GoDaddy Venture Forward

Entrepreneur Survey Results - U.S. and U.K.

November 2023

Launched in 2018, GoDaddy Venture Forward is a research initiative that quantifies the impact of 20+ million online microbusinesses have on their local economies and provides a unique view into the attitudes, demographics and needs of these entrepreneurs.
In August 2023, Venture Forward completed its 10th national survey with responses from over 6,000 small business owners across the United States and United Kingdom.

Most of these businesses employ fewer than ten people, classifying them as a microbusiness. While they may be small, their economic impact is outsized even though they often don’t show up in traditional government statistics.

Since 2018, Venture Forward has surveyed more than 30,000 of these entrepreneurs with an online presence, making it the premier source for microbusiness data and insights.

*These entrepreneurs have a domain name and active website with GoDaddy*
What You’ll Find Ahead

4. Microbusinesses at-a-Glance
   Breaking down size and income

5. Getting a Microbusiness Started
   How much capital is needed and how accessible is it?

6. Top Challenges When First Starting Out
   Help with marketing is key

7. A Closer Look at Microbusiness Owners
   The diverse population of microbusiness owners

8. Where Microbusiness Owners Work and Sell
   Convenience is more important than ever

9. Microbusinesses Can Make Major Income
   Understanding microbusiness breadwinners

10. Running a Small Business Doesn’t Have to be Stressful
    More money, more responsibilities

11. Entrepreneurs Are Betting On Themselves with Confidence
    Entrepreneurs consistently believe in themselves more than the economy as a whole

12. Life Is Better as an Entrepreneur
    Opportunity creates joy
**Microbusinesses At-A-Glance**

**Microbusinesses are small**

- **97%** Microbusinesses with Fewer than 10 Employees
  - **95%** U.S.
  - **97%** U.K.

**Employee Count**

<table>
<thead>
<tr>
<th>Employee Count</th>
<th>U.S.</th>
<th>U.K.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (solo-entrepreneur)</td>
<td>61%</td>
<td>80%</td>
</tr>
<tr>
<td>2 to 10</td>
<td>34%</td>
<td>17%</td>
</tr>
</tbody>
</table>

**Microbusinesses Generate Income**

- **26%** Main Source
- **42%** Supplemental
- **32%** No Income

- **36%** Main Source
- **36%** Supplemental
- **28%** No Income

**46%** of respondents in the U.S. and **39%** in the U.K. turned their supplemental income into their main source of income.

**In both countries, 1 in 4 currently own more than one business**

Getting A Microbusiness Started

67% REQUIRED <$5,000 TO START

“What was the total amount of capital needed to start your business or organization?”

<table>
<thead>
<tr>
<th>Category</th>
<th>First</th>
<th>Recent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketing Online</td>
<td>10%</td>
<td>20%</td>
</tr>
<tr>
<td>Equipment</td>
<td>18%</td>
<td>16%</td>
</tr>
<tr>
<td>Inventory</td>
<td>11%</td>
<td>14%</td>
</tr>
<tr>
<td>Website</td>
<td>24%</td>
<td>12%</td>
</tr>
<tr>
<td>New Product</td>
<td>6%</td>
<td>11%</td>
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73% REQUIRED <£5,000 TO START

“What was the total amount of capital needed to start your business or organization?”

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<td>11%</td>
<td>20%</td>
</tr>
<tr>
<td>Website</td>
<td>30%</td>
<td>14%</td>
</tr>
<tr>
<td>New Product</td>
<td>9%</td>
<td>13%</td>
</tr>
<tr>
<td>Inventory</td>
<td>8%</td>
<td>11%</td>
</tr>
</tbody>
</table>

“How were the first and most recent dollars invested into the business?”

Top Challenges When First Starting Out

The percentage of respondents who listed each of the following challenges in their top 3 when first starting their business:

- Marketing my business online (social media, ads, promotions, etc.): 42% (U.S.) vs. 50% (U.K.)
- Access to financial capital: 23% (U.S.) vs. 22% (U.K.)
- Getting my business website online effectively: 22% (U.S.) vs. 25% (U.K.)
- Marketing my business using traditional media (print, radio, TV, etc.): 21% (U.S.) vs. 18% (U.K.)
- Finding employees, independent contractors or consultants with necessary skills: 14% (U.S.) vs. 11% (U.K.)
- Networking with other business owners: 14% (U.S.) vs. 14% (U.K.)
- Taxes: 14% (U.S.) vs. 14% (U.K.)
- Rising costs on wages and materials: 12% (U.S.) vs. 15% (U.K.)
- Licensing/permits: 12% (U.S.) vs. 5% (U.K.)
- Affordable space: 10% (U.S.) vs. 15% (U.K.)

A Closer Look At Microbusiness Owners

Microbusinesses are closing the gender gap

- **51%** women-owned (Feb 2022: 47%
  Aug 2023: 51%)
- **42%** women-owned (Dec 2021: 31%
  Aug 2023: 42%)

Source: GoDaddy Venture Forward U.S. & U.K. National Surveys, August 2023
(N-U.S. = 3,525 // N-U.K. = 2,651)
(U.K. Dec 2021 = 2045 // U.S. Feb '22 = 2289)

15% of U.S. microbusinesses are owned by a Black entrepreneur, and of those, 68% are owned by a Black woman.

5% of U.K. microbusinesses are owned by a Black entrepreneur, and of those, 60% are owned by a Black woman.

Which generation has the most entrepreneurs?

- **41%** Gen X
  Age (40-52)
- **45%** Millennials
  Age (25-39)

*The U.K. National Survey doesn’t ask about family composition (the number of adults, seniors, or children in the household)*
Where Microbusiness Owners Work And Sell

U.K. entrepreneurs are more likely to be fully-employed by their business, and in both countries, about 1 in 4 have to run their microbusiness as a side-hustle.

"What is your employment status?"

<table>
<thead>
<tr>
<th>Country</th>
<th>Employed Full-time by Business</th>
<th>Employed Full-time Outside Business</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S.</td>
<td>41%</td>
<td>26%</td>
</tr>
<tr>
<td>U.K.</td>
<td>50%</td>
<td>25%</td>
</tr>
</tbody>
</table>

Of the
26%
44% Primarily in-person/on-site
28% Hybrid
28% Primarily work from home

Of the
25%
37% Primarily in-person/on-site
35% Hybrid
28% Primarily work from home

"Where do you sell?"

<table>
<thead>
<tr>
<th>Channel</th>
<th>U.S.</th>
<th>U.K.</th>
</tr>
</thead>
<tbody>
<tr>
<td>On my website</td>
<td>47%</td>
<td>51%</td>
</tr>
<tr>
<td>On social media</td>
<td>32%</td>
<td>37%</td>
</tr>
<tr>
<td>In a physical location</td>
<td>27%</td>
<td>23%</td>
</tr>
<tr>
<td>From home</td>
<td>48%</td>
<td>40%</td>
</tr>
</tbody>
</table>

Microbusinesses Can Make Major Income

1 in 6 microbusiness owners are earning over $100k or £180k annually.

Breadwinners bring in more than 51% of the household income.

About 3 out of 10 women with a microbusiness are the breadwinners in their home.

Breakdown of Those Earning Over $100k or £180k

AGE
- 56% Gen Z (18-24)
- 60% Gen X (40-54)
- 62% Baby Boomers (55+)

AGE
- 26% Gen Z (18-24)
- 25% Gen X (40-54)
- 25% Baby Boomers (55+)

GENDER
- 38% Men
- 29% Women

GENDER
- 34% Men
- 27% Women

Running A Small Business Doesn't Have To Be Stressful

58% of entrepreneurs report little to no stress/anxiety/burnout, or feel neutral, owning and operating a microbusiness.


Entrepreneurs generating significantly more revenue - particularly those with over $600K or £500K - reported higher levels of stress, anxiety and burnout.

56% of entrepreneurs report little to no stress/anxiety/burnout, or feel neutral, owning and operating a microbusiness.


71% of microbusinesses surveyed reported that their revenue increased or remained unchanged over the past 6 months.

Entrepreneurs Are Betting On Themselves With Confidence

Microbusiness owners in both the U.S. and the U.K. consistently express a more positive outlook for their businesses than that for the greater economy.

Positive expectations for their business vs. the U.S. economy in the next 6 months

<table>
<thead>
<tr>
<th></th>
<th>Business</th>
<th>Economy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Feb '22</td>
<td>78%</td>
<td></td>
</tr>
<tr>
<td>Aug '22</td>
<td>60%</td>
<td></td>
</tr>
<tr>
<td>Feb '23</td>
<td>73%</td>
<td></td>
</tr>
<tr>
<td>Aug '23</td>
<td>72%</td>
<td></td>
</tr>
</tbody>
</table>

Confidence in their business growth vs. the U.K. economy this year

<table>
<thead>
<tr>
<th></th>
<th>Business</th>
<th>Economy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec '21</td>
<td>51%</td>
<td></td>
</tr>
<tr>
<td>Jan '23</td>
<td>46%</td>
<td></td>
</tr>
<tr>
<td>Aug '23</td>
<td>34%</td>
<td></td>
</tr>
</tbody>
</table>

Life Is Better As An Entrepreneur

In general, microbusiness owners from the U.S. and U.K. agree: Life is better as an entrepreneur

**63% BETTER**

**31% NO DIFFERENT**

**6% WORSE**

But agreement that it’s better differs by age group

**AGE BREAKDOWN**

- **U.S.**
  - 68% of Gen Z (18-24)
  - 62% of Millennials (25-39)
  - 65% of Gen X (40-54)
  - 75% of Baby Boomers (55+)

- **U.K.**
  - 50% of Gen Z (18-24)
  - 63% of Millennials (25-39)
  - 67% of Gen X (40-54)
  - 69% of Baby Boomers (55+)

Top 3: What brings you the most joy when operating your business?

- Creating my own source of income/supporting family
  - **U.S.** 33%
  - **U.K.** 31%

- Connecting to customers
  - **U.S.** 20%
  - **U.K.** 18%

- Making an impact in my community
  - **U.S.** 16%
  - **U.K.** 14%

Venture Forward is part of GoDaddy’s mission to make opportunity more inclusive for all.

You’re invited to download the full data behind this report, as well as other microbusiness insights at: GoDaddy.com/VentureForward

For questions or media inquiries, please email: VentureForward@GoDaddy.com