



DENVER METRO *Small Business Development Center*



Colorado Small Business Survey

www.denversbdc.org / 303-620-8026 / info@denversbdc.org


LETTER FROM THE EXECUTIVE DIRECTOR

Small business plays a vital role in the success of our economy and they have unique needs and challenges that evolve throughout the life of the organization. To better understand how best to serve small business the Denver Metro Small Business Development Center (SBDC) in partnership with the Denver Metro Chamber of Commerce, the Colorado SBDC Network, and twenty other organizations put together our first Colorado Small Business Survey.

The questions focused on the demographics of the business, the challenges that business face, and on what types of organizations they utilize to help them grow and connect. It was facilitated from February 4th through March 7th of 2019 and garnered 1,086 responses from small businesses.

This is the first Small Business Survey that we have facilitated, and we intend to do this work on an annual basis. We believe that we can collaborate with more partners in the future that will help us continue to gain insight into how best our state can support the small businesses that call Colorado home.

Abram Sloss
Executive Director, Denver Metro SBDC

A handwritten signature in black ink, appearing to read 'Abram Sloss', with a stylized flourish at the end.A background image of a dense evergreen forest, likely in a mountainous region, with tall trees and a dark, textured canopy.

Abram Sloss is the executive director of the Denver Metro Small Business Development Center (SBDC), a provider of entrepreneurial and business development services that plays a vital role in the metro Denver region. For 30 years, the Denver Metro SBDC has assisted tens of thousands of small businesses and entrepreneurs by providing no-cost professional consultation, comprehensive trainings, and data necessary to make sound business decisions in a constantly changing marketplace.

SURVEY METHODOLOGY

From February 4th through March 7th, the Denver Metro SBDC sent a survey to small businesses throughout the state.

More than 21 partners including Colorado SBDC network, chambers of commerce, non-profits, and other technical assistance programs helped collect responses.

A variety of demographic questions such as size of company by revenue, years in business, majority ownership, and gender.

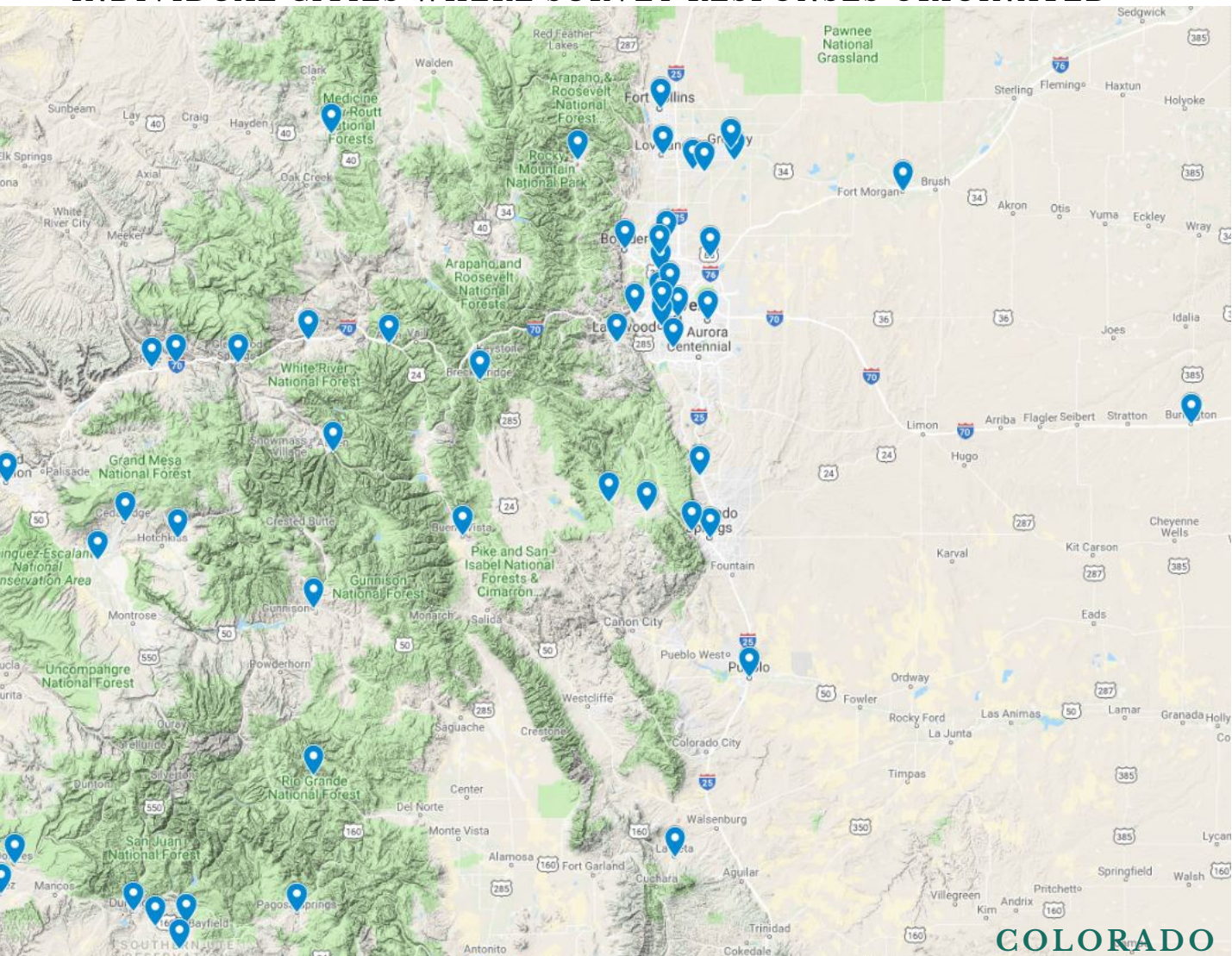
The survey was concerned with areas of assistance, growth challenges, learning methods, and business organization membership.



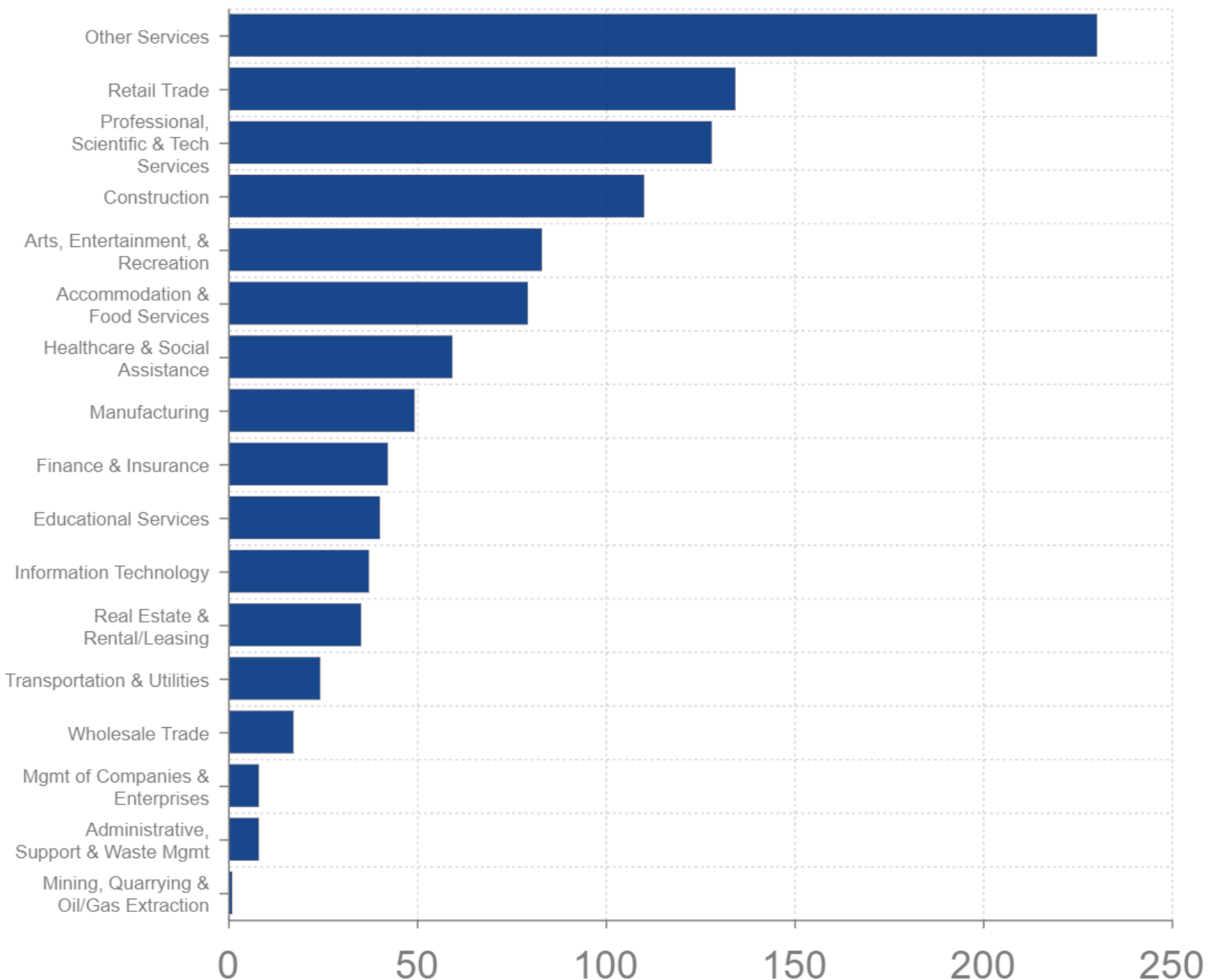
The Denver Metro Small Business Development Center (SBDC) serves dedicated entrepreneurs who want to strengthen their path to success. Utilizing the powerful partnerships of the Colorado Small Business Development Center Network and the Denver Metro Chamber of Commerce, the Denver Metro SBDC has been a cornerstone of the business community for over 30 years.

1000+ RESPONSES

INDIVIDUAL CITIES WHERE SURVEY RESPONSES ORIGINATED



18 DIFFERENT INDUSTRY GROUPS



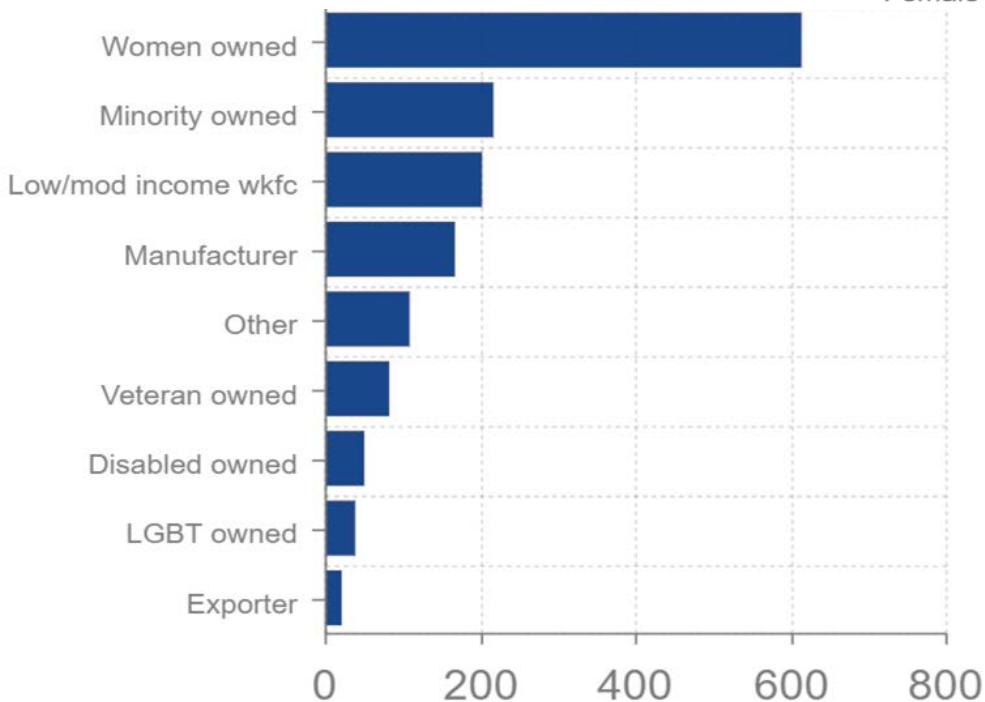
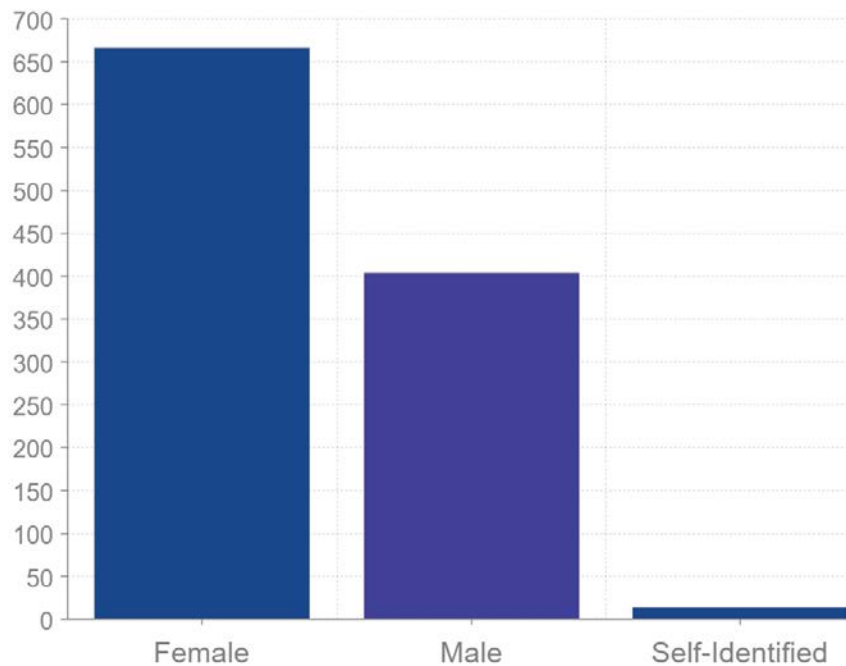
DEMOGRAPHICS

61%

of respondents identified as females

37.2%

of respondents identified as males



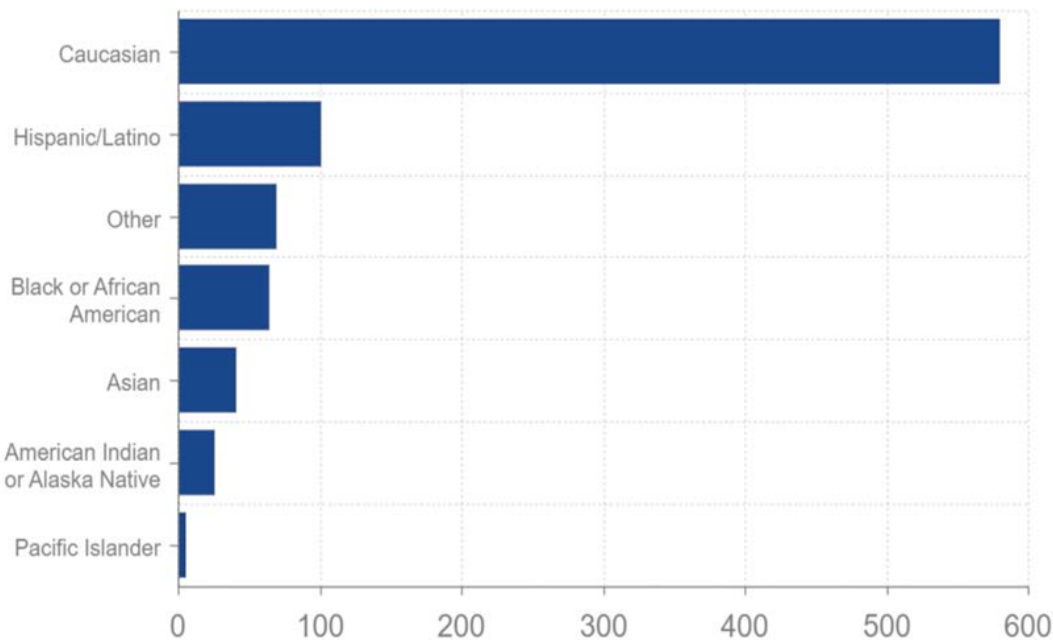
41%

of respondent companies were women owned businesses

49%

of businesses owned by minorities were also women owned

DEMOGRAPHICS



64%

of respondents identify as Caucasian.

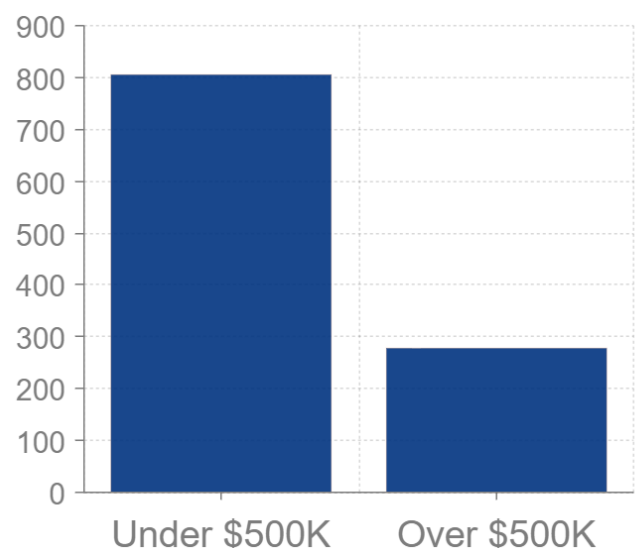
Hispanic or Latino was the second largest at 11.3%

74%

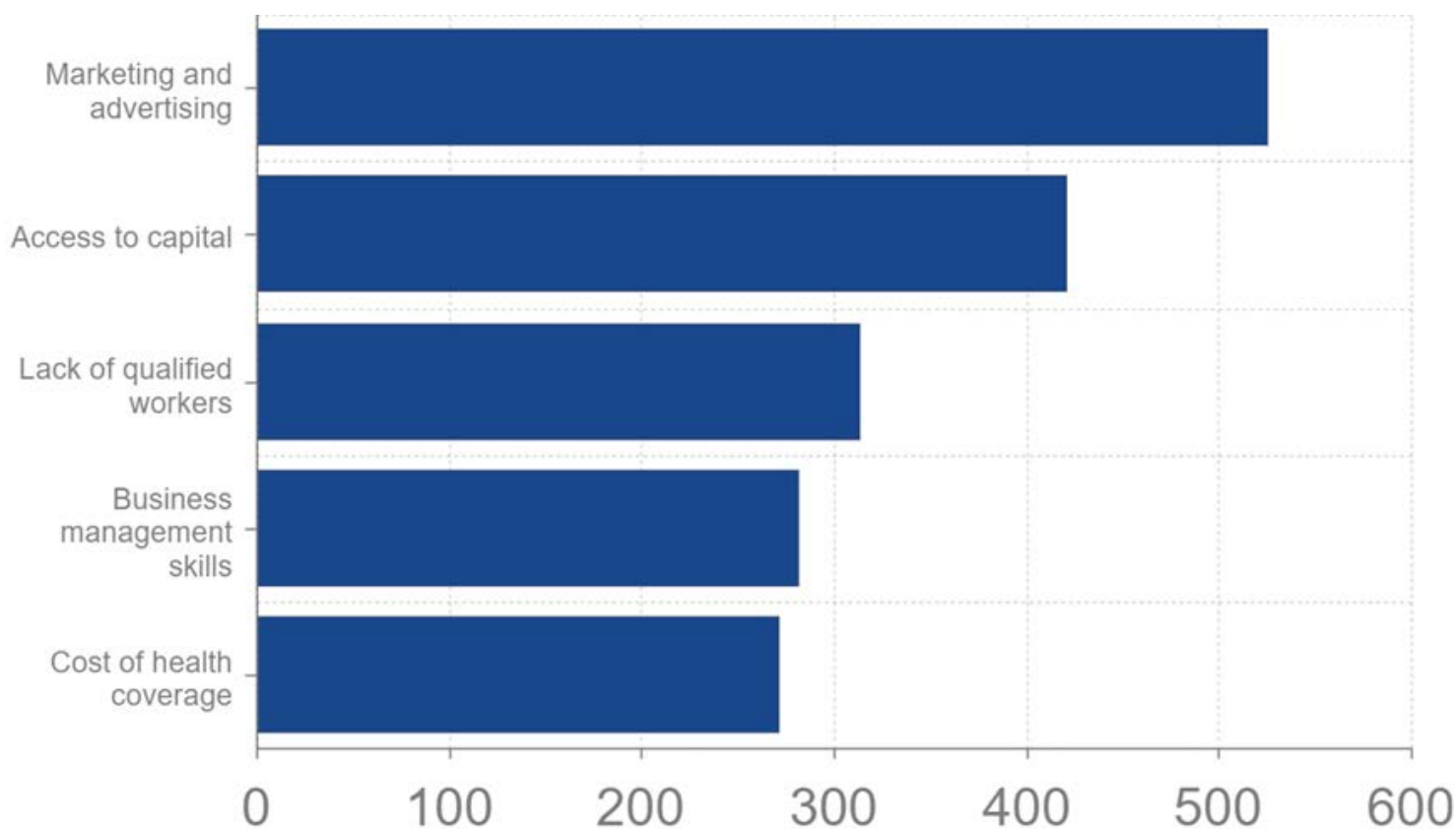
of respondent companies make less than \$500K in revenue annually

SIZE OF COMPANIES

(By Revenue)



CHALLENGES BUSINESSES FACE IN GROWTH



48.4%

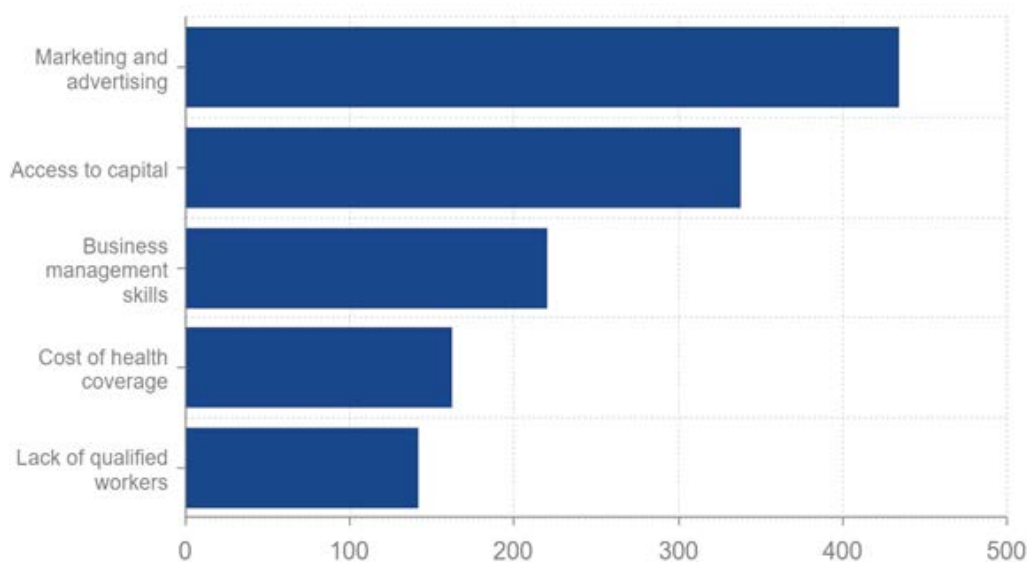
of all respondent companies
picked marketing and
advertising as a top three issue
for growth

39%

of all respondents selected
access to capital as a top three
issue for growth

CHALLENGES BUSINESSES FACE IN GROWTH

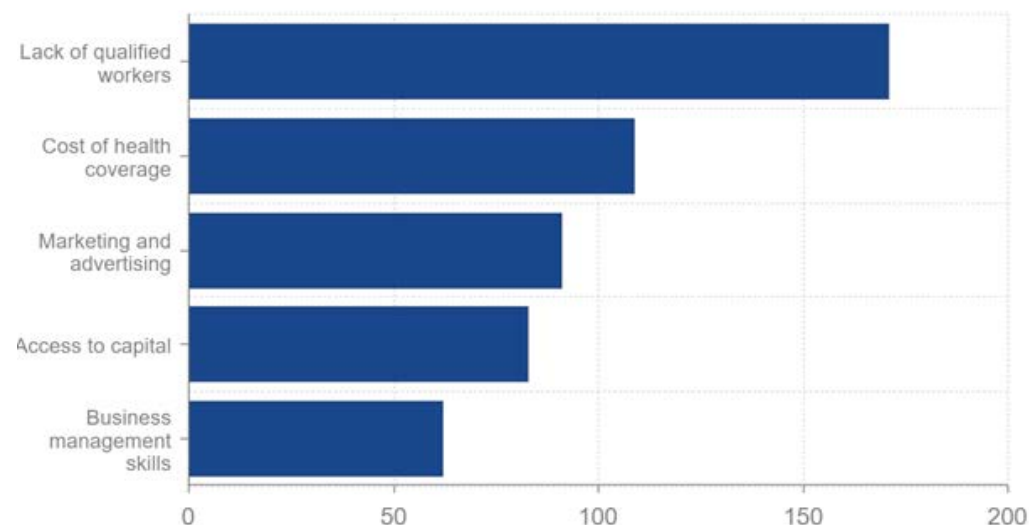
Under \$500K



54.3%

of companies with over \$500K in annual revenue identified issues related to workforce as their largest challenge

Over \$500K



60%

60% of companies with revenue under \$500K in annual revenue identified issues related to growth as their largest challenge

CHALLENGES BUSINESSES FACE IN GROWTH (CONT.)

5%

of respondents picked
technology as an issue to
growth, making it the lowest
ranked challenge.

47%

of companies with revenue
between \$500K and \$1M said
cost of healthcare was a
challenge to growth

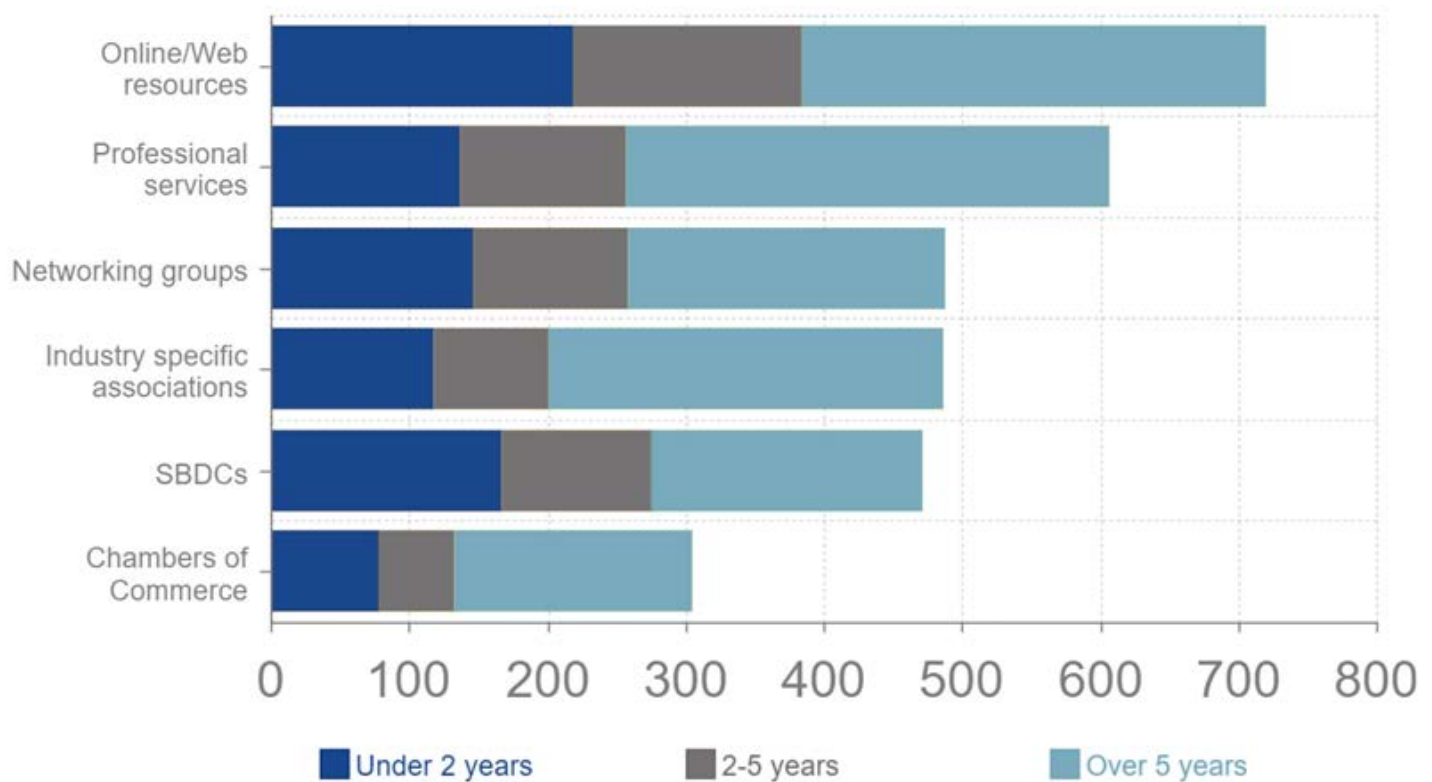
\$500,000

companies with under \$500K
in revenue have the largest
issue with marketing and
advertising

OVER 50%

of companies with revenue
over \$500K reported that a
lack of qualified workers was
a challenge for their growth

RESOURCES BY YEAR IN BUSINESS



51.7%

in business for over 5 years

20.5%

in business from 2 to 5 years

27.8%

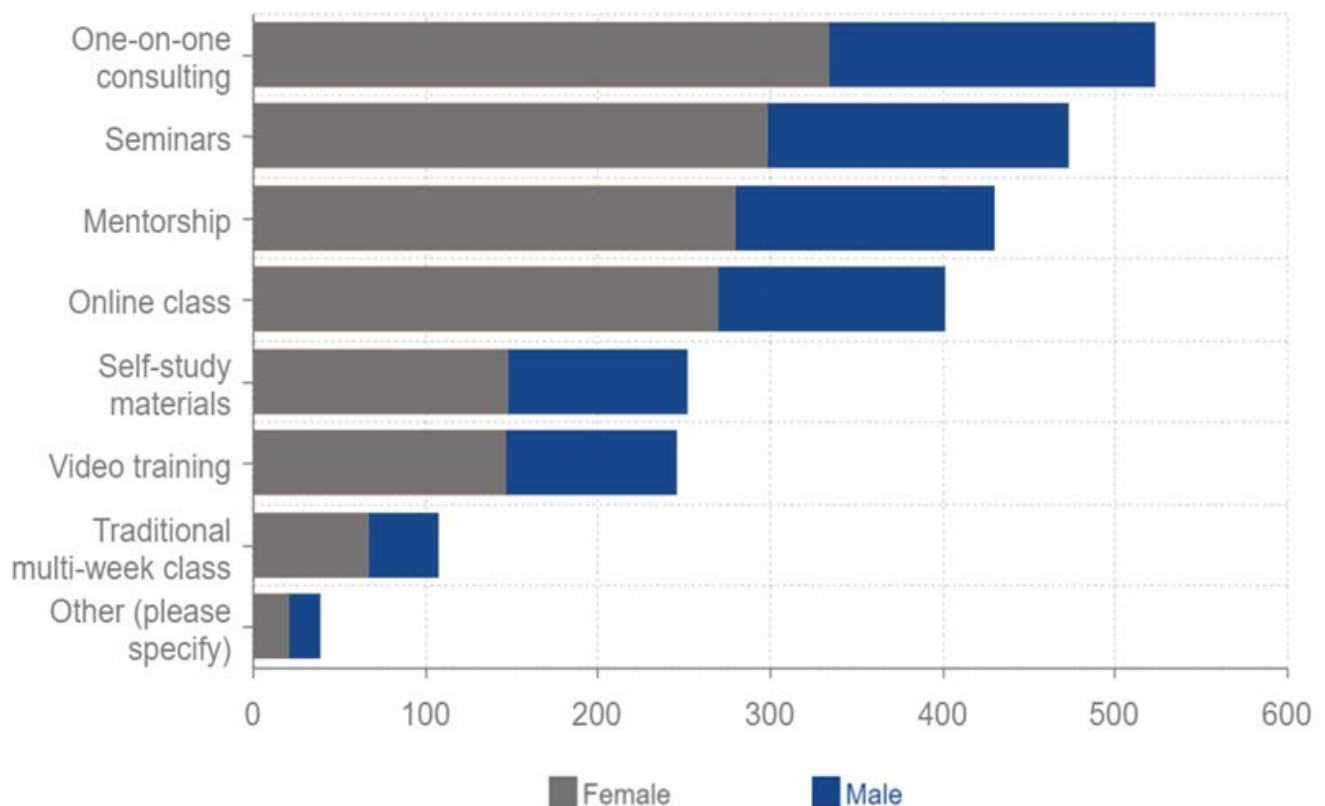
in business for less than 2
years

More established businesses
seek out professional services
& industry specific
associations.

All businesses chose online
resources as one of their top
2 choices

Newer businesses turn to
online resources & their
local SBDC.

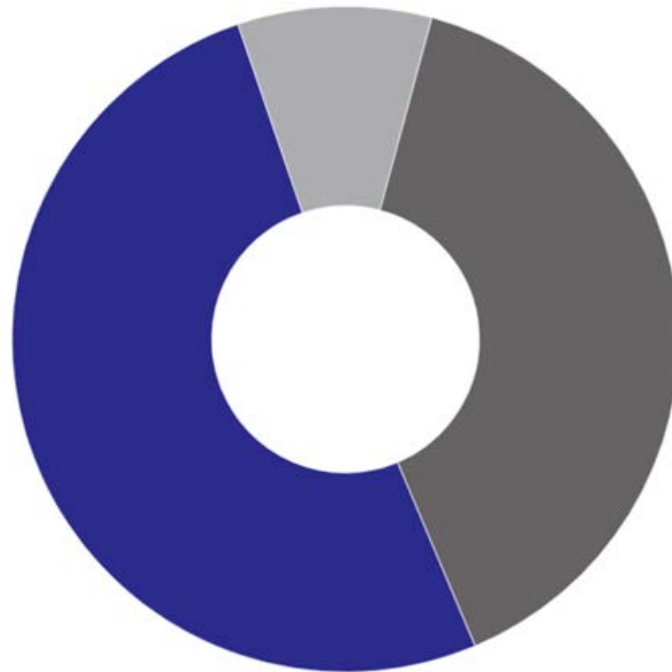
PREFERRED LEARNING METHODS



The survey showed that women prefer consulting, mentorships, and online classes. Whereas men have a slight preference for self study materials and video learning.

In a more surprising twist, the differences between the men and women were small, the largest gap being a 3% preference for online classes by women.

BUSINESS ORGANIZATION MEMBERSHIP



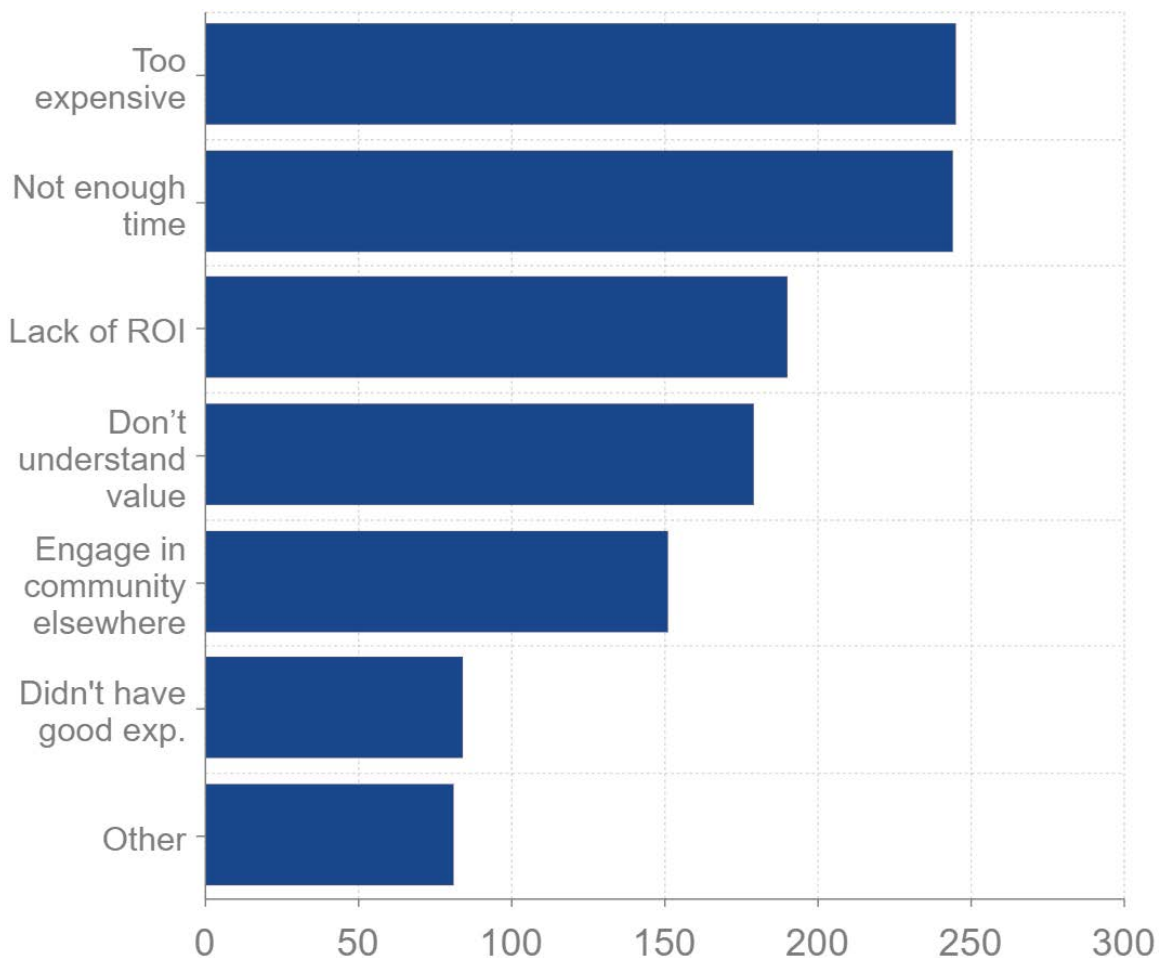
● Yes 428 ● No 554
● No Response 102

39%

OF SURVEY RESPONDENTS ARE MEMBERS OF A
BUSINESS ORGANIZATION

**48% of respondents that are
members of a business
organization identified
themselves as members of an
industry specific
organization**

BUSINESS ORGANIZATION MEMBERSHIP (CONT.)



As an aggregate, the largest reason for not being a member of a business organization is too expensive and a lack of time.

40%

RESPONDED TOO EXPENSIVE

39%

RESPONDED NOT ENOUGH TIME

CONCLUSIONS

Receiving over one thousand responses from small businesses throughout Colorado provided a lot of valuable data to inform technical assistance organizations, non-profits, and small business support entities. And our hope is that this information helps to nurture and grow the entrepreneurial services throughout the entire state.

Marketing and advertising were identified as a key growth challenge for the greatest amount of companies and the Denver SBDC will be implementing new long-term, intensive programming to address this need.

Access to capital was also identified as a key challenge for early stage companies. To support our companies in this area we will continue to provide financial literacy programming, develop credit score repair opportunities, and work with our lending organizations and non-profit lenders to knock down barriers to funding small business.

To address the workforce challenge that companies face finding qualified workers, the Denver SBDC will partner with educational institutions, apprenticeship programs, and non-profits to create a pipeline between small businesses and qualified interns.

We intend to do a small business survey of companies throughout the state annually with the intention of providing meaningful data about what businesses are experiencing. So, please reach out with questions, feedback, and potential future partners that can help us reach even more businesses.

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For inquiries, contact Morgan Alu at Morgan.alu@denversbdc.org or call 303-620-8026

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A large, semi-transparent graphic of the Colorado state flag is centered over a background image of a mountain range. The text 'Colorado Small Business Survey' is written in a white, sans-serif font across the middle of the graphic.

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