



25 small business facts to make you think.

Description

Here are 25 small business facts to make you think.

Approximately 20% of small businesses fail within the first year, and 50% of small businesses fail within the first five years.

The majority of small businesses in the United States are owned by sole proprietors, and **only 40% of small businesses are profitable**. Women own around 42% of small businesses in the United States, and the average lifespan of a small business is seven years.

Around **69% of U.S. entrepreneurs start their businesses at home**, and small businesses created 1.9 million net jobs in 2017. The average small business **owner works 52 hours per week**, and approximately 33% of small businesses use social media as their primary marketing tool.

Small businesses with websites generate more than 50% more revenue than those without, and **small businesses make up more than 99% of all businesses** in the United States.

Only 22% of small businesses use an outside accountant or accounting firm, and 82% of small business owners polled said they would start their businesses all over again.

Only 2% of small businesses are financed by venture capital, and around 64% of small businesses start with \$10,000 or less in [startup capital](#).

Only 40% of businesses have a [defined business plan](#), and the most common reason for small business failure is a [lack of cash flow](#). Small businesses with diversity perform 35% better than those without, and in 2016, the top five industries for small businesses were healthcare, professional, scientific, and technical services, construction, retail trade, and accommodation and food services.

Small businesses owned by minorities employ approximately 5.9 million people in the United

States. Approximately 60% of small businesses last six years or longer, and small businesses are responsible for employing **47.5% of the total workforce in the United States**.

The average cost to start a small business is **\$30,000**, and small businesses contribute more than \$5 trillion to the U.S. economy.

25 Interesting Small Business Facts

1. Approximately 20% of small businesses fail within their first year. ([tip: a business plan helps reduce risk](#))
2. 50% of small businesses will fail within their first five years.
3. The majority of small businesses in the United States are owned by sole proprietors.
4. Only 40% of small businesses are profitable.
5. **Women own around 42% of small businesses** in the United States.
6. The average lifespan of a small business is 7 years.
7. Around 69% of U.S. entrepreneurs start their businesses at home.
8. Small businesses created **1.9 million net jobs in 2017**.
9. The average small business owner works 52 hours per week.
10. Approximately 33% of small businesses use social media as their primary marketing tool.
11. Small businesses with websites generate more than 50% more revenue than those without.
12. Small businesses make up more than **99% of all businesses** in the United States.
13. Only 22% of small businesses use an outside accountant or accounting firm.
14. 82% of small business owners polled said they would start their businesses all over again.
15. Only 2% of small businesses are financed by venture capital.
16. **Around 64% of small businesses start with \$10,000 or less in startup capital.**
17. **Only 40% of businesses have a [defined business plan](#).**
18. **The most common reason for small business failure is lack of cash flow.**
19. Small businesses with diversity perform 35% better than those without.
20. In 2016, the top industries for small businesses were health care, professional, scientific, and technical services, construction, retail trade, and accommodation and food services.
21. Small businesses owned by minorities employ approximately 5.9 million people in the United States.
22. Approximately 60% of small businesses last six years or longer.
23. Small businesses are responsible for employing 47.5% of the total workforce in the United States.
24. **[The average cost to start a small business is \\$30,000.](#)**
25. Small businesses contribute more than \$5 trillion to the U.S. economy.

According to a study by the Kauffman Foundation, the **average age of entrepreneurs** when they started their companies was 40 years.

However, it's important to note that successful entrepreneurs come from a wide range of

ages and backgrounds.

According to recent research, some of **the most popular types of businesses to start** include consulting, online retail, food and beverage, and personal services such as childcare or home cleaning.

Conclusion

However, [the success of a business ultimately depends on various factors](#), so it's important to thoroughly research and plan before starting any business.

Category

1. Business Idea
2. Startup

Date

10/29/2024

Author

huubster