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Main Street Health Report



Context for October:

Main Street activity steadies to pre-pandemic levels, as workers feel increasingly secure at work and concerns over the economy decline.

This improvement signals Main Street is heading towards a strong holiday season, which will set them up for the New Year.

The good:

- [Halloween shoppers not deterred by economic slowdown](#)
- [37% of Americans get November head start on holiday shopping](#)

The bad:

- [An economic warning sign that is flashing ominously](#)

The uncertain:

- [Large retailers plan to slow seasonal hiring this year](#)
- [UAW reach tentative deal to end labor strike with Stellantis but expand strike at GM](#)

While the Fed deliberate rate hikes, Main Street is stabilizing in line with prior years, marking a turning point in economic stability. Meanwhile, small business teams are more confident about the health of their businesses. Homebase seeks to understand how the broader economic environment is affecting small businesses and their employees during October by analyzing behavioral data from more than two million employees working at more than one hundred thousand SMBs.

Main Street at a glance:

While inflation remains top of mind, economic anxieties among hourly workers dipped in October.

Data showed reduced concern around inflation, a possible recession and unemployment. Workers feel more confident and secure in their jobs.

The past three years have tested Main Street, but we're seeing improvements and a return to normalcy. Core indicators, like employees working and hours worked, are finally returning to pre-pandemic levels.

NOTEWORTHY



Continued wage inflation has the majority of workers satisfied with their compensation. **Non-wage factors, like schedule flexibility and team relationships, are top motivators for deciding where to work for most hourly employees.**



Core indicators show an expected October slowdown in employment activity across industries. **Entertainment, specifically, has gained stability, steadying to pre-pandemic levels.**



Workers are less worried about the economy, signaling confidence in Main Street activity and job security. Most workers note the rising cost of goods, yet concerns over inflation dipped.

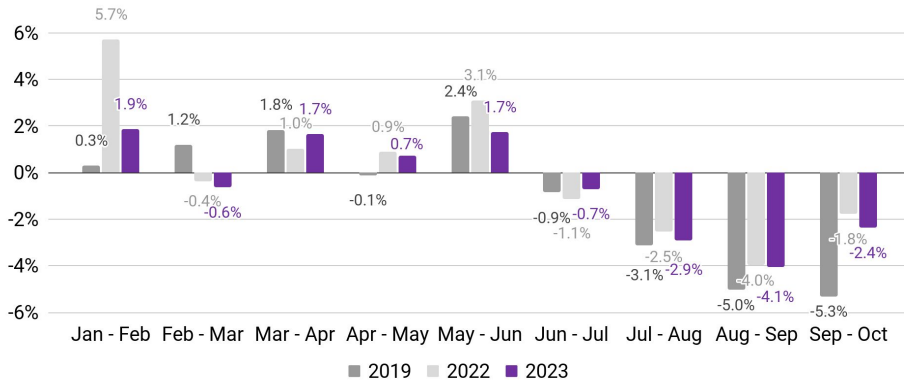


Core indicators revealed Main Street labor market steadied in October

In October, employees working and hours worked saw expected seasonal dips in line with pre-pandemic levels.

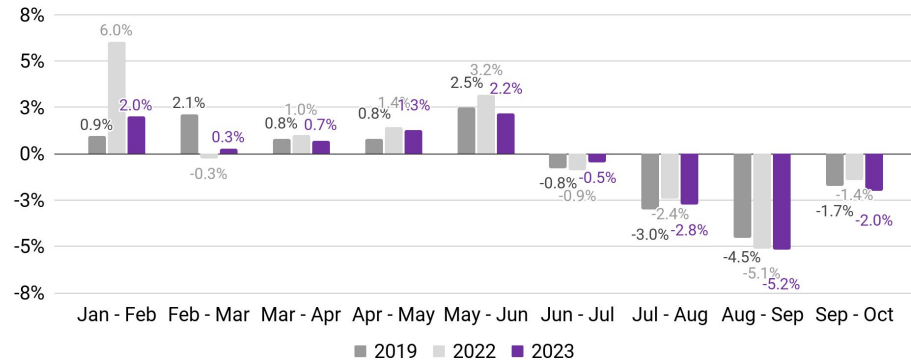
Employees working

(Monthly change in 7-day average, relative to January of reported year)



Hours worked

(Monthly change in 7-day average, relative to January of reported year)



Data compares rolling 7-day averages for weeks encompassing the 12th of each month; April data encompasses the subsequent week to account for Easter holiday. [Source: Homebase data.](#)

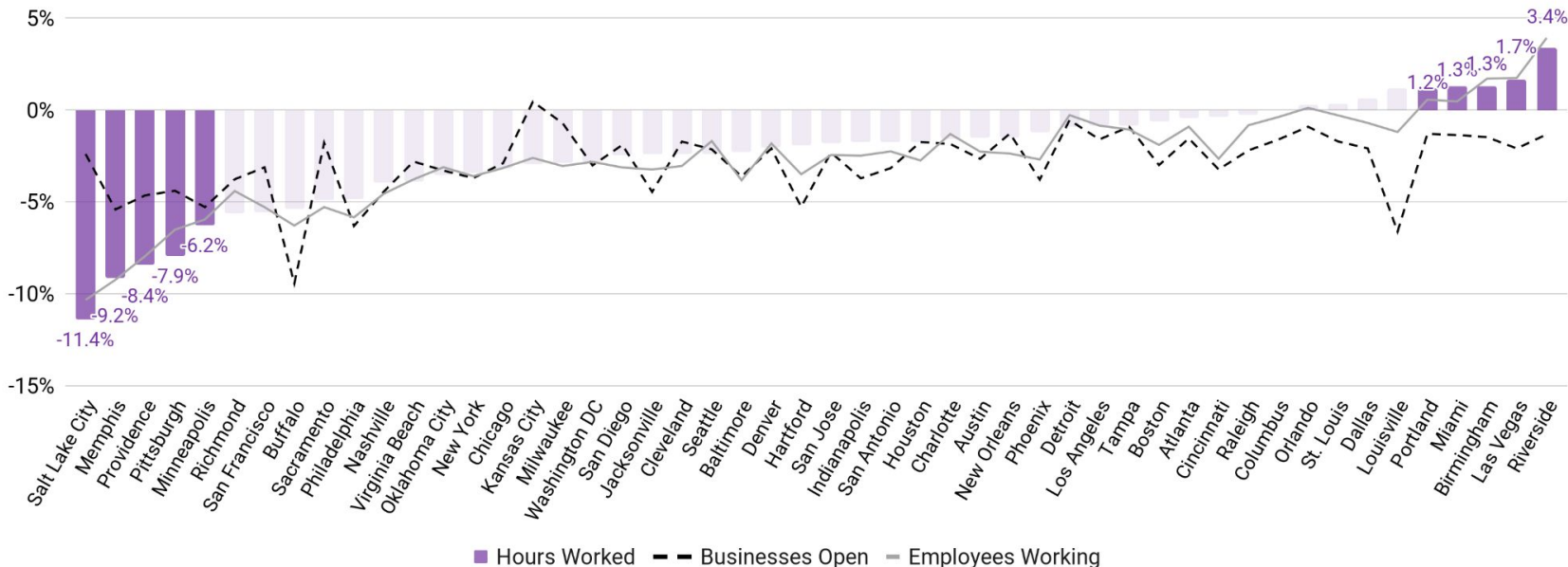


SMBs in key regions defied seasonal dip, driving growth in October

Riverside, Las Vegas, Birmingham, Miami and Portland saw an increase in hours worked and employees working, while the rest of the country declined.

Output by MSA

Month-over-month change in core economic indicators, by metropolitan statistical area



Note: October 8-14 vs. September 10-16. [Source: Homebase data](#)



Most industries showed a return to pre-pandemic rates of employees working trends

After a strong September, Entertainment posted a comfortable decline for October relative to 2019, signalling the return to a steady rhythm.

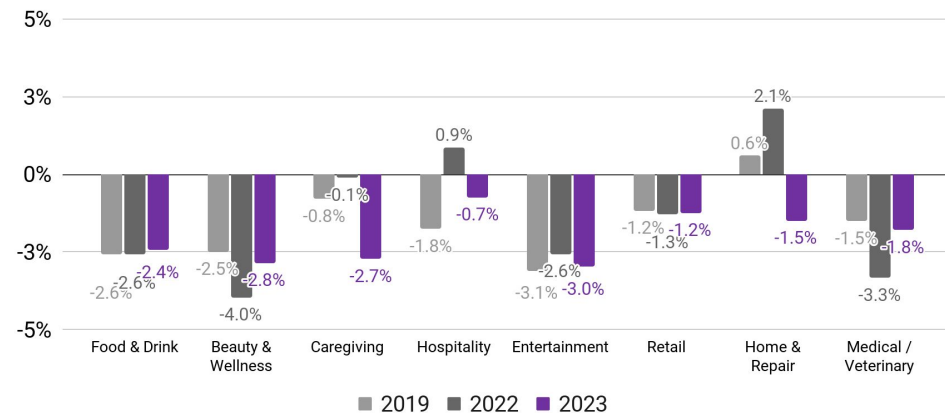
Entertainment continues to show signs of a return to pre-pandemic levels in the rate of employees working.

September, saw a more muted end of summer decline than prior years, and now October data shows stability has returned to 2019 levels.

In fact, most industries across the board are showing a seasonal dip in employees working in line with pre-pandemic years. This could signal a turning point in economic stability on Main Street.

Percent change in employees working

(Mid-October vs. mid-September, using Jan. '19, Jan. '22, and Jan. '23 baselines)³



1. Hospitality includes tourism and hotel/lodging businesses.

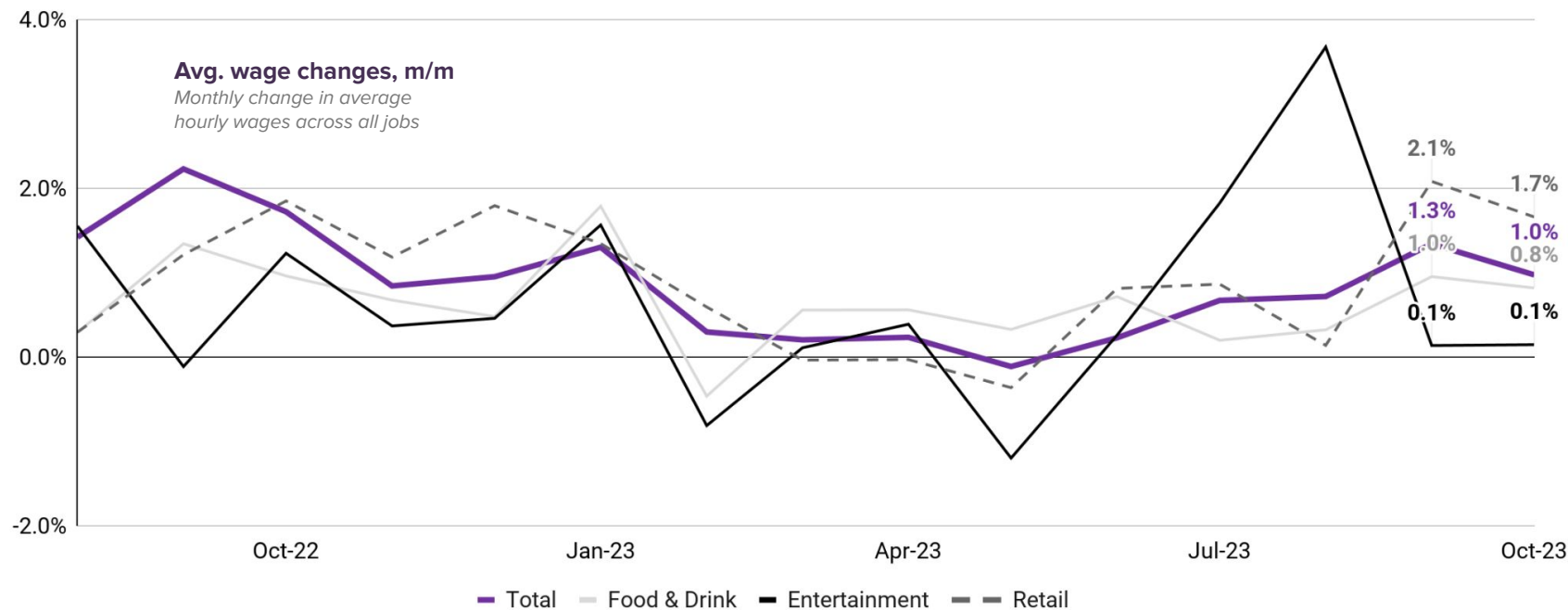
2. Entertainment includes events/festivals, sports/recreation, parks, movie theaters, and other categories.

3. October 6-12 vs. September 8-14 (2019); October 9-15 vs. September 11-17 (2022); October 8-14 vs. September 10-16 (2023). [Source: Homebase data](#)



Wages at small businesses continued to grow in October

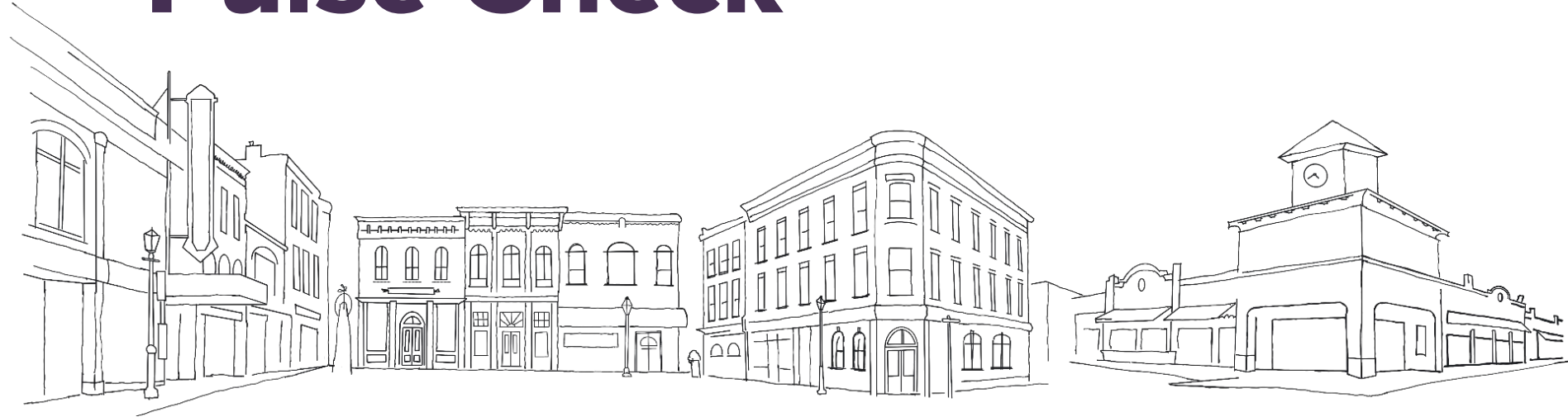
Entertainment saw a spike coming into the fall but has since stabilized, while total wage changes continued on an upward trend.



Note: Data measures average hourly wages for locations that utilized Homebase to pay employees in both October 2022 and October 2023. Total includes industries not depicted here. [Source: Homebase Payroll data.](#)

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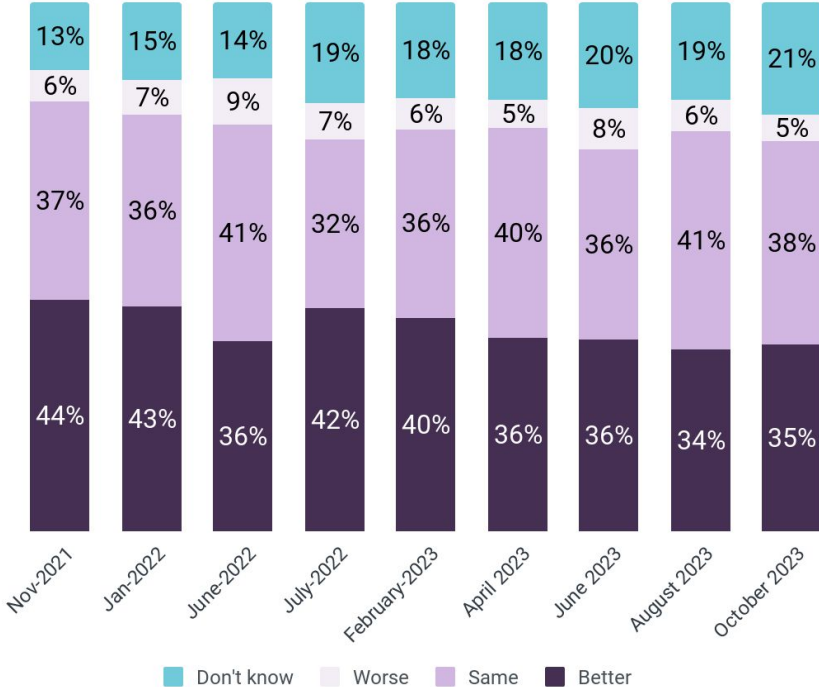
Hourly Employee Pulse Check



Workers are hopeful but uncertain about the future

Over a third of workers think job opportunities will improve one year down the line. As many as 21%, up from 19% in August, are uncertain about future prospects.

While uncertainty remains, a modest rebound in positivity shows workers are cautiously optimistic about activity and potential for work on Main Street.



Survey question: Do you think your job options will be better, about the same, or worse in 12 months compared to today?

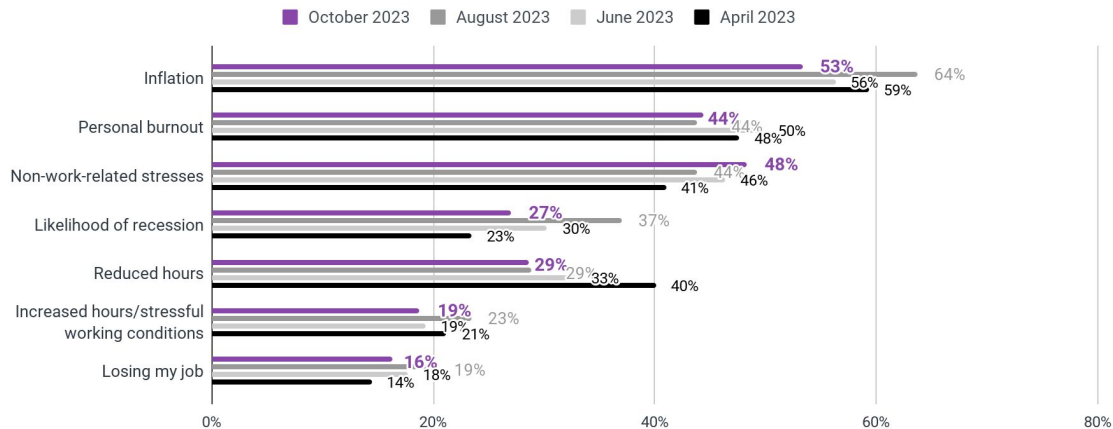
Source: Homebase Employee Pulse Survey
N = 873 (Feb. '23); N = 666 (Apr. '23); N = 611 (Jun. '23); N = 427 (Aug. '23); N = 437 (Oct. '23)

Economic concerns declined for workers

While workers are still worried about the likelihood of a recession and inflation, their fears are lessening. **In October, 53% of hourly workers reported being concerned about inflation, a decrease of 11% from August.** Fears around a recession also dropped 10% in October compared to August.

Economic fears are being replaced by more personal fears. **In October, 48% of hourly workers reported concerns over non-work-related stresses, up from 44% in August.**

Looking ahead, which of the following factors are you concerned about?

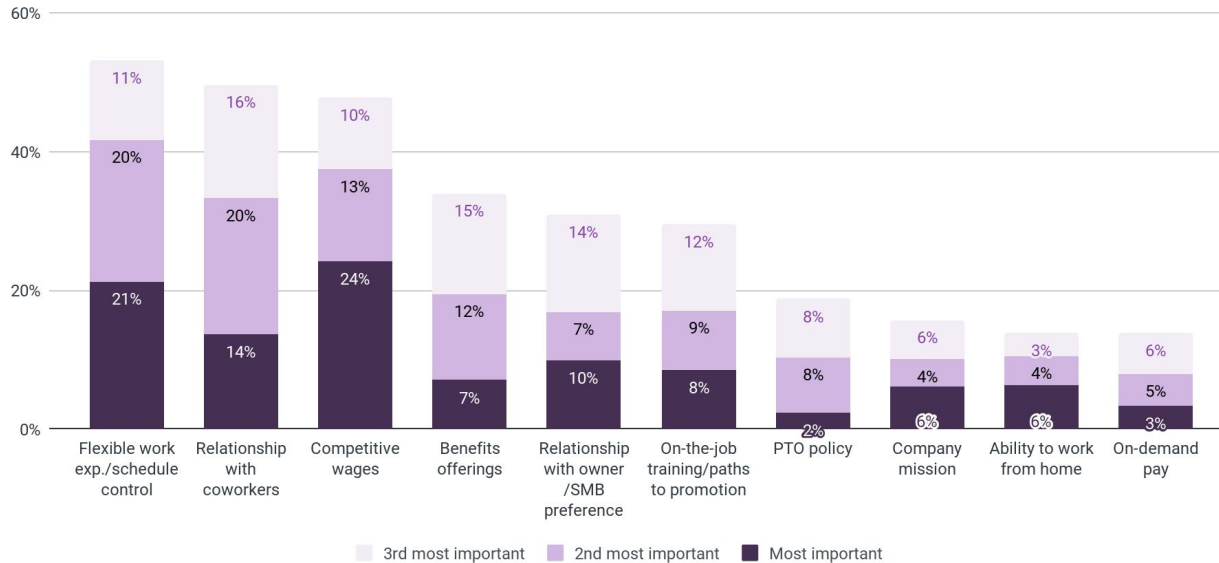


Source: Homebase Employee Pulse Survey. N = 666 (Apr. '23); N = 611 (Jun. '23); N = 427 (Aug. '23); N = 437 (Oct. '23)

Non-wage factors like schedule flexibility and team relationships are top motivators for workers

Wages remain important but take third place, all while economic concerns soften for workers.

Rank the top 3 most important factors in your decision on where you work



Since May, wage growth has impacted hourly worker priorities, with schedule flexibility and team relationships consistently ranking above wages.

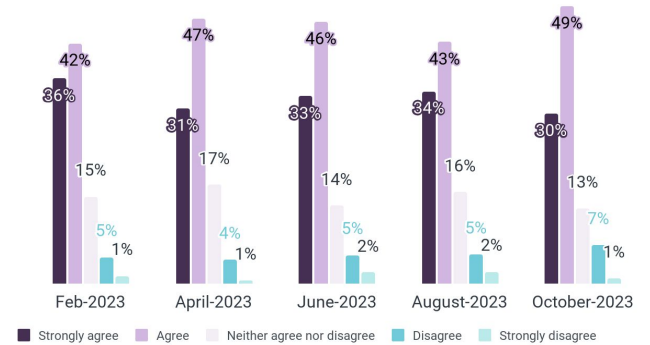
Source: Homebase Employee Pulse Survey. N = 666 (Apr. '23); N = 611 (Jun. '23); N = 427 (Aug. '23); N = 437 (Oct. '23)

Job satisfaction on Main Street has increased since August

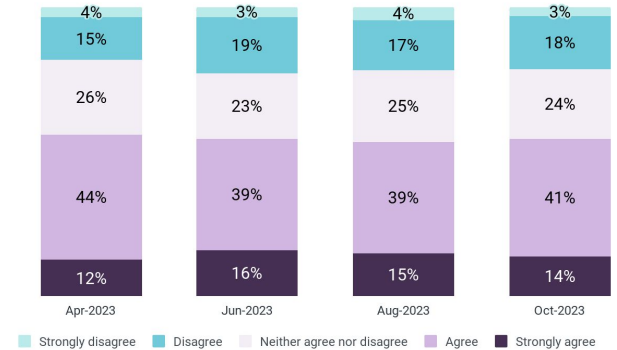
As many as 4 out of 5 hourly workers agree they're happy with their jobs overall.

81% of workers surveyed saw an increase in the cost of household goods and services. Despite that, their outlook on wages has remained generally consistent. In October 2023, 55% of hourly workers at small businesses said they were satisfied with their compensation.

To what extent do you agree with the following sentence: "Overall, I am happy with my job."



To what extent do you agree with the following sentence: "Overall, I am satisfied with my level of compensation."

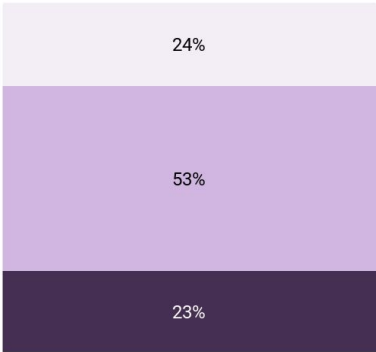


Source: Homebase Employee Pulse Survey
 N = 873 (Feb. '23); N = 666 (Apr. '23); N = 611 (Jun. '23); N = 427 (Aug. '23); N = 437 (Oct. '23)

Despite consistent work over the past 3 months, employees expect work to pick up for the holidays

Workers are confident that the holidays will bring business, and with it, higher paychecks.

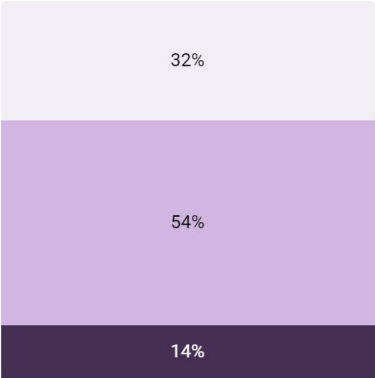
In the past 3 months, have you had your scheduled hours at your primary job decrease, increase, or stay the same?



Oct-2023

- My hours have increased in the past 3 months
- My hours have stayed the same
- My hours have decreased in the past 3 months

Do you think you'll be working more or less in the next 30 days compared to the past few months?



Oct-2023

- Working more than in previous months
- Working about the same hours as in previous months
- Working less than in previous months

Source: Homebase Employee Pulse Survey. N = 437 (Oct. '23)

Contact Us

**Please reach out for
comment or if you are
interested in additional data**



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If you have any questions, or if you're interested in gaining real-time access to Homebase data feeds, please reach out to data@joinhomebase.com



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Homebase makes work easier for **100,000+ small (but mighty) businesses** with everything they need to manage an hourly team: employee scheduling, time clocks, payroll, team communication, hiring, onboarding, and more.

We're tools built for the busiest businesses, so owners and employees can spend less time on paperwork and more time on what matters.

Methodology and definitions

The October 2023 dataset is based on Homebase data gathered from **more than 100,000 businesses and 2 million hourly employees** active in the US on our platform in October 2023. We are one of the largest and most trusted sources of real-time, quality data on employment growth across the small business landscape.

Data from prior years (e.g., 2019, 2021, 2022) use a similar cohort-based logic. Unless indicated otherwise, daily figures are calculated relative to the median value for that specific day for the baseline month (e.g., January) net of the first 4 days of the month.



“Hours worked” is calculated from hours recorded in Homebase timecards.



“Businesses open” is based on whether a business had at least one employee clock-in.



“Employees working” is based on the distinct number of hourly workers with at least one clock-in.



Wage inflation data measures the monthly change in average hourly wages at businesses who ran Payroll with Homebase in August 2022 and August 2023

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If you use any Homebase content contained in this report, please include a link to: <https://joinhomebase.com/data>

