

2026 Business Insights

Trends Report



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About this Report

The 2026 Business Insights Trends Report is the second annual survey by Fora Financial, providing a window into how business owners are navigating today's economic landscape and strategically positioning themselves for future success.

Now in its second year, the report introduces year-over-year comparisons across key topics, alongside new coverage of timely issues including AI adoption, tariff impacts, and Federal Reserve rate changes. Drawing directly from business owners, these findings offer valuable perspective on both the challenges and opportunities shaping the business landscape in 2026.

At Fora Financial, our commitment to business success begins with understanding your unique needs and challenges.



Research Methodology

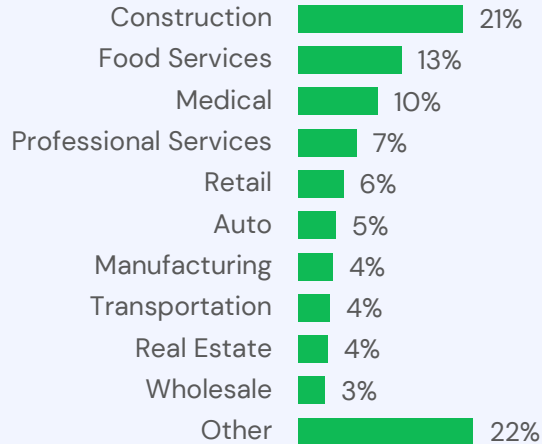
This report is based on an online survey conducted by Fora Financial of over 300 of business owners. The survey was fielded during February and March 2026 and participation was voluntary. Respondents received an incentive for completing the survey.

The findings reflect the perspectives of a sample of business owners who chose to participate and may not be fully representative of the broader business population. All responses were self-reported and have not been independently verified.

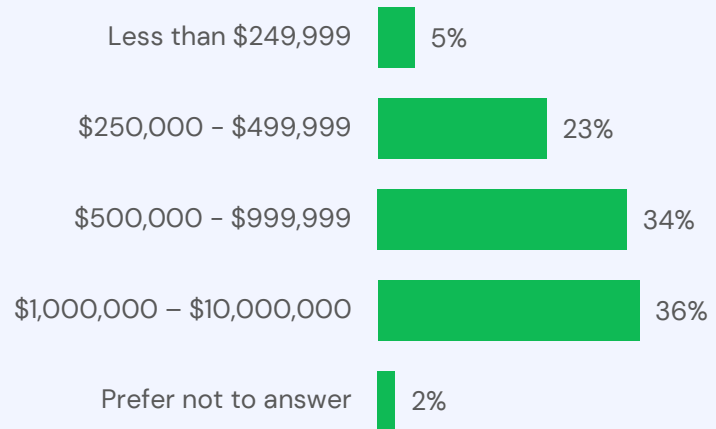
Respondent Overview:

We surveyed over 300 business owners

Business Industry



Business Revenue



Key Findings



Business Owners Remain Resilient as Pressures Shift

Optimism is holding steady, with 76% of business owners expecting revenue growth and more than half anticipating favorable economic conditions. Underneath that optimism, pressures have shifted. Inflation is becoming less severe while tariffs and rate uncertainty are rising.



Technology & AI Are Becoming Signals of Growth

More than half of business owners increased their use of technology in the past year, and 39% are already using AI. Businesses expecting strong revenue growth are significantly more likely to be using AI, highlighting a growing link between technology investment and future performance.



Financing Activity Is Rising, But Cost is Now the Primary Barrier

Business owners are engaging with financing more regularly, with online lenders continuing to lead. However, both high interest rates and unfavorable repayment terms have become more prominent challenges, while speed and simplicity are becoming table stakes.



Expectations of Lenders Are Rising and Reshaping Relationships

Transparent pricing and flexible repayment options now rank as the most important attributes in a financing partner, while interest in long-term, strategic relationships has declined sharply. Trust is increasingly built through clear, consistent interactions rather than assumed over time.

2026 Business Owner Outlook

Three in Four Business Owners Expect Revenue Growth, Consistent With Last Year

Despite ongoing cost and operational pressures, optimism among business owners remains steady. 76% expect revenue to grow over the next 12 months, nearly identical to 2025 (77%), signaling a stable outlook even as conditions continue to evolve.



Revenue Expectations Over Next 12 Months

Significant growth (>20%)

20%

Moderate growth (5–20%)

56%

Flat revenue

15%

Slight decline (5–20%)

7%

Significant decline (>20%)

2%

76%
Expect Revenue
Growth
vs. 77% in 2025

Q: What are your revenue expectations for your business over the next 12 months?

Cash Flow Remains the Top Challenge, but Pressures are Shifting

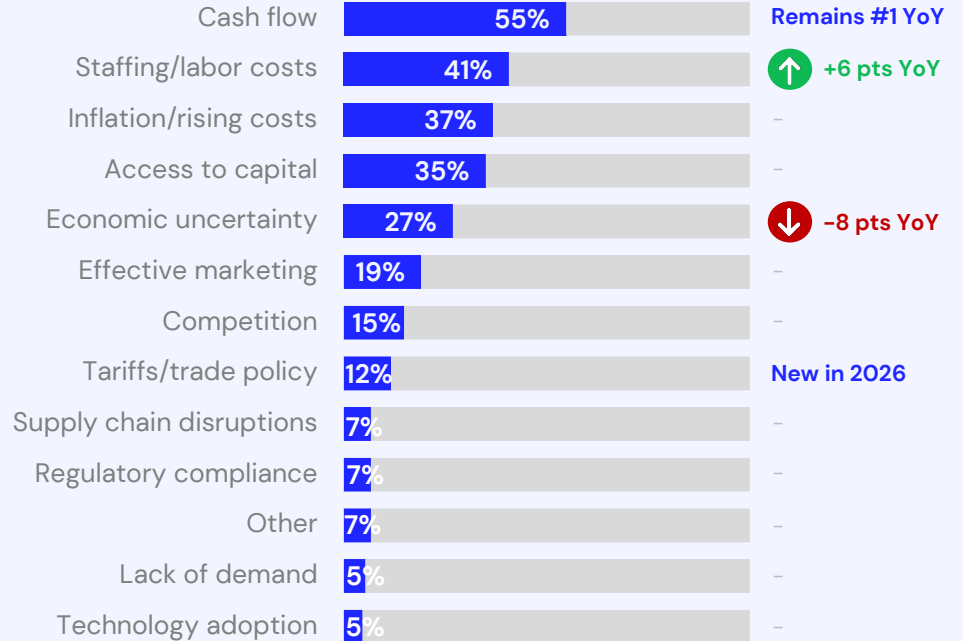
Cash flow remains the top challenge for business owners, cited by 55% of respondents in 2026, nearly identical to last year (54%).

Beneath that consistency, the mix of pressures is shifting. Staffing and labor costs increased 6 points YoY, while economic uncertainty declined 8 points, suggesting a shift away from broader economic concerns toward more operational challenges.

New in 2026

Tariffs entered the list for at 12%, ranking 8th among challenges

Top Challenges Impacting Businesses



Q: What are the top 3 challenges that are currently impacting your business? Select up to 3.

Note: New in 2026 indicates a new answer option added to 2026 survey

More Than Half of Business Owners Now Expect Favorable Economic Conditions

Economic sentiment is improving modestly, with 52% of business owners expecting favorable conditions, up from 48% in 2025. While optimism is now the majority view, a meaningful share remain cautious.

Notably, economic outlook also varies by industry. Construction businesses are the most optimistic, with 63% expecting favorable conditions. Food Services owners were the most cautious, with only 34% expecting favorable conditions and 42% taking a neutral stance.

Expected Economic Conditions

2026



52%

expect favorable conditions in 2026, up from 48% last year

2025



21%

expect unfavorable conditions, essentially unchanged from 2025

■ Favorable ■ Neutral ■ Unfavorable

Q: How favorable do you expect economic conditions will be for businesses over the next 12 months?

Inflation Pressures are Easing, but Remain Widespread

The impact of inflation is becoming less severe but continues to affect most business owners. The share reporting a significant increase in operating costs fell from 35% in 2025 to 20% in 2026, marking a meaningful turning point.

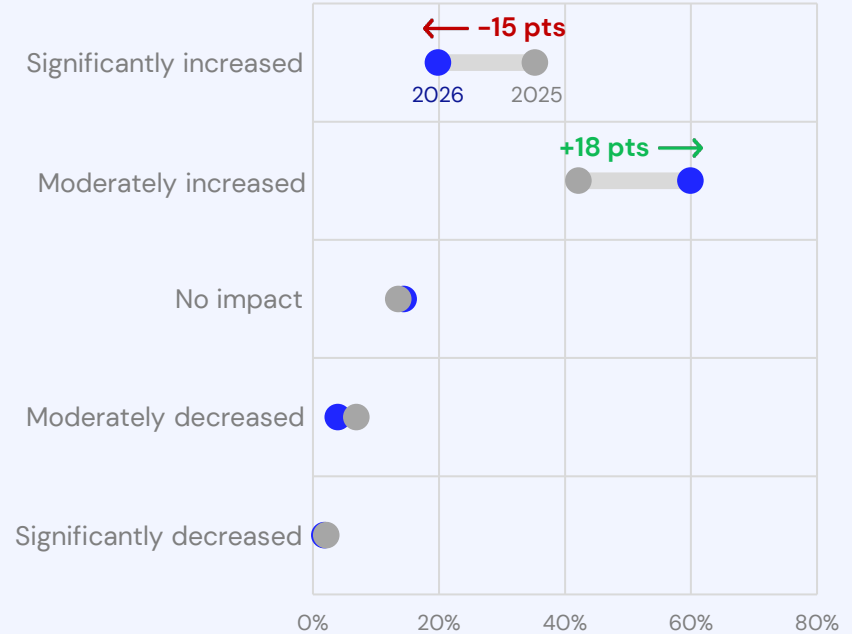
At the same time, 80% still report at least moderate cost increases, indicating that inflation remains a broad and persistent pressure. The story of 2026 is not that inflation has subsided, but that business owners are adapting and managing these pressures more effectively.

8 in 10

business owners report higher operating costs due to inflation

Impact of Inflation on Operating Costs

● 2025 ● 2026



Q: To what extent has inflation impacted your business's operating costs over the past 12 months?

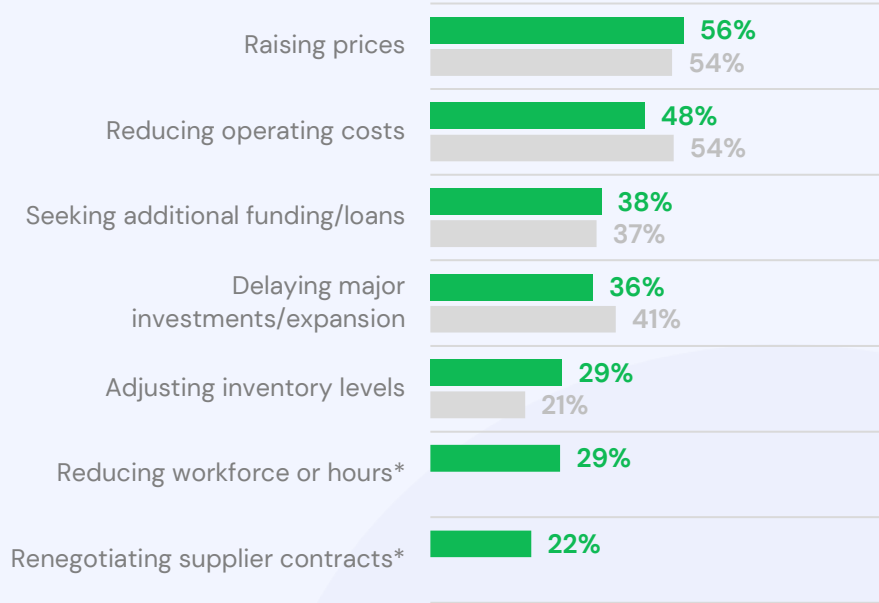
Business Owners are Protecting Margins from Both Sides

Business owners are responding to inflation pressures on multiple fronts. The most common responses are raising prices (56%) and reducing operating costs (48%), reflecting a coordinated effort to protect margins.

Seeking additional funding ranks third at 38%, highlighting the role of capital in absorbing pressure without having to pull back entirely. Compared to a year ago, fewer businesses are delaying major investments (36% vs. 41%), a sign that many are continuing to move forward despite ongoing challenges.

Steps Taken to Mitigate Inflation

● 2025 ● 2026



Q: What steps, if any, are you taking to mitigate the impact of inflation on your business? Select all that apply.

*New answer option added to 2026 survey

Nearly 3 in 4 Business Owners Feel the Impact of Tariffs

Tariffs and trade policy are emerging as a meaningful new pressure for business owners. In 2026, 73% reported some level of impact, most commonly through higher supply costs (66%), reduced margins (41%), and pressure to increase prices (40%).

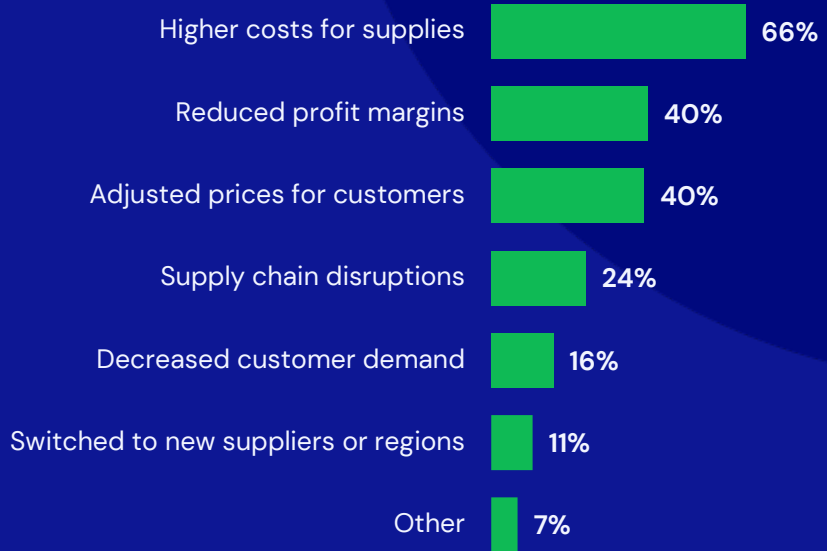
73%

of business owners say that tariffs or trade policies are impacting their business operations



Impact of Tariffs and Trade Policies

% Aspects Impacted by Tariffs



Q: To what extent have tariffs or trade policies impacted your business operations in the past 12 months?
Q: Which aspects of your business have been affected by tariffs or trade policies? Select all that apply.

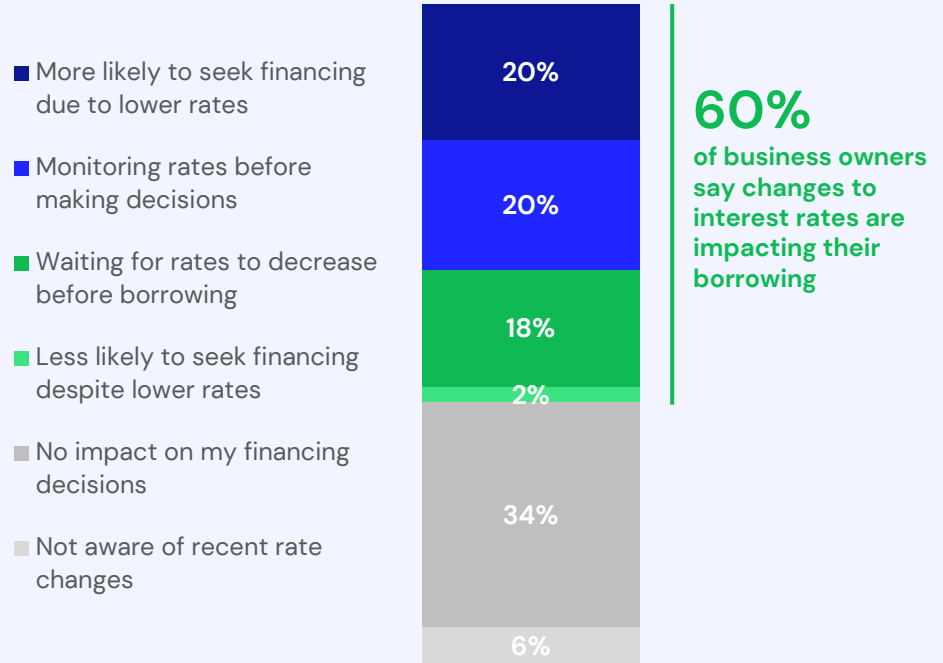
Rates & Economic Uncertainty

Rate Changes are Shaping How Business Owners Approach Financing

Interest rate changes are influencing financing decisions for many business owners, with 60% reporting some level of impact.

Responses to rate uncertainty vary, with some owners more likely to seek financing and others taking a more cautious, wait-and-see approach. Only 34% report no impact, and just 6% are unaware of recent changes, suggesting that most business owners are staying informed and actively factoring rate conditions into their decision making.

Impact of Interest Rates on Financing Decisions



Q: How, if at all, have changes to Federal Reserve interest rates influenced your business financing decisions?

Economic Uncertainty Continues to Drive Borrowing Caution

Business owners remain cautious about borrowing in the face of ongoing economic uncertainty, though that caution has started to ease. In 2026, 68% say they are more cautious, down from 73% in 2025.

Responses to economic factors are evenly distributed, with no single approach representing a majority of business owners. While 29% report reducing loan amounts, an equal share are either maintaining their usual borrowing habits (24%) or exploring alternative financing options (24%). Rather than pulling back, business owners are becoming more deliberate in how they borrow.

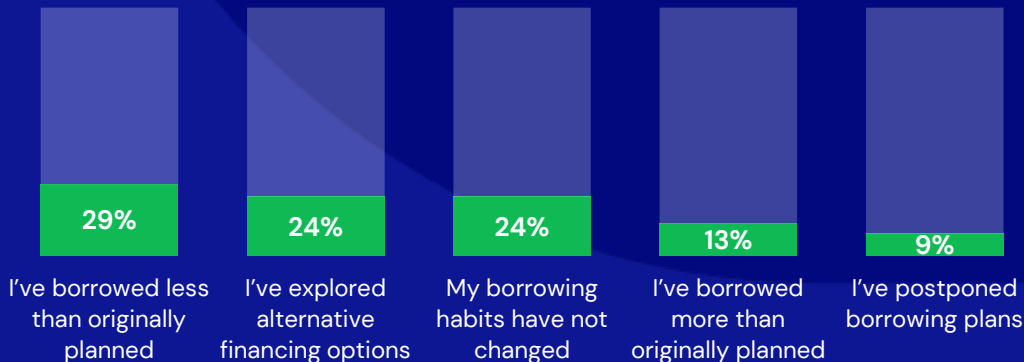
68%

are more cautious about borrowing during economic uncertainty



Down from 73% in 2025

Impact of Economy on Borrowing Decisions



Q: To what extent do you agree or disagree with this statement: "I'm more cautious about borrowing money for my business during times of economic uncertainty"?

Q: How have recent economic factors (e.g., inflation, interest rates, uncertainty) influenced your borrowing decisions over the past year?

Technology & AI

Over Half of Business Owners Increased their Use of Technology

Technology is becoming an increasingly important part of how business owners operate and adapt. In 2026, 53% reported increasing their use of technology, with the strongest growth in marketing, communication, and operations.

Adoption is even higher among larger businesses. Among those generating over \$1M in revenue, 62% increased their use of technology, suggesting that larger businesses are leading technology's momentum.

53%

of business owners increased their use of technology in the past year

Where Businesses Are Increasing Their Use of Technology

% Increased their Tech Usage in Past Year



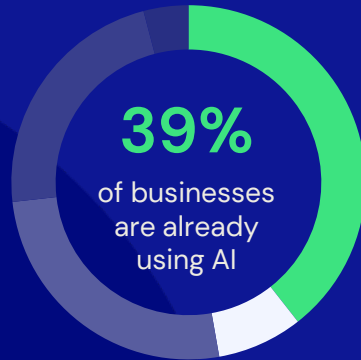
Q: In which areas of your business has the role of technology increased in the past year? Select all that apply.

AI Adoption is Closely Linked to Business Growth Expectations

AI adoption is gaining traction, with 39% of business owners already using AI tools and another 8% planning to implement them within the next year. Combined, nearly half of businesses are at or near active AI adoption. Notably, the relationship between AI use and business outlook is striking. Business owners expecting significant revenue growth are more than three times as likely to already be using AI compared to those expecting a decline, suggesting a strong link between AI adoption and forward-looking growth strategies.

AI Adoption

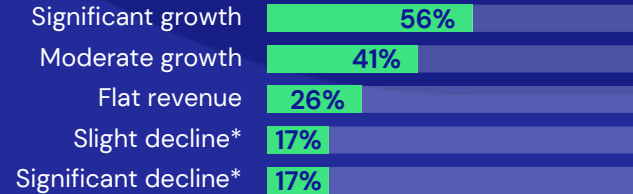
- Already using AI tools
- Planning to implement (12 mos)
- Considering, no immediate plans
- Not interested at this time
- Unsure



Businesses that expect revenue growth are much more likely to already be using AI

AI Adoption by Revenue Expectations

% Already Using AI



*Low sample size, use directionally

Q: Are you currently using or planning to use artificial intelligence (AI) tools in your business?

Marketing Content Leads AI Adoption

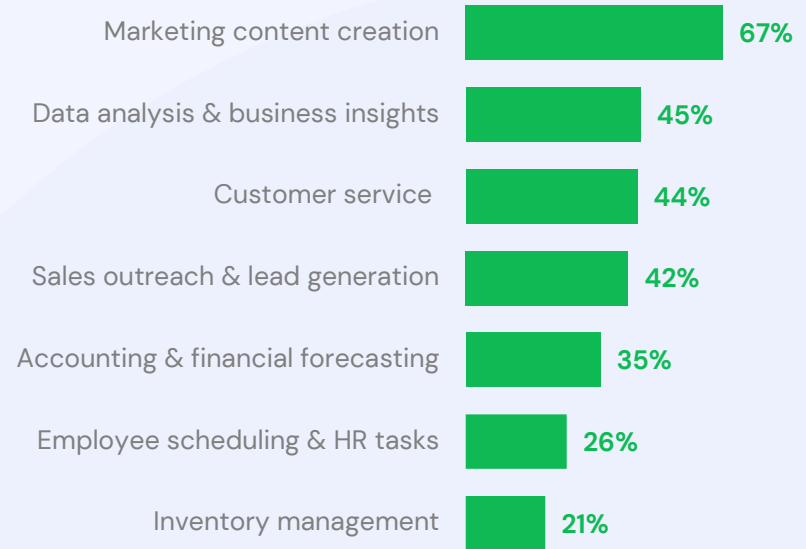
Among businesses using or planning to use AI, marketing content creation leads all use cases at 67%, pacing well ahead of other applications.

Data analysis (45%), customer service (44%), and sales outreach (42%) follow, indicating that AI is being applied across both customer-facing and operational functions.



Where AI is Being Deployed

% Already Using or Planning to Use AI



Q: In which areas are you using or planning to use AI? Select all that apply.

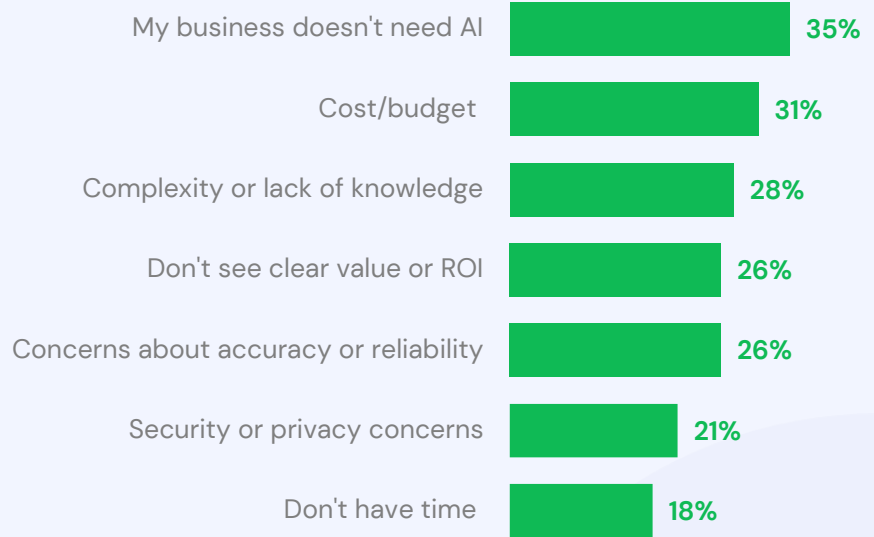
Perceived Lack of Need is the Top Barrier to AI Adoption

Among businesses not currently or not planning to use AI, the most common barrier is a perceived lack of need (35%). But cost constraints (31%) and lack of technical knowledge (28%) follow closely, barriers that are addressable with the right support.

Concerns about accuracy (26%) and security (21%) are also notable, pointing to a trust gap that will need to close before broader adoption takes hold.

Barriers to AI Adoption

% Not Interest in AI or No Current Plans to Implement



Q: What is preventing you from adopting AI tools in your business? Select all that apply.

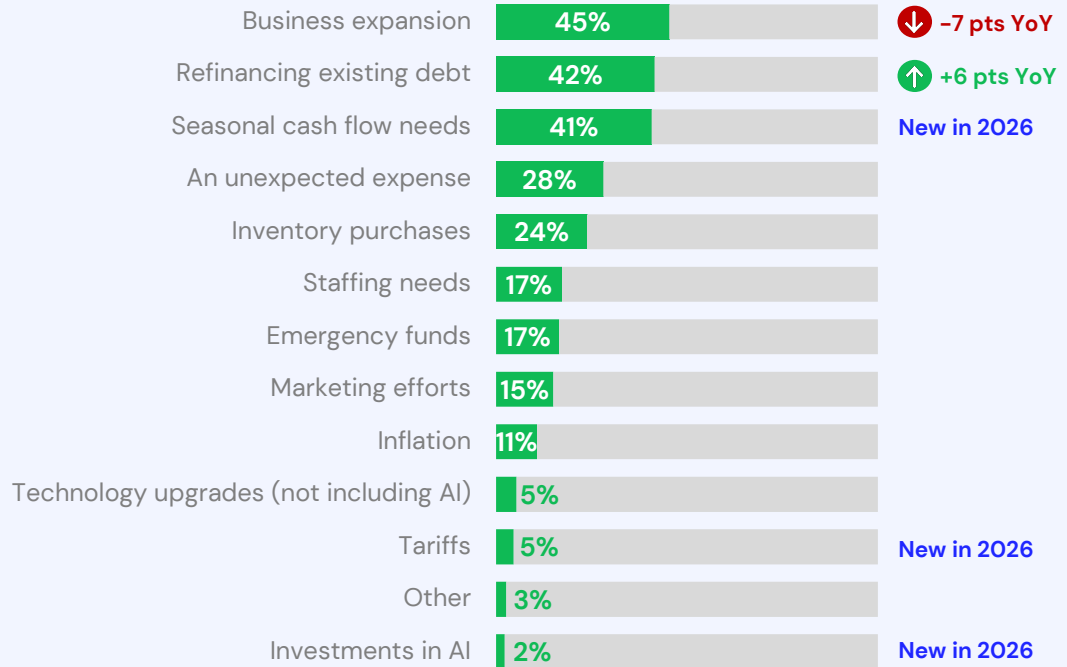
The Financing Landscape

Borrowing is Becoming More Balanced Between Growth & Stability

Business expansion remains the top motivation for borrowing at 45%, but it declined 7 points from last year, signaling a shift away from purely growth-oriented borrowing.

At the same time, refinancing existing debt increased to 42%, and seasonal cash flow needs emerged as a new driver at 41%. Together, these trends suggest a more balanced approach, with business owners using financing not only to grow, but also to manage obligations and smooth out cash flow cycles.

Motivations for Borrowing Money



Q: Looking ahead to the next 12 months, what might motivate you to borrow money for your business? Select all that apply.

Note: New in 2026 indicates a new answer option added in the 2026 survey

NEED FUNDING?

If your business is in need of working capital,
contact us to **apply for a small business loan.**

www.ForaFinancial.com

Thank you!