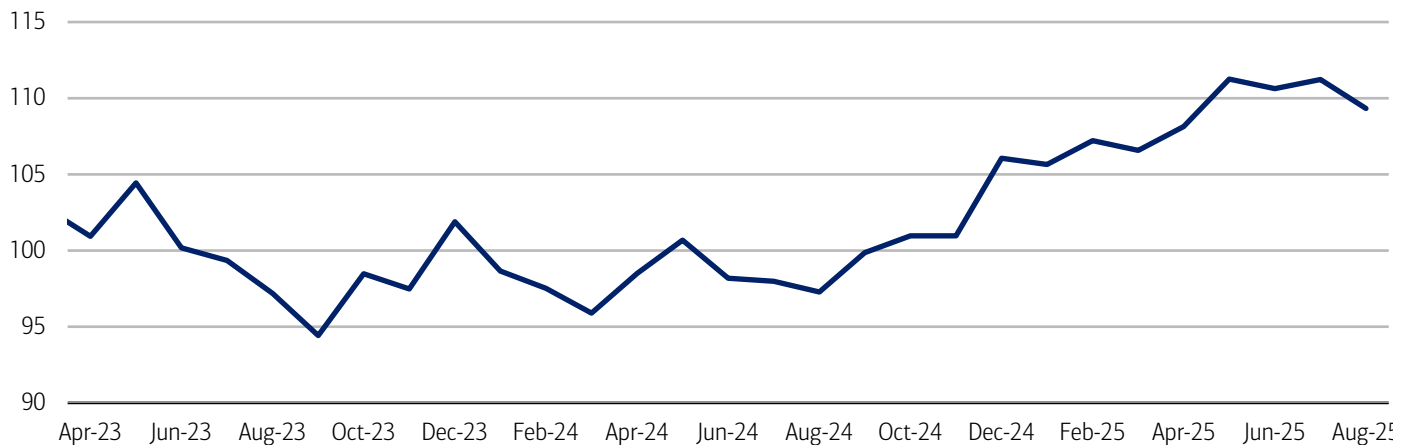
Institute Daily Insights

Small businesses continue to spend on tech services

18 September 2025

In August, tech payments from small businesses were up nearly 10% from the 2024 average

Small business payments to technology services (monthly, indexed, 2024 average = 100, three-month moving average)



Source: Bank of America internal data

Note: Payments include card and non-card channels.

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According to Bank of America data, small businesses are continuing to spend on technology services, up nearly 10% in August from the 2024 average. Some of that may be in AI. A recent NY Fed survey found that businesses are using AI in a myriad of ways, including business analysis, marketing and advertising. This underscores that despite operating in an environment of high uncertainty, this form of capex is considered a priority. On the other hand, small businesses have become more selective when it comes to business travel, with overall travel credit and debit card spending down 3% year-over-year.

For more, read: [Small Business Checkpoint: Staying the course.](#)

Methodology

Selected Bank of America transaction data is used to inform the macroeconomic views expressed in this report and should be considered in the context of other economic indicators and publicly available information. In certain instances, the data may provide directional and/or predictive value. The data used is not comprehensive; it is based on **aggregated and anonymized** selections of Bank of America data and may reflect a degree of selection bias and limitations on the data available.

Any **Small Business** payments data represents aggregate spend from Small Business clients with a deposit account or a Small Business credit card. Payroll payments data include channels such as ACH (automated clearing house), bill pay, checks and wire. Bank of America per Small Business client data represents activity spending from active Small Business clients with a deposit account or a Small Business credit card and at least one transaction in each month. Small businesses in this report include business clients within Bank of America and are generally defined as under \$5mm in annual sales revenue.

Unless otherwise stated, data is not adjusted for seasonality, processing days or portfolio changes, and may be subject to periodic revisions.

Revenue tiers are determined by the combination of following factors: 1) stated revenue on small businesses credit or Paycheck Protection Program applications, 2) actual account inflow into Bank of America Deposit Accounts, and 3) third party revenue estimation.

The alternative hiring indicator consists of payments from Bank of America small business clients to small business-focused hiring firms which include both direct deposits through Automated Clearing House (ACH) and payments via credit and debit cards.

Data regarding merchants who receive payments are identified and classified by the Merchant Categorization Code (MCC) defined by financial services companies. The data are mapped using proprietary methods from the MCCs to the North American Industry Classification System (NAICS), which is also used by the Census Bureau, in order to classify spending data by subsector. Spending data may also be classified by other proprietary methods not using MCCs.

Additional information about the methodology used to aggregate the data is available upon request.

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Disclosures

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