

2018 Hispanic Small Business Owner Spotlight

Overview

Hispanic entrepreneurs are unified in their continued optimism toward the economy and long-term growth, according to the second annual Bank of America Hispanic Small Business Spotlight.

To better understand what's driving the significant contributions of one of the fastest-growing segments of the small business sector, Bank of America surveyed nearly 400 Hispanic business owners across the nation to identify their aspirations and concerns, as well as similarities and differences with their non-Hispanic peers.

Hispanic entrepreneurs feel a greater sense of confidence in both the national economy and their local economies than they did in 2017, and compared to their non-Hispanic peers, are more bullish on revenue and hiring in the upcoming year. This prediction of prosperity extends to the longer-term. A strong majority of Hispanic business owners anticipate growth in the next five years, and predict the business environment will strengthen for them over the next decade. While most Hispanic entrepreneurs say they face unique challenges, many also see their heritage as helpful when it comes to business growth and attracting customers.

External influences such as technology and employees may be driving these positive sentiments. Hispanic business owners are early technology adopters, leading their non-Hispanic peers in digital and social media usage. Hispanic entrepreneurs are also investing in their employees' long-term growth and success, believing their ability to attract and retain talent directly impacts their bottom line.

Methodology

GfK Public Affairs and Corporate Communications conducted the Bank of America Hispanic Business Owner Spotlight survey between August 8 and September 28, 2017 using a pre-recruited online sample of Hispanic and non-Hispanic small business owners. GfK contacted a national sample of 1,013 small business owners in the United States with annual revenue between \$100,000 and \$4,999,999 and employing between 2 and 99 employees, as well as 394 interviews among Hispanic small business owners, 149 of whom were primary Spanish speakers. The final results were weighted to national benchmark standards for size, revenue, and region, and, for the Hispanic augment, whether the respondents were primarily English-speaking or Spanish-speaking.

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Optimistic and predicting strong growth

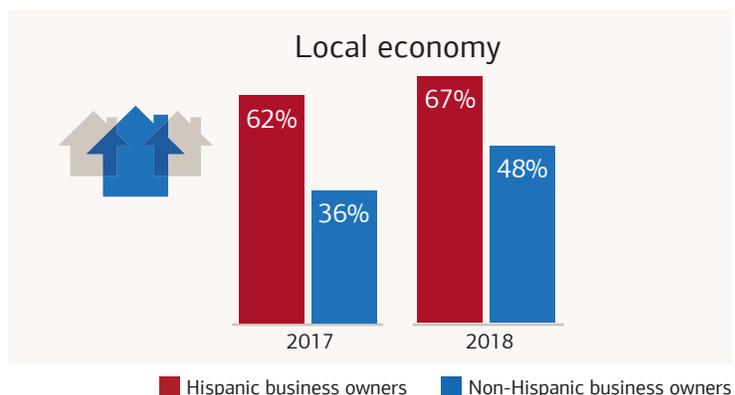
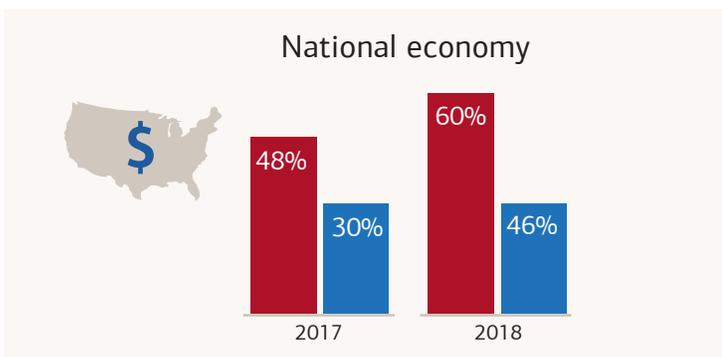
Hispanic business owners are optimistic about growth over the next five years and anticipate a strengthening business environment over the next decade.

Over the next five years, I plan to...



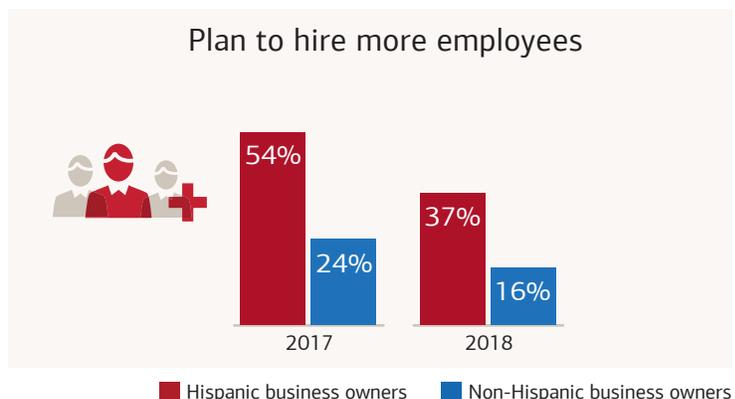
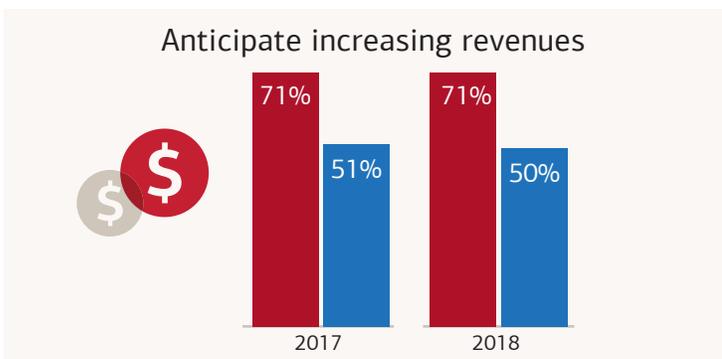
Hispanic entrepreneurs also have greater confidence in the economy than one year ago and are more optimistic about the economic environment than their non-Hispanic counterparts.

Confident national and local economies will improve over the next 12 months



Hispanic business owners forecast increased revenues in 2018. While hiring projections are down from 2017, Hispanic entrepreneurs are more than twice as likely to say they will hire in the next year than their non-Hispanic counterparts.

Optimistic revenues will increase and planning to hire over the next 12 months

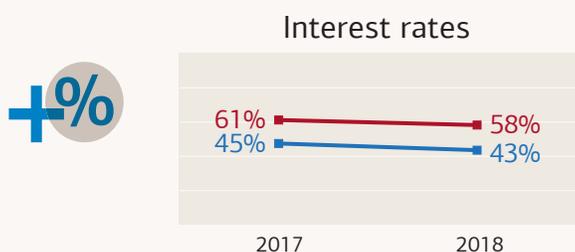
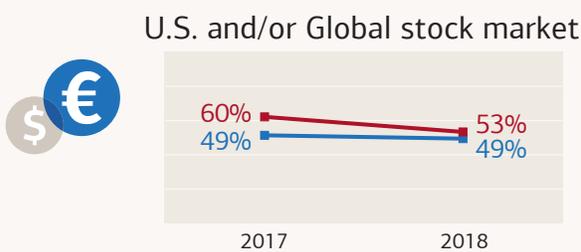
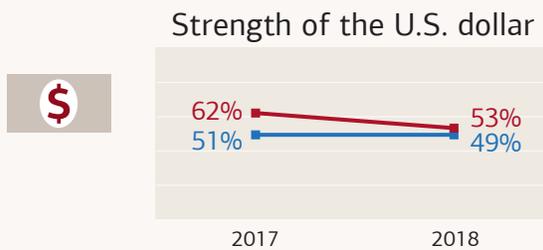
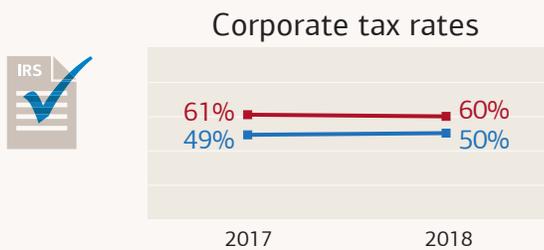
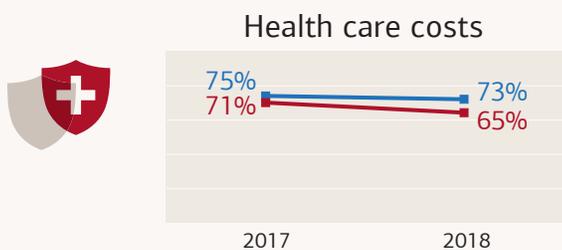


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Economic concerns decline slightly

Hispanic entrepreneurs are optimistic, yet realistic, regarding issues they see as economic challenges. While increased optimism in the overall economy has led to a general decline in concern over many economic issues since 2017, their concern level remains higher than that of non-Hispanic business owners on all issues, with the exception of health care costs.

Economic concerns for the year ahead



■ Hispanic business owners ■ Non-Hispanic business owners

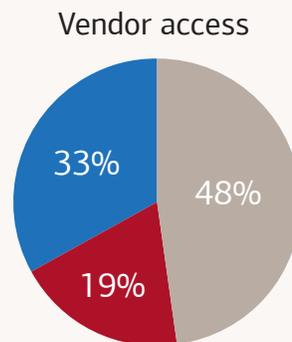
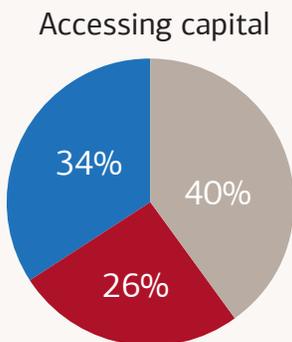
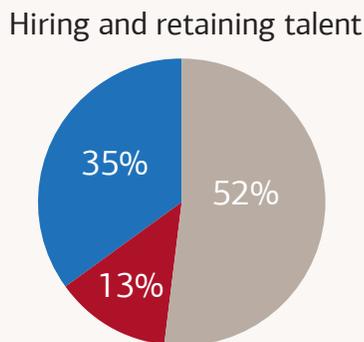
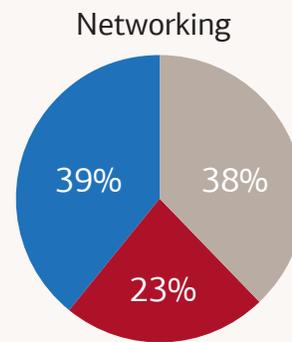
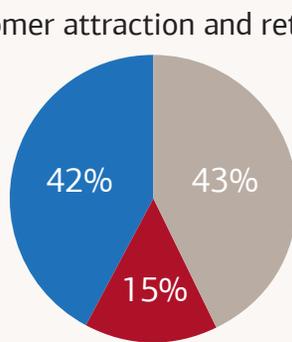
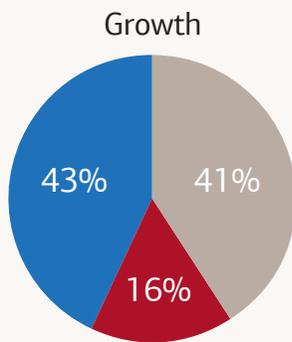
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Differentiating through heritage

While nearly two-thirds of Hispanic entrepreneurs believe they face unique challenges compared to non-Hispanics, a strong majority say their cultural heritage has either helped or had no impact on many aspects of their business, including:

How has your Hispanic cultural heritage impacted these aspects of your business?

😊 Helped
 — No impact
 ☹️ Harmed



Hispanic business owners say family and friends are the most valuable to their business.

Who helps you most when it comes to running your business?



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Boosting employee morale to fuel success

Nearly nine in ten Hispanic entrepreneurs have taken at least one step in the last two years to attract and retain quality employees, including:

-  **41%** Offering flexible hours or the option to work remotely
-  **33%** Offering employee perks
-  **27%** Creating employee reward or bonus programs
-  **26%** Hiring a more diverse workforce
-  **25%** Creating employee team building activities
-  **21%** Offering a competitive benefits package
-  **19%** Offering paid or unlimited vacation

Hispanic entrepreneurs are twice as likely to have made investing in employees a goal in the last two years compared to non-Hispanics.



Made it a goal to invest in employees over the last two years



30% vs. **14%**
Hispanic business owners vs. Non-Hispanic business owners



81% of Hispanic business owners believe the ability to attract and retain quality employees positively impacts their business growth.

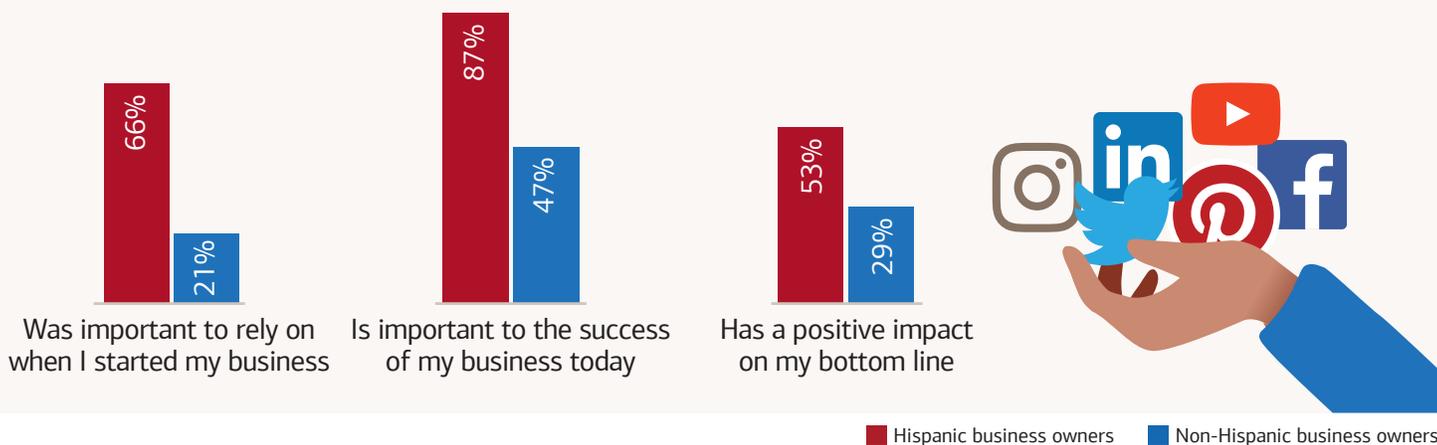


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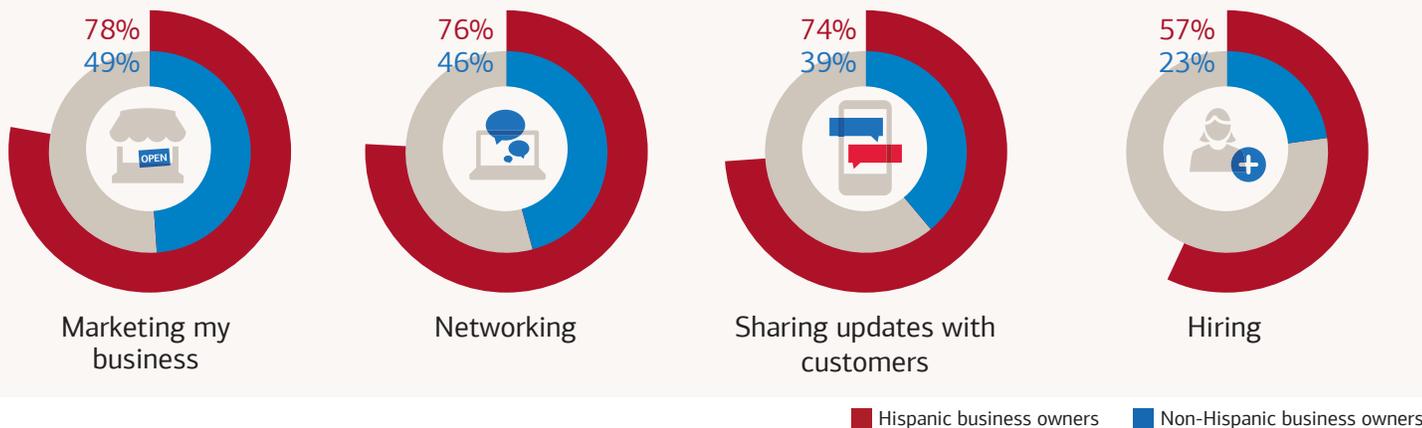
Trailblazing in social media and digital use

Most Hispanic entrepreneurs say social media is important to the success of their business and are leveraging it in various ways.

Social media...



Top uses for social media...



Hispanic entrepreneurs have also adopted digital tools at higher rates than their non-Hispanic counterparts.

