This report is powered by the latest data from Venture Forward, an initiative from GoDaddy that uncovers the impact of 20 million microbusinesses on the US economy.
Venture Forward

at a glance

Our goal is to empower policymakers and economic developers with the data and insights they need to better support the microbusinesses in their communities and the people behind them.

In our Fall 2020 Venture Forward Report, you’ll find:

The economic impact microbusinesses
and everyday entrepreneurs make in communities throughout the United States.

The latest quarterly numbers
on the density of microbusiness and recent online activity trends by industry.

Recent insights on the status and demographic
of an everyday entrepreneur, their attitudes and challenges during COVID-19.

How local governments have adapted to COVID-19
using Venture Forward data for relief and support programs.
Effects of COVID-19

Despite shutdowns due to COVID-19 across the U.S., microbusinesses continue to grow in number, concentration, and transactions online.

During the pandemic, adding 1 additional microbusiness per 100 people can drop unemployment by .2% in counties with strong broadband adoption.

60% of entrepreneurs said their website helped them during COVID-19 to adapt.

Economic impact

Microbusinesses drive growth in both household median incomes and employment activity.

Research shows that adding one everyday entrepreneur in a community creates two additional jobs.

Profiles of entrepreneurs

54% of microbusinesses are run by solopreneurs, 38% have less than 10 employees, and 8% have anywhere from 11 to 500+.

60% of entrepreneurs rely on their microbusiness for income.

About half of everyday entrepreneurs have both online and brick and mortar presence for their commercial ventures.
Gilbert, Arizona’s Office of Economic Development needed to figure out how to get council approval for small business programs during COVID-19. They didn’t have a lot of time.

As the Director of Economic Development for Gilbert, AZ, Dan Henderson needed to work with his team and come up with a plan. It had become clear the pandemic was going to significantly impact members of their community. Dan also knew that whatever they proposed, the plan needed to have a clear ROI in order to get quick approval and ensure accountability.

They started by leveraging data from Venture Forward to better understand the health of the 35,000 microbusinesses in Gilbert and the challenges they faced during COVID-19. Supplementing with their own social and economic data on the town of 250,000, the plan began to come together.

With data in hand, Gilbert proposed a new $18M program in October 2020 to give them immediate pandemic relief, a sustainable recovery, and long-term resilience. It passed unanimously.

“The Venture Forward data really helped us anticipate, listen, and then create programs,” says Henderson. His team was able to see who needed help and how it would effect their city. This information brought “wherewithal, insight, and a data perspective to everything we’re doing right now in response to COVID.”

Gilbert’s approach to supporting its small and microbusinesses can be a model to other officials and policymakers grappling with the same issues.
“Venture Forward opened our eyes to just how big of a venture market we have in Gilbert. It brought a data set and face to the table that historically may have not been there before, and it was listened to by local leaders.”

—Dan Henderson, Director of Economic Development, Gilbert, AZ
Table of Contents

Ventures snapshot: Q3 numbers and trends 07
Real economic outcomes 14
The entrepreneurs behind ventures: 2020 survey 19
Opportunities for policy impact 27
1. Ventures snapshot: Q3 numbers and trends
For the first time there is data about ventures and how they impact their communities.

A venture is a discrete domain name with an active website. It can be a business, non-profit, cause, or idea and have services like email, payments, or security attached. Many people have more than one venture. Ventures are often run by solo entrepreneurs or have five employees or less.

GoDaddy has long believed that ventures are an important part of the fabric of our communities and economy. But for many city planners, they remain hidden.

Ventures historically don’t have a voice in the policy and technology debates that affect their livelihoods. Issues like credit, taxation, broadband, skills-training, or Internet policy. Why not? In the words of one policy maker:

“You can’t create policy for what you can’t see.”

We set out to change that.

We partnered with social scientists and economists at the University of Iowa, Arizona State University and UCLA Anderson Forecast. We combined information from approximately 20 million U.S. ventures built on GoDaddy web domains with data from external sources including the Census Bureau and Bureau of Labor Statistics.

We’ve made Venture Forward raw data freely available and are working with local governments to help them more fully support the ventures in their communities.

What have we found?

We found that ventures are as diverse as the United States. They’re in red states and blue states. They’re run by women and men, full-time business owners, students, retirees, and part-time workers. They’re rural and urban, coastal and inland, from different income and education levels, and all ethnicities.

Curious to know how many of these businesses, non-profits, and cause-oriented ventures there are in your community?

Ventures are as diverse as the United States.
We start by measuring microbusiness - or venture - density by the number of ventures per 100 people in a zip code, county or city. These are the averages for the first three quarters of 2020.

Ventures are segmented by their density within a geography and level of activity. We measure venture density by the number of ventures per 100 people, and then we report it by a geographic area.

Ventures are segmented by their density within a geography and level of activity. We measure venture density by the number of ventures per 100 people, and then we report it by a geographic area.

Venture activity is based on traffic, how networked they are across the internet, and the breadth of pages and/or services that are on the website. Those with the greatest activity levels are considered highly active, representing about one third of all ventures.

To the right, we’ve segmented out the national averages for 2020 by counties and cities.

Despite the pandemic, the number of ventures across the US held steady. In most cases, we’ve seen incremental increases.

Let’s take a broader look at where ventures are in the U.S. and what the fastest growing industries were from April to September 2020.
1. Ventures snapshot: Q3 numbers and trends

Each county is colored according to its percentile rank against all other counties.

AVERAGE FOR Q3 2020: 2.96 VENTURES PER 100 PEOPLE
1. Ventures snapshot: Q3 numbers and trends

VENTURES PER 100 PEOPLE (PERCENTILE)

0% 100%

AVERAGE FOR Q3 2020: 3.23 VENTURES PER 100 PEOPLE

Each city is colored according to its percentile rank against all other counties.
We also measure venture activity and industry trends.

Venture Forward can surface the number of ventures — as well as the density of ventures — in a particular county, city and zip code. It also reveals what the most common microbusinesses are in your community and which ones are growing the fastest.

Here’s a list of the types of ventures we measure. On the following page, you can see what we’ve noticed for all industries during COVID-19 and which categories have grown the most since February.

Agriculture  
Equipment, feed/seed sales, farming & gardening services and suppliers.

Business  
A catch-all category: e-commerce or anyone offering products or services.

Construction  
Contractors, manufacturers, carpenters, construction equipment sales.

Entertainment  
DJs, night clubs, entertainment services, gaming fan sites.

Events  
Party planners, professional clowns, event sites, state fairs, balloon rides.

Fitness  
Health/wellness products, fitness blogs, workout videos, gyms.

Food and Drink  
Brewers/wineries, food blogs, meal-kits, pop-up restaurants and bars.

Home Services  
Home décor, appliances, pet supplies, handy-people.

Law  
Lawyers, certifications, security, process servers, services for attorneys.

Marketing  
Marketing firms, MLMs, professional associations, social media pros.

Media  
Blogs, podcasts, news, kids entertainment, radio and TV stations.

Outdoors  
Hunting/trapping blogs and services, campgrounds, survivalist sites.

Performer  
Artists, musicians, DJs, bands, magicians, clowns.

Photography  
Photographers, photography blogs, photography supplies, photo booths.

Public Space  
RV parks, convention halls, playground equipment, tour guides/vacation spots.

Software/IT  
SaaS, data/analytical services, privacy firms, cell phones, computer repair.

Travel  
Travel agents, travel blogs, tour guides/vacation spots, cruises, bus/shuttles.

Writing  
Author websites, blogs, churches/religious messages, publisher websites.

*Industry verticals are self-reported by customers.
We’ve seen an increase in traffic and transactions during COVID-19.

The digital economy is made up of more than a domain and a website. We also measure it based on the amount of traffic and e-commerce sales.

During the pandemic, the digital economy in the U.S. grew. Usually we see a seasonal drop-off after January, but in the first half of the year, traffic almost doubled. As businesses reopened, traffic leveled out but e-commerce transactions continued to grow.

Several industries saw major changes from February to September 2020, as seen on the right.

<table>
<thead>
<tr>
<th>INDUSTRY</th>
<th>% TRAFFIC CHANGE</th>
<th>% ORDERS CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>94.9%</td>
<td>-11.7%</td>
</tr>
<tr>
<td>Outdoors</td>
<td>55.4%</td>
<td>28.8%</td>
</tr>
<tr>
<td>Food and Drink</td>
<td>33.8%</td>
<td>-3.8%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>INDUSTRY</th>
<th>% TRAFFIC CHANGE</th>
<th>% ORDERS CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketing</td>
<td>-50.3%</td>
<td>-38.7%</td>
</tr>
<tr>
<td>Business</td>
<td>-41.7%</td>
<td>-64.2%</td>
</tr>
<tr>
<td>Entertainment</td>
<td>-27.9%</td>
<td>75.4%</td>
</tr>
</tbody>
</table>

% traffic and orders change is seasonally adjusted from Feb-Sept 2020.
2. Real economic outcomes
Adding just one venture per 100 people can increase median household income by $408.

+ $408

$3,606

$4,014

Average national annual increase in household median income.

Average annual increase in household median income when adding on highly active venture per 100 people.

Businesses, non-profits, and other ventures have an extraordinary impact on local economies.

Comparing similar communities throughout the country, we see that adding just one venture per 100 people can provide higher gains in median income, lower unemployment rates, and help cities recover faster from economic recessions.

Increase median income
From 2016 to 2018, adding just one highly-active venture per 100 people, increased average median income by $408.

Lower unemployment
Looking since 2018, our research shows that — in general — adding a venture per 100 people causes a decrease in unemployment by .05%.

COVID-19 brought some new challenges. Comparing similar communities over time we found that they needed broadband availability and additional ventures to lower unemployment. When microbusinesses use broadband it helps them expand online to connect and interact with their customers; it also helps their customers find them. It bridges supply and demand.

When you add one venture in a community with broadband rates of 75% or above, you can reduce unemployment by .2%. This adds up fast.

Create job growth
The more party-planners, contractors, restaurants, and writers in your community, the more resilient your city will be. Ventures spend money. They hire employees. They hire mentors, web designers, and contractors. They buy supplies and equipment related to their work.

Adding one new entrepreneur in a community creates two or more jobs.

All of this has a multiplier effect. More ventures create more jobs. More jobs add to higher median income. Higher median income encourages more ventures.

* 2016 - 2018 US Census
Adding one highly active venture per 100 people could add $408 to household income.

Ventures can drive household income growth. From 2016-2018, annual household median income increased nationally an average of $3,606 across counties. Adding one highly active venture per 100 people would increase that to $4,014.

One venture per 100 people can reduce unemployment rate by 0.05 percentage points.

We looked at associations between more ventures and the reduction in unemployment rates in their communities. Adding one venture can reduce unemployment rate by 0.05 percentage points in a county.

Adding one new everyday entrepreneur in a community creates two or more jobs.

Microbusinesses directly create more employment activity in their communities. More people say they’re employed. Our research with UCLA found that adding one new everyday entrepreneur in a community creates two or more jobs.
Denison, Texas could see the writing on the wall. If they didn’t find a way to help their small businesses, COVID-19 was going to devastate their economy.

When the governor issued a state-wide shutdown on March 31, 2020, William Myers, the vice president of business development at the Denison Development Alliance, started looking for data to show how increased online business activity could help his city cope.

He found Venture Forward and saw how the number of microbusinesses in his community could lower unemployment and create jobs, but the stat that grabbed Myers’ attention the most? Adding even one highly-active venture per 100 people can increase a community’s median household income by $408.

“This was exactly the type of information I needed,” says Myers. “Even if it turns out to be half of that, it’s an extraordinary number.”

Using an investment of $140K, Denison created a small-business accelerator focused on teaching entrepreneurs how to get online.

They’ve seen initial success. Within a few days, a local art gallery had a $2000+ sale from their website. A local popcorn shop now sells gourmet popcorn across the United States (they just had their first international sale). Other local artisans are selling online now and they’re seeing remarkable growth year over year.
Visit the Venture Forward website to explore how ventures are impacting your local economy.

Go look for yourself. Visit our website at godaddy.com/ventureforward. Our data is freely available to everyone to explore and download.

On the Venture Forward website, you can see what venture density looks like in your community and how it impacts your local economy.

You can also compare your city to 900 others in the United States. In addition, our website lists some of the key population predictors of venture concentration and growth such as broadband, education, and demographics.
3. The entrepreneurs behind ventures: 2020 survey
Our 2020 survey results show the resilience and agility of everyday entrepreneurs during COVID-19.

Periodically, we gather additional data to help us understand the demographics and attitudes of everyday entrepreneurs across the country.

In July, we surveyed more than 2,000 of them from throughout the US.

25% of those we asked use their venture as their main source of income. For 35%, it provides supplemental income. And 23% want to change that. They want their venture supplemental income to become their main income.

More specifically, we were interested in how they were handling the pandemic. With many cities under lockdown, how were they adjusting? What did they think about their future? Were they turning to other places for help? Were they finding it?

In general, a lot of these entrepreneurs went online or refocused their efforts on their websites.

60% of the people we surveyed said their website helped them navigate COVID-19.

One in four ventures had to shut down temporarily. Less than 2% shut down permanently. Some of them (one in five) said that they weren’t affected at all. A third of them saw a decrease in revenue. Perhaps surprisingly, 5% saw revenue increase as a result of the pandemic.

24% applied for PPP and 75% of those who applied received help.

62% of them had positive expectations for the future of their ventures, even while only 35% had positive expectations about their local economy.

This suggests resiliency. This suggests that out of the people we surveyed, most of them felt empowered despite the things outside of their control.
This is a look at everyday entrepreneurs across the United States as of July 2020.

1 in 2
Conduct business online and offline. 36% are online only.

10%
Of venture owners were born outside the U.S.

54%
Had 0 employees, 92% had less than 10, and 8% had more than 11.

60%
Of ventures provide income. For 25%, it’s their main source.

1 in 4
Venture owners work part-time or are currently out of the workforce.

91%
Of ventures started before 2020.
60% of the people we surveyed said their website helped them navigate COVID-19.

During lockdown, many people took their businesses online to help them weather the storm. This gave them the opportunity to market to new customers and communicate with current ones.

For example, the main-street businesses that went online in Denison, Texas during COVID-19 are seeing new sales from around the country, not just in their local community.
1 in 4
Shut down temporarily. Less than 2% shut down permanently.

1 in 5
Those we surveyed reported not being affected by the pandemic at all.

5%
Saw an increase in revenue from the pandemic. 34% saw a decrease.

9%
Received local grants, loans, tax breaks. 73% did not receive assistance.

24%
Applied for PPP. 75% of those who applied received assistance.

62%
Had positive expectations for their venture through Fall 2020.

During COVID-19, most ventures were affected by the pandemic but also found ways to adapt and even thrive.

There’s been a lot of attention in the media about the effect of the pandemic on small and large businesses throughout the country.

And while some businesses are closing their doors, many microbusinesses and ventures are growing. This is especially true for people who have been disenfranchised by traditional small-business development programs in the past.

Women and minorities have proven to be the most adaptable and the most optimistic venture owners during COVID-19.
Spotlight: Women Entrepreneurs

When she began, Candis Jones sold her jewelry online at The Jones Market. Eventually she was able to sell her jewelry in a brick and mortar location, but it’s her online presence that’s kept her afloat during the pandemic.

She is a solo entrepreneur who is working nights and weekends more, but she says it’s worth it. She does it for her family.

Candis is a lot like other women we surveyed. Here are some highlights:

**Website as a main source of income**
Women are 36% more likely than men to say their website is a main source of income.

**Supplemental income to main income**
Women are 68% more likely than men to want to convert their supplemental income to their main income. That’s double the likelihood we saw last year.

**Solo entrepreneurs**
Women are more often solo entrepreneurs than any other group, 61% relative to 55%.

**Less capital**
Women report needing less startup capital than others. 53% report needing less than $5k vs 46% for the overall sample. 34% report needing more than $10k compared to 40% for all others.

**Government assistance**
Women are on par with men in terms of whether they applied for and received PPP aid, and their overall optimism about their business and overall pessimism about state economy.

**Women are 68% more likely than men to want to convert their supplemental income to their main income. That’s double the likelihood we saw last year.**
Spotlight: Black Entrepreneurs

Charly Pierre is a Haitian-American who started Fritai restaurant in New Orleans. They serve Haitian street-food favorites with a Creole twist.

Summer is usually the busiest time of the year for Fritai. COVID-19 changed that. He had to pivoting find new ways to build revenue. He’s partnered with other groups to feed front-line medical workers, the elderly, and the homeless.

“We’ve got to constantly be connecting so we can all stay sane,” says Charly.

We found this kind of optimism from Black venture owners across the country.

Optimism about the future
They are more optimistic about their future than any other population we surveyed (80% vs an average of 62%). They’re not leaving their fate up to others. They feel empowered to adapt and improve their circumstances as necessary.

Getting Online
Black entrepreneurs are the most likely to have an online-only business. They reported that a website helped them during COVID-19 more than other groups (72% vs. an average of 60%).

Supplemental vs main income
Respondents who are Black are 27% more likely to have their venture be their supplemental income, and they’re 2.5 times more likely to want to convert that income to their main income.

PPP Loans
Black entrepreneurs had the lowest rates of receiving PPP loans, despite applying for them (53% compared to average of 75%).

80% of Black venture owners are optimistic about their future while in the middle of COVID-19. This is significantly higher than any other population.
“I mean, it ain’t easy, but we’re out here doing it. Things are a little tighter, but we’re still making it through.”

—Charly Pierre, Fritai restaurant co-founder on his venture during COVID-19
4. Opportunities for policy impact
Half (53%) of the people we asked spent more time than they usually do on their ventures this Summer and Fall. For many of them, that means they’re figuring out things they might not have focused on before.

This gave a lot of entrepreneurs time to discover where they could use some help.

Access to capital creates more opportunity for everyone. The people hit the hardest by COVID-19 economically — women and minorities — are the ones who struggle to apply for and receive loans. They’re also the ones turning to their ventures for income.

Skills-training is crucial. A lot of entrepreneurs struggle to market their business. Some struggle to simply set it up online, even when they have a domain. And modern marketing requires that broadband be both accessible and affordable.

There is no one-size-fits-all government solution. Programs need to be customized based on unique challenges and opportunities facing local entrepreneurs.

Top three things entrepreneurs are looking for from local government.
1. Capital
2. Marketing
3. Tax incentives

Top three resources entrepreneurs say they need to grow their business:
1. Marketing skills
2. Capital
3. Getting a business online

This data aligns with that other leaders have found as well. Recently GoDaddy was on The Hill and spoke with thought leaders, government officials, and existing microbusinesses.
This Fall, thought leaders, mayors and economic development experts came together to discuss how to best support entrepreneurs.

**Lori Lightfoot**
As the mayor of Chicago, she had two simple questions: how do we keep existing small-businesses alive and how do we create more opportunity? Her focus is equally straight-forward. First, get them access to capital. Second, educate them on how to take advantage of programs and run a business.

**Neela Mollgard**
Mollgard and her team built a hub-and-spoke network of advisors and resources to help businesses in Minnesota. Educators, entrepreneurs, corporate leaders and investors work together to connect communities and help microbusinesses better navigate all of the resources and expertise available to them.

**Larry Irving**
Irving, co-founder of The Mobile Alliance for Global Good and the person who coined the phrase “digital divide, stressed that help must happen at the local level. While larger governments can provide access to capital, education and broadband we should support local leaders as they do the hard work.

**Jaqi Wright and Nikki Howard**
Wright and Howard started Furlough Cheesecake during a government shutdown. They’re finding success. What have they learned? You need a network and you need to learn how to do most of the jobs in your business. You’re the CEO, the baker, the garbage man.

**Aman Bhutani**
Based on our findings and our conversations with cities across the country, Bhutani, GoDaddy’s CEO, recommend local governments and other organizations focus on adoption of broadband and access to skills-training, benefits, and capital.

Investment in these areas will, in turn, lower unemployment, create job opportunities, and increase median household income—even during a pandemic, even during a recession.

[Click here to watch the full video](#)
There are four policy areas we recommend governments and other organizations focus on to encourage ventures in their communities.

<table>
<thead>
<tr>
<th>Policy Area</th>
<th>Description</th>
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<tbody>
<tr>
<td>Adoption of broadband</td>
<td>We all know that cheap and reliable internet is often the first step that microbusinesses need to start. They start with a domain name and a website—an online presence that helps people find them and get to know them. During COVID-19 we saw that communities with more ventures per 100 people and more broadband connections had significantly decreased unemployment rates, across all income levels. Access to broadband helps ventures succeed. When ventures succeed, they have a positive effect on their local economy.</td>
</tr>
<tr>
<td>Access to skills-training</td>
<td>We’ve seen that as soon as people start their ventures, they discover that they have a lot of questions: Which tools should I use? Is this a good financial decision? How much risk should I take? We need to give them access to low-cost mentors and experts who can answer these questions and help train them how to do online marketing, sell online, and set up their websites and social media accounts. They want training about how to get on the major platforms businesses use to reach their customers.</td>
</tr>
<tr>
<td>Access to benefits</td>
<td>Everyday entrepreneurs take a risk when they step away from their jobs and start a business. We want them to take this risk. We’ve seen how much one venture can impact a community. But one of the risks they shouldn’t have to take is access to benefits. We need to lower the risk of starting a venture by finding creative ways to offer health care to people who want to make their venture a full-time job.</td>
</tr>
<tr>
<td>Access to capital</td>
<td>Our current lending infrastructure in the United States favors large, medium, and some small businesses. Microbusinesses are different. Often they only need as little as $5,000, but they don’t have a financial background. They don’t have an existing relationship with a bank. They’re unfamiliar with how businesses loans work and how to apply for them. We need an infrastructure that is built specifically for addressing the unique financial needs of ventures.</td>
</tr>
</tbody>
</table>
This is what we believe.

We believe ventures are the building blocks of resilient economies and healthy communities. And now we have the data to prove it.

But Venture Forward is more than an exercise in proving a hunch. Since the launch of Venture Forward, we’ve talked to hundreds of policy makers and influencers - all of whom see how much more potential these everyday entrepreneurs have to positively impact their communities.

Venture Forward is here to serve those policy makers. To support them with data, analysis and insight as they in turn create policy that will support the everyday entrepreneur.

For more details on the methodology, such as economic causality analysis and the multivariate regression models and the additional variables controlled for, including broadband subscriptions, educational levels, age cohorts, demographics, population and occupational data, please visit our website at godaddy.com/ventureforward

White Papers
Venture Forward White Paper (April 2020)
Venture Forward Executive Summary (April 2020)
The Rise of Everyday Entrepreneurs and Their Economic Impact on Communities

Blogs Posts
How micro businesses have blunted the economic impact of COVID-19
How one township, Gilbert, Arizona is thriving and empowering local ventures
Go Daddy customers who turned the COVID-19 crisis into an opportunity
Insights on policies in support of ventures and economic development