SBE Council Survey Of Founders Of Small Businesses Created During The Pandemic
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Introduction

Background & Objectives
The SBE Council commissioned the study to gain insights from small business owners who started their business after the start of the pandemic.

Survey Sample
✓ Online Survey Methodology
✓ Sample size - 316 total completes
  • TechnoMetrica screened and recruited potential respondents by phone for an online survey. Those completing the online survey received $20 Amazon gift card.
✓ Credibility interval - +/-5.6 percentage points

Methodology
✓ Survey Conducted
  • Jan 26 – Mar 6, 2022
✓ Average Length of Interview
  • 12 minutes
✓ Qualification Criteria
  • Small business owners/founders
  • Must have founded their business after February 2020
The Covid-19 pandemic hit out of the blue in early 2020. It did away with the “normal” and presented unforeseen challenges. It forced a paradigm shift in the way work was done and business was conducted. While work-from-home became the new normal in many sectors, e-commerce and door-delivery setups flourished like never before.

While concern for one’s health and safety reigned paramount, many struggled to earn a livelihood and faced the distressing prospect of redundancy.

The extraordinary situation also presented its own set of opportunities. A whole set of pandemic-related services and products, like masks and sanitizers, soared in demand. The extended lockdown and other pandemic-related restrictions also gave some the opportunity to explore other avenues of income.

Some, out of necessity and others, sensing a demand, opened businesses during the pandemic. Besides the unique circumstances, the nature and scope of these ventures and the challenges faced by these entrepreneurs are worth studying.

Almost a fifth, 18%, were retail trade based ventures. Of these, surprisingly, 59%, had a physical store presence, despite the raging pandemic. Only 5% were solely restricted to e-commerce sites. More than a third, 36% had both.
Scope Of Survey And Initial Findings

• The survey, conducted by TechnoMetrica between January 26 – March 6, 2022, covered 316 businesses started during the Covid-19 pandemic. From single owner operations to those that employ more than twenty persons, the size and scope of these businesses varied.

• Entrepreneurial spirit did not seem to wane despite the ongoing pandemic; almost as many businesses were launched in 2020 as in 2021. Nearly half of the new businesses were set in the suburbs, while a quarter each were located in the urban or rural areas. By region, the south showed more entrepreneurial enthusiasm than the rest of the country.

• The survey found that almost half of the entrepreneurs were between ages of 40-54 years. Interestingly, 5% were senior citizens above 65 years of age. Gender did not seem to be a major consideration in this situation – 45% of the new businesses were started by women, while 55% were by men.

• A majority of the entrepreneurs were white or Caucasian. The other ethnicities lagged far behind in opening new businesses during the pandemic. Fewer Democrats than Republicans or Independents have ventured to start a new firm in 2021. In terms of revenue also, the survey found a significant range – from less than $20K to over $500K.

• These ventures range from those that specifically catered to the demand created by the pandemic to others who merely took advantage of an existing opportunity.
Findings - Overview

• More than a third who took part in the survey said they started their venture when they spotted an opportunity, but for a tenth, it was necessary to find another source of income. While the most common reason to turn entrepreneur was to “be one’s own boss” and have control over one’s time and flexibility, circumstances and need for a supplemental income were driving factors.

• The survey found that a significant majority of the new business owners, 74%, dedicated all their time to the new venture. Some even took up a second job to get the business off the ground. Only for a minority, 16%, the new venture acted as a side gig.

• The economic environment and the government regulatory policies were significant factors that influenced these new entrepreneurs. More than half said the economic environment was not favorable when they launched the business. Competition, economic security, inflation and finding the capital were the top challenges they faced while try to start to get their venture off the ground.

• The reach of social media, ease of e-payment options, affordable online advertising, ready access to infrastructure support like shipping and e-commerce sites were all well explored and exploited by the new business owners.

• The survey found that more than three quarters of the respondents had used their savings to start the business and only a minority resorted to bank loans or angel investors. Interestingly, 1% of the new ventures was funded by crowd funding. Almost half of the new businesspersons faced challenges raising funds, with a third finding it “very difficult.” On an average, the businesses were launched with $51K investment. The current economic state presents mixed feeling among the new entrepreneurs. Almost half view it in a positive light, but almost a fifth, 19%, consider it “poor.” Despite this, most would encourage others to start a new business.
Findings Overview

President

• Despite venturing out into entrepreneurship, only about half 42% feel the country’s economy is conducive to starting a new venture. These businesspersons want President Biden to focus on taxes, interest rates, and supply chain issues, while also ensuring access to capital, better incentives for start-ups and addressing labor shortage.

• About half of those surveyed did not have much faith in President Biden’s policies improving the business environment. The current policies being discussed and put forth by the Congress is also viewed with trepidation.

Type Of Business

• Only about a fifth of the new ventures rely on B2B sales. For three quarters, B2C business model is their mainstay. Interestingly, a majority of the new businesses did not cater to pandemic-specific needs. 71% of the businesses that were formed to address pandemic-specific needs felt they would survive once the situation goes back to "normal. 5% were not convinced and another 24% were not survive.

• A majority were eyeing business only within the country, while a tenth 9% wanted to reach global customers.

• Though only a year or two into the business most were happy with the growth of their venture. The primary goal for almost half the entrepreneurs was to meet their income needs.

• The shift to a digital economy, due to pandemic conditions, seems to have helped about 40% in launching their business. At the same time, 30% believe the digitization hurt their venture. A majority took advantage of already existing technology and platforms.
Findings Overview

Government Policy

• The proposed regulations on technology companies worry these new entrepreneurs. Having to pay for currently free services, difficulty in growing their clientele and disruptions in back-end support are some of their concerns.

• The popularity of a physical store has not eroded with the pandemic and despite the popularity of online platforms like Facebook, Instagram and Amazon. Those who do not use such online platforms at present, plan to explore them in the near future to grow their business.

Outlook

• The vast majority (90%) expressed optimism that their venture will succeed within the next two to three years. Almost half expect business models to change once the pandemic ends.
Detailed Findings
To Be Own Boss And More Flexibility Are Top Reasons For Starting Business

- A majority, 63%, started their business **to be their own boss**.
- Almost half, 46%, became entrepreneurs to have more flexibility and control.
- A fifth, 21%, started out of a need for a supplemental income.
- 17% started new ventures when they lost their employment.
- 7% had their spouse or partner lose their jobs.
- About a quarter, 24%, cited other reasons.

Q1. What are the reasons for starting your own business? (Please select all that apply)
Opportunity And Necessity Drive Business Creation

37% started their new ventures when they spotted an opportunity.
9% were compelled out of necessity.
For almost half, 45%, it was a combination of the two factors.

Q2. Did you create your business...
Most Business Owners Devote 100% Of Their Time To Their Businesses

- For almost three-fourth, 74%, of those surveyed, the new venture was their sole employment.
- A tenth took up another job to support the business.
- For 16% the new venture was a side gig, in addition to their regular job.

A1. Is your business your sole employment, or have you had to take another job to help support it (operating costs, etc.), or do you currently work at your regular job and have started this business on the side?
For more than half of the new entrepreneurs, 54%, govt. regulations did play a significant role in their decision to start a venture.

28% considered it very important, while 26% saw it was somewhat important.

The regulatory environment did not concern 37% of those surveyed.

Q4. Generally speaking, how important was the government regulatory environment when you decided to start your own business?
A majority, 59%, considered the economy unfavorable when they launched their business.

18% felt the economy was “not at all favorable.”

In contrast, 11% found the economic conditions to be “very favorable.”

27% felt the situation was “somewhat favorable.”

Q6. When you started your business, how would you describe the economy?
Business Owners Also Faced A Competitive Environment

- More than two-third, 78%, found the business environment to be competitive.
- More than a third, 34%, felt it was “very competitive.”
- 44% experienced a healthy business environment.
- 16% did not face tough competition.
- A small section, 4%, faced no competition.

Q7. How would you describe the competition that you faced?
Economic Security, Inflation, And Access To Capital Were Top Challenges

- For a significant majority, 80%, ensuring economic security was the toughest challenge.
- 78% found inflation to be most worrisome, while 76% struggled with raising capital.
- Supply chain issues bothered 71% and another 69% had to overcome competition.
- Small business regulations posed a challenge to 67%, while 55% felt President Biden’s policies were problematic.

Q8. How would you describe the following starting your business?
Social Media, Electronic Payment, And Online Advertising Were Important

<table>
<thead>
<tr>
<th>Access to tools</th>
<th>Somewhat Important</th>
<th>Very Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Access to social media platforms like Facebook, Instagram, Reddit, Youtube, Pinterest, LinkedIn, etc.</td>
<td>21%</td>
<td>68%</td>
</tr>
<tr>
<td>Access to electronic payment options</td>
<td>19%</td>
<td>68%</td>
</tr>
<tr>
<td>Ease of starting up</td>
<td>33%</td>
<td>54%</td>
</tr>
<tr>
<td>Access to affordable online advertising</td>
<td>22%</td>
<td>57%</td>
</tr>
<tr>
<td>Access to infrastructure support (logistics, accounting, support, shipping)</td>
<td>33%</td>
<td>46%</td>
</tr>
<tr>
<td>Access to e-commerce platforms/website builders</td>
<td>25%</td>
<td>52%</td>
</tr>
<tr>
<td>Access to information on how to start a business</td>
<td>24%</td>
<td>52%</td>
</tr>
<tr>
<td>Access to ‘back office’ support and services provided by technology platforms</td>
<td>28%</td>
<td>45%</td>
</tr>
<tr>
<td>Access to online marketplaces like Amazon, eBay, Shopify, Etsy, Newegg, and more</td>
<td>16%</td>
<td>40%</td>
</tr>
</tbody>
</table>

Q9. How important were the following tools and technology to you in starting your new business?

- Access to social media was a major factor in launching the business for 89% of those surveyed.
- 87% took advantage of e-payment options and the ease of starting a business.
- 79% banked on affordable online ads and access to infrastructure support.
- 77% relied on e-commerce sites and website builders.
- 76% relied on information on access to information on how to start a new venture.
Business Owners Have Mixed Feelings About The Entrepreneurial Opportunities Of The U.S. Economy

- 42%, believe the U.S. economy does offer new businesses an opportunity and chance to succeed.
- At the same time, close to a third, 32%, feel the economy is not conducive to entrepreneurial ventures.
- A fourth, 26%, were undecided.

Q10. Which of the following best describes your feeling about the U.S. economy and entrepreneurial opportunity?
Business Owners Want President Biden To Focus On Low Taxes, Inflation, Interest Rates, and Supply Chain

An overwhelming majority want low and simple tax systems, and controlled inflation.

88% want interest rates and supply chain issues to be addressed.

Access to capital, start-up incentives and health coverage are priority for over 80%.

Labor shortage and the education system worries three-fourth of those surveyed.

Q11. How important are the following issues for President Biden to address for your business to succeed?

<table>
<thead>
<tr>
<th>Issue</th>
<th>Somewhat Important</th>
<th>Very Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low taxes and a simpler tax system</td>
<td>11%</td>
<td>83%</td>
</tr>
<tr>
<td>Inflation</td>
<td>16%</td>
<td>78%</td>
</tr>
<tr>
<td>Interest Rates</td>
<td>14%</td>
<td>54%</td>
</tr>
<tr>
<td>Supply chain issues</td>
<td>20%</td>
<td>68%</td>
</tr>
<tr>
<td>Access to capital</td>
<td>20%</td>
<td>63%</td>
</tr>
<tr>
<td>Incentives to invest in startups</td>
<td>16%</td>
<td>66%</td>
</tr>
<tr>
<td>Affordable health coverage</td>
<td>15%</td>
<td>66%</td>
</tr>
<tr>
<td>Less regulation</td>
<td>22%</td>
<td>58%</td>
</tr>
<tr>
<td>Labor shortage and access to skilled workers</td>
<td>18%</td>
<td>59%</td>
</tr>
<tr>
<td>A better educational system</td>
<td>23%</td>
<td>53%</td>
</tr>
<tr>
<td>Other</td>
<td>7%</td>
<td>7%</td>
</tr>
</tbody>
</table>

SBE Council/TechnoMetrica  Survey Of Founders Of New Businesses Created During The Pandemic, March 2022
Most Business Owners Used Their Savings To Start Their Business

- Three-fourths, 76%, dipped into their savings to start their new venture.
- A third, 32%, used their credit cards.
- For a fifth, 22%, funding came from family and friends.
- 15% relied on bank loans.
- 10% each raised capital from partners and small business loans.
- Only 3% were funded by angel investors.
- 1% got their capital from crowd funding.

Q12. How did you get initial working capital for your business? (Please select all that apply)
Most Say It was Difficult To Get Initial Funding

- More than half, 58%, found it difficult to find the initial funds.
- A third, 33%, found it “very difficult.”
- A quarter, 26%, did not have trouble finding capital for their venture.
- The case did not apply to 15% of those surveyed.

Q13. How difficult was it to get initial funding for your business?
Most Needed Under $50K To Start Their Business

<table>
<thead>
<tr>
<th>Capital Range</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under $10K</td>
<td>17%</td>
</tr>
<tr>
<td>$10K to $25K</td>
<td>19%</td>
</tr>
<tr>
<td>$26K to $50K</td>
<td>16%</td>
</tr>
<tr>
<td>$51K to $100K</td>
<td>18%</td>
</tr>
<tr>
<td>$101K to $250K</td>
<td>14%</td>
</tr>
<tr>
<td>$251K to $500K</td>
<td>6%</td>
</tr>
<tr>
<td>$501K or more</td>
<td>4%</td>
</tr>
<tr>
<td>Prefer not to answer</td>
<td>7%</td>
</tr>
</tbody>
</table>

- On an average, $51K was needed to start the new venture.
- 17% needed less than $10K.
- More than a third, 35%, started with $10K-50K capital.
- Only 10% required more than $251K investment.

Q14. How much funding was needed to start your business?
Most Describe The Current Business Environment As Average Or Below

- About a third, 32%, feel the present business atmosphere as “average.”
- Only 11% consider the current business environment as “excellent.”
- A third, 34%, consider it good.
- While 3% see it as “unacceptable”, another 19% think of it as “poor.”

Q15. Generally speaking, how would you describe the current business environment?
Most Are Likely To Recommend Others To Start A Business At This Time

- More than half, 57%, would encourage others to start their own venture.
- Almost a quarter, 23%, would “very likely” recommend such a move.
- 11% would greatly discourage others from launching their own business.

Q16. How likely are you to recommend others to start a business at this time?
Most Think That President Biden's Policies Make Starting & Growing A Business Harder

- Just about a half, 51%, think President Biden’s policies are not conducive to the success of a business.
- About a tenth, 9%, believe his policies are helpful to grow a business.
- 39% were undecided on the impact the President’s policies had on the business environment.

Q17: Generally speaking, which of these two statements is closer to your opinion about President Biden's policies as it relates to your business and the economy
Most Believe Congress' Policies Hurt The Economy And Small Businesses

• More than half, 59%, opine that the Congress's policies are detrimental to small businesses.

• Only 5% believe the work of the current Congress is helping.

• More than a third, 36%, did not share their opinion.

Q18. Generally speaking, which of these two statements is closer to your opinion on the current work of Congress?
**On Average 21% of Sales Come From Business To Business, Median is 5.5%**

<table>
<thead>
<tr>
<th>Percentage of B2B Sales</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td>40%</td>
</tr>
<tr>
<td>1% to 10%</td>
<td>17%</td>
</tr>
<tr>
<td>11% to 20%</td>
<td>8%</td>
</tr>
<tr>
<td>21% to 50%</td>
<td>9%</td>
</tr>
<tr>
<td>51% to 75%</td>
<td>4%</td>
</tr>
<tr>
<td>76% to 99%</td>
<td>4%</td>
</tr>
<tr>
<td>100%</td>
<td>7%</td>
</tr>
<tr>
<td>Not sure</td>
<td>12%</td>
</tr>
</tbody>
</table>

**Q19. What share of your sales comes from Business-to-Business?**

- One half of the businesses rely on B2B sales.
- For a significant portion, 40%, B2B sales are **not** part of the business model.
- 7% rely completely on B2B sales.
- For close to a fifth, 17%, they make up less than a tenth of the business.
Business To Consumer Is Lion’s Share Of Sales With Mean 74% And Median 87.5%

More than a third, 38%, rely entirely on direct consumer sales.

Two-third of sales were to end-users for close to a quarter, 24%, of businesses.

Only a small portion, 8%, did not sell to consumers.

12% said B2C sales made up for 20-75% of total volume.

<table>
<thead>
<tr>
<th>Share Range</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td>8%</td>
</tr>
<tr>
<td>1% to 10%</td>
<td>4%</td>
</tr>
<tr>
<td>11% to 20%</td>
<td>2%</td>
</tr>
<tr>
<td>21% to 50%</td>
<td>6%</td>
</tr>
<tr>
<td>51% to 75%</td>
<td>6%</td>
</tr>
<tr>
<td>76% to 99%</td>
<td>24%</td>
</tr>
<tr>
<td>100%</td>
<td>38%</td>
</tr>
<tr>
<td>Not sure</td>
<td>11%</td>
</tr>
</tbody>
</table>

Mean = 74.2%
Median = 87.5%

Q20. What share of your sales comes from Business-to-Consumer?
Two-Thirds Of Businesses Did Not Address Pandemic Specific Opportunities

- A majority, 68%, of the new ventures **did not** cater to needs created by the pandemic.
- Little more than a quarter, 28%, did provide solutions for pandemic-related needs.

Q21. Does your business specifically address needs created by the pandemic (sanitizer manufacturing, mask manufacturing, safety tools and equipment, technology support, technology support, cleaning, other services, etc.)
Most Businesses Are Optimistic About Their Survival When Things Return To Normal

- 71% think their businesses will survive when things return to normal. Only a handful (5%) did not believe that they would survive.
- About a fourth, 24%, were not sure if their ventures would survive once the situation returned to ‘normal.’

Q22. If your business was started in response to the needs created by the pandemic, do you believe it will survive once the pandemic is over/when the business environment returns to “normal”? (Base: 87 Businesses formed to specifically address the pandemic needs)
The majority, 71%, are satisfied with the growth of their venture.

While 22% are “very satisfied” another 49% are happy with their progress.

17% were not too happy with the achievement of their venture.

A tenth, 9%, were absolutely dissatisfied.

Q23. How satisfied are you with the growth you achieved for your business?
Roughly Half Of Business Owners' Goal Is To Meet Their Income Needs

- About half, 48%, of the new businesses were launched in hopes of creating a source of income.
- About a third, 36%, are trying to build a family venture.
- 13% hopes to be able to sell their business in the long run.

Q24. What are your mid to long-term plans for this business?
COVID Digital Economy Helped 4/10 While 30% Are Unsure

- About 40% believe the transition to a digital economy has helped their business.
- 30% feel the digitization of the economy has hurt their business.
- About a third, 30%, are unsure of its impact.

Q25. Has the transformation of the traditional economy into a digital economy during COVID helped or hurt your business?
Most Depend On Established Technology And Platforms

- About two-thirds, 68%, rely on established technology platforms.
- Of this, 38%, depend on it a “great deal”, while 30% use it “quite a bit.”
- Another fifth, 22%, also utilize these techs, though less heavily.
- Only a minority, 5%, do not use these at all.

Q26. How much does your business use established technology and platforms such as Google, Facebook (Meta), Apple, Amazon, Instagram, Microsoft, TikTok, etc.?
Most Are Concerned About Regulations On Technology Companies

- Proposed tech regulations worry more than half, 61%, of those surveyed.
- 36% are extremely concerned such measures will affect their business badly.
- A quarter, 25%, are not worried about the moves being made by the government.

Q27. In general, how concerned are you about government actions being proposed or pursued by Congress and the Biden Administration that would alter the business practices of, and impose targeted regulations on America’s largest technology companies, and how these might affect your company’s sales and operations?
Expenses, Disruptions, And Customer Service Are Main Concerns About Tech Regulations

- 58% anticipate having to pay for currently free services.
- Almost half worry about disruption in communications with customers.
- Diminished visibility for their business worries 47%.
- 43% think it will become difficult to add to their customer base.
- Fear of back-end support disruption concerns 21%.

Q28. Next, why are you concerned about the technology regulations? (Please select all that apply)
Base=191 business owners concerned

- Make it more expensive to access and retain customers 58%
- I will need to pay services I currently access for free 58%
- Disruption of communications with customer and potential customers 49%
- It will be harder for customers to find my business 47%
- New customer acquisition will become difficult 43%
- Disruption of "back-office" support such as packaging, shipping, etc. 21%
A majority, 65%, use physical stores to run their business.

Facebook, runs a close second at 62%.

Instagram and E-commerce websites are equally popular with almost half of those surveyed.

Amazon garners 16%.

Mobile units and places like farmers markets account for 15% each.
Website, Instagram, And Special Events Are Top Channels Businesses Plan To Use

- A fifth, 21%, plan to leverage the reach of e-commerce sites in the future.
- 16% each will look into Instagram and places like farmers markets.
- 14% plan to use Facebook and a 12% will explore pop-up stores.
- Shopify and Etsy are on the list for 8% each.

Q298. What tools or sales channels do you use to sell your product or service (Plan to use)
### Facebook, Brick And Mortar Store, And Website Are Most Popular Sales Channels When Either Used Now Or Plan To Use Are Combined

- Overall, Facebook is the preferred method of online business for 77% of those surveyed.
- 72% opted for physical stores, while 69% went with e-commerce sites.
- 64% were banking on Instagram.
- About a third, conducted business in places like farmers markets.
- Around a quarter opted for mobile operations, Amazon or pop-up stores.

<table>
<thead>
<tr>
<th>Sales Channel</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facebook</td>
<td>77%</td>
</tr>
<tr>
<td>A brick and mortar store</td>
<td>72%</td>
</tr>
<tr>
<td>An eCommerce site</td>
<td>69%</td>
</tr>
<tr>
<td>Instagram</td>
<td>64%</td>
</tr>
<tr>
<td>Farmers market, bazaar, flea markets, or special events</td>
<td>31%</td>
</tr>
<tr>
<td>Mobile operations (food truck, in-home consultation, and visits)</td>
<td>27%</td>
</tr>
<tr>
<td>Amazon</td>
<td>26%</td>
</tr>
<tr>
<td>Pop-up store/location</td>
<td>25%</td>
</tr>
<tr>
<td>Walmart</td>
<td>18%</td>
</tr>
<tr>
<td>Etsy</td>
<td>17%</td>
</tr>
<tr>
<td>eBay</td>
<td>16%</td>
</tr>
<tr>
<td>Shopify</td>
<td>14%</td>
</tr>
<tr>
<td>Other, including specialty</td>
<td>27%</td>
</tr>
</tbody>
</table>

*Q29AB What tools or sales channels do you use to sell your product or service (Combined Currently/Plan to use)*
Brick And Mortar Store, Facebook, Website Are The Top Favorite Sales Channels

- Physical stores continue to be the favorite means of doing business for a majority, 56%.
- Facebook only gets a third of the share.
- E-commerce websites are popular with a fifth.
- Instagram attracts 14%.
- 8% opt for mobile units like food trucks.
- Amazon only gets 4%, while places like farmers markets enjoy a 5%.

Q30. Please identify the top sales channels for your business (up to three).
Eight In Ten Believe They Will Succeed Within The Next Two To Three Years

- A majority 61% are confident their venture will succeed in the next few years.
- Another 29% expressed cautious optimism.
- 3% were doubtful their business will succeed.
- 1% were almost convinced their venture would fail.

Q31. What is the likelihood that your business will succeed within the next two or three years?
Businesses Are Uncertain If Their Post-Pandemic Business Model Will Change

- Close to half, 47%, expected changes to their business model once the pandemic ended.
- 17% were quite certain it will change.
- A third, 32%, did not expect much to change once the pandemic ended.
- 16% believe they can continue as they do now.

Q32. How likely do you expect the business model of your business to change after the Pandemic?
A significant majority, 79%, were limiting their products and services to the U.S. alone.

Only 1% aspired for a global reach.

9% wanted to reach customers within the U.S and beyond.

Q33. Do you plan on selling in the U.S, globally or both?
Firmographics
Business Location

- Close to a third, 31%, of the businesses operated from commercial office spaces.
- About a quarter, 23%, had retail outlets.
- 16% were run from home offices.
- 5% opted for shared office space.
- 2% were based out of factories or wholesale space.

Q35. Which of the following best describes your business location?
• A third, 34%, of the businesses surveyed was run entirely by the owner.

• About another third, 32%, employed up to five persons.

• Only 3% had more than 21 staff.

• Another 3% had between 11-20 persons on their payroll.

Q36. Including yourself how many people are currently employed by your business?
Business Revenue 2021

- **Median earnings** of business stood at $136K.
- Less than a tenth, 8%, reported a revenue of over $500K.
- 26% earned between $100-500K.
- 28% made less than $20K.
- Another 29% generated revenue between $20-100K.

Q37. What was your company's approximate revenue for 2021?
The largest segment of new ventures, 18%, were in Retail Trade.

Health care, Personal services and Scientific & tech services claimed 9% each.

4% of the businesses were into Construction and Entertainment respectively.

Only 2% were dedicated to Manufacturing.

30% of new ventures came under other sectors of business activity.

D1. Which of the following best describes the primary business of your company?
More than half, 59%, of retail business models had a brick and mortar store.

A small segment, 5%, were solely run on e-commerce platforms.

More than a third, 36%, operated on a hybrid model.

Q39. Your retail business type, Base=56 Retail businesses
The median age of the entrepreneur was found to be 46.3 years.

- Almost half, 48%, fell between ages of 40-54 years.
- 28% were aged between 25-39 years.
- 11% were above 60 years.
- Only 1% belonged to the 18-24 age bracket.
A little more than half, 55%, of the new business owners surveyed were male.

The rest, 45%, identified as female.
• A majority, 64%, of those who started businesses during the pandemic were white or Caucasian.

• 13% were African American or of black ethnicity.

• 7% identified as Hispanic/Latino.

• 4% belonged to Asian or Pacific Islander

• Only 2% came from Native American or Alaskan communities.

• 9% did not divulge their race/ethnicity.

D4. Which of the following best describes you?
By political affiliation: more than a quarter, 28%, said they were Republican.

Only 13% identified as Democrats.

Independent/Others made up 30% of those surveyed.

29% opted not to reveal their affiliations.
24% of new business owners surveyed identified as Conservative, while 28% were Moderates.

9% each said they were very Conservative and Liberal.

27% did not disclose their political ideology.
Close to half of all businesses surveyed, 47%, were set in the suburban area.

A quarter were set in urban (25%) or rural (24%) areas.

D7. Which one of the following best describes where your business is located?
<table>
<thead>
<tr>
<th>Job Title</th>
<th>Percentage</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owner</td>
<td>83.0%</td>
<td>A significant majority, 83%, went by the title of ‘owner.’</td>
</tr>
<tr>
<td>President</td>
<td>6%</td>
<td>A small section, 6%, held the job title of ‘President.’</td>
</tr>
<tr>
<td>Other</td>
<td>11.0%</td>
<td></td>
</tr>
</tbody>
</table>

*DB. What is your job title?*
Year of Business Start

• 51% of the businesses were launched in 2021, in the midst of the pandemic.

• 48% of the businesses surveyed were started in 2020 at the onset of the pandemic.

• Just 1% had commenced operations this year.

Q1. What year did you start your business?
• Close to half, 42%, of the businesses surveyed was set in the south.

• West and Northeast claimed a fifth each.

• The least number, 16%, were set in the Midwest.