

The Next Startup Wave

Sēd conducted a quantitative survey of 521 adults between the ages of 21 and 64 (reflective of adults nearing the end of college age up to those still commonly considered before retirement age). The survey was comprised of approximately half females and half males conducted online using sample from Toluna Start. We wanted to understand if times during the COVID-19 pandemic have changed how people were thinking about starting their own businesses, what motivates those thoughts and what concerns people have about starting their own business. The survey was conducted September 27, 2020.

The pandemic has kickstarted a wave of new startups

54% of those who were thinking of starting their own business say that this inclination has only strengthened as a result of the COVID-19 pandemic, heightened in particular among Gen Z (64%) and African-Americans (70%).

49% of African-Americans
54% of Gen Z
have thought about starting their own business for the first time in the last six months, as compared to the total population at 37%.

And a lot of first-time startup dreamers, led by African-Americans and Gen Z

The wave is hitting soon – within the year

43% plan to start their businesses within the year
18% have started already

African-Americans (54%) and Gen Z (55%) are moving fastest. **Proving that the pandemic is an accelerant, not a fire blanket, to startup ambitions.**

More than 1/3 have written the idea/business plan

20% have set-up social media accounts and 22% have looked into funding. Most taking tangible action are females, 21-34, Gen Z and African-Americans.

They are taking action

Quarantine is a big driver

- 43% Make more money
- 41% Prefer to be my own boss
- 28% I've learned life is short
- 24% Working from home has shown me that I can be productive in ways I never thought of before
- 23% Working from home has led to more time to think about it
- 19% The times of COVID-19 have shown me that the future is unpredictable and I can change what my future looks like now

Funding
Not sure if I'm successful
Not sure how to make it happen (research, marketing, launching)
Don't know how to market my business
Scared to take the leap
Don't even know how to get started

Biggest obstacles