

## **PRESS RELEASE**

**For Immediate Release**

### **Colorado's Women-Owned Businesses Struggle To Survive Amid Impacts From COVID-19**

*Less Than 1 in 2 Women-Owned Small Businesses Has Up To Three Months Of Runway To Survive If Current Economic Conditions Persist A New Energize Colorado Survey Finds*

**Denver, February 10, 2020** – A new Energize Colorado survey explores the challenges and needs Colorado women-owned small businesses are facing due to COVID-19. Almost 1,000 women-owned businesses from across Colorado responded to the survey sharing insights on how COVID-19 has impacted their business, what aid they have received so far and what further assistance they need to remain in business. The majority of respondents (86 percent) were small businesses with up to 9 employees.

More information and full survey results can be found [here](#).

#### **COVID-19 Impact On Women-Owned Businesses**

Almost all (94 percent) respondents reported a decrease in revenue due to COVID-19. The majority (28 percent) of women reported a decrease in the 40-60 percent range. Almost 17 percent reported an 80-100 percent loss in revenue.

This existential threat was substantiated when asked about how long they could stay in business should circumstances not change: 56 percent of respondents stated their business could survive for another one to three months. Only 14 percent of businesses reported being able to operate for more than 6 months at the current rate. As a cause for lost revenue, over 70 percent experienced cancelled events or business, and over 60 percent reported challenges due to limited customer capacity. Just as with many larger organizations, the economic challenges these businesses face affect others too: about 60 percent of respondents said they had to decrease staffing during COVID-19.

Asked whether these business owners felt that they experienced different challenges because of being female, 83 percent responded yes. Half of respondents stated that they believe they have to work harder in order to be taken seriously in a business setting compared to their male counterparts. Also 50 percent of respondents reported that they had to work harder at balancing work and family and over one third (36 percent) felt that they have faced challenges gaining access to funding due to their gender. Over three quarters of women (77 percent) felt these challenges have increased during COVID-19.

### **Financial Assistance And Professional Services Are Needed The Most**

Asked about what type of assistance their business would need as of today, financial assistance and help with professional services were the two areas that are believed to have the most impact. Almost all respondents (95 percent) said they would benefit most from financial aid such as loans and grants; on a positive note, almost 77 percent of respondents said they had received financial assistance to date, with the Paycheck Protection Program (PPP) being the most leveraged at 52 percent.

Large recurring expenses are an issue: 60 percent of women business owners are in need of rent relief – yet only 16 percent of respondents reported having received any aid with rent. This might be due to a lack of awareness: almost 30 percent of respondents did not realize they could request help.

As for professional services, 70 percent of respondents stated the need for marketing support as a priority while over half of respondents stated they required help with business strategy (57 percent) and website/e-commerce capabilities (51 percent).

“COVID-19 has thrown a wrench in the works for many businesses and been an existential threat to others, but we are committed to turning this into an opportunity to make Colorado the most economically vibrant state in the nation again by building an inclusive, diverse and resilient small business community,” said Wendy Lea, CEO of Energize Colorado. “However, we can only be successful, if we really understand the specific challenges and needs of our diverse constituents, so getting this kind of first-hand data on a segment as impacted as women-owned businesses is essential for us to ensure we develop innovative solutions that have a meaningful impact.”

### **Silver Lining and Opportunity**

Despite the many challenges women-owned businesses are facing during COVID-19, there have been a few silver linings: In an open-ended question to share successes, if any, they have experienced during these trying times, 18 percent of respondents talked about improved community and customer relations as well as receiving active support from their communities. Also, 13 percent of women discovered that they and their business have been more resilient than they expected. However, 15 percent of respondents had no successes to share.

“Seeing the grim data and some of the comments has been gut-wrenching,” said Kate Hyatt, leader of the women-owned business segment at Energize Colorado that was responsible for conducting the survey. “However, it also served as a huge motivator for us to keep going and do what we do to provide women-owned businesses with the resources and tools they need to succeed. We already have several initiatives in place that address some of the challenges that were highlighted and are working on filling additional gaps we identified. We believe there is an opportunity, particularly on the digital front, for many of these businesses to catch up and become more resilient and competitive for the future.”

In fact, while most businesses said they leverage three to four different online platforms such as websites, Facebook and Instagram, only 19 percent of respondents currently have an e-commerce enabled website and 11 percent of respondents said they had no online presence at all.

When it comes to acquiring new customers, two out of the top three responses include somewhat less scalable and to some extent limited channels during the pandemic: While 66 percent said they leverage social media for customer acquisition, the majority (88 percent) of women-owned businesses rely on word of mouth and another 35 percent said foot traffic was a key driver, leaving room to implement new and additional channels.

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### **Methodology**

Energize Colorado invited women-owned small businesses in Colorado to participate in a survey exploring challenges to and needs of their business due to COVID-19. The survey was open from November 18 to December 4, 2020. A total of 935 women-owned businesses from across Colorado and across industries responded to the survey, a response rate of 12 percent. While the survey was open to women-owned small businesses with up to 500 employees in Colorado, small businesses with less than 10 employees accounted for the majority of responses. More information and full survey results can be found [here](#).

### **About Energize Colorado**

Small businesses and entrepreneurs are the backbone of Colorado's economy. If they thrive, the communities they operate in thrive. Founded in the wake of COVID-19, but with a long-term mission, Energize Colorado is a nonprofit organization that aims to advance resilience and promote equity in Colorado's small business ecosystem to create a stronger, more inclusive and more resilient economy in our state. Led by innovative leaders and powered by seasoned volunteers from across Colorado, we leverage our networks and entrepreneurial know-how to advocate on behalf of our small business community. By providing access to capital, free resources, and creating new programs to meet the needs of small businesses, we're working to bridge the racial and economic divides in Colorado.

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