

Small businesses are big on tech

Facts About Small Business Digital Tools and S.2992, The American Innovation and Choice Online Act

Overregulating digital tools hurts small business.

Small business leaders use digital tools to expand their business operations and drive growth in several ways:

92% of them say to engage with customers.

87% to grow their customer base.

84% to sell products and services to customers.

Finally, digital tools can act as a “Great Equalizer,” helping SMB leaders of varying backgrounds and circumstances work more efficiently, drive more revenue, and ultimately create more jobs.

85% of Hispanic-led SMBs recognized a noticeable impact when using digital tools to expand their business (7% higher than the average of all SMB leaders).

83% of Black-led SMBs recognized a noticeable impact when using digital tools to expand their business (5% higher than the average of all SMB leaders).

Three Ways the The American Innovation and Choice Online Act Hurts Small Businesses

The American Innovation and Choice Online Act is digital economy legislation that would rewrite the rules of the marketplace by banning large companies from bundling digital tools and services that today work very well for small businesses. While it would benefit very large companies like Walmart, Yelp, and others, it will hurt small businesses by making digital tools and services from Google, Amazon, and Facebook more expensive and less effective.

Here are some real-life small business impacts of the “big is bad” legislation:

- 1** Diminish the value of many free and low-cost services like Google Business Profile, Google Maps, and YouTube by forcing Google to push Google My Business, Google Maps, and YouTube results further down a search results page, decreasing their effectiveness for small businesses and forcing businesses to use other, more expensive and less effective services.
- 2** End Amazon Prime as we know it. Amazon Prime works exceptionally well for consumers and third-party marketplace sellers alike. For marketplace sellers, Amazon doesn't just provide access to millions of customers worldwide; Amazon Prime guarantees fast, easy shipping and returns. To be a qualified seller on Prime, Amazon requires sellers to use Fulfillment by Amazon to handle the packing, shipping, and returns to make guaranteed shipping possible. Banning this requirement would make Prime available only for goods sold directly by Amazon and NOT third-party sellers. Great for UPS, FedEx and Walmart, but terrible for the millions of small businesses selling on Amazon and using Prime.
- 3** End the convenience and affordability that comes from large companies integrating products and services, impacting everything from platforms offering discounts and benefits for integrated services, to posting to Facebook and Instagram simultaneously, to how Google Meets and Microsoft Teams integrate seamlessly into Google Calendar and Microsoft Outlook. Small businesses know that time is money and that integrated services save them both. Forcing companies to separate these products will not only raise prices, but it will also make using these tools and services more difficult and time-consuming.