

Constant Contact's Small Business Now Report Finds Americans Are Ready To Turn Recession Into Opportunity

New research reveals motivators and challenges for future business owners

WALTHAM, Mass., March 21, 2023 /PRNewswire/ - Today, [Constant Contact](#), a customer-focused digital marketing and CRM platform used by millions of small businesses and nonprofits, released [Small Business Now: A 2023 Recession Forecast](#), which explores how Americans feel about starting new businesses during a potential economic downturn. The findings from Constant Contact's report indicate that a recession could catalyze a new era of entrepreneurship.

When asked how they would respond if a recession impacted their jobs this year, one in three (30 percent) American workers said they would actively seek to supplement their income by starting a side hustle while maintaining their current job. Further illustrating their confidence in entrepreneurship as a career path, almost half (45 percent) of employed Americans would pursue becoming a small business owner, or recommend that path to someone else.



Small Business
NOW

"It's often assumed that recessions are inopportune times to launch a business, but historical data shows us that downturns frequently lead to a spike in new business applications," said Laura Goldberg, chief marketing officer at Constant Contact. "The findings from our report prove that Americans are excited about small business ownership, regardless of economic conditions. They are actively looking for opportunities to scale up their side hustles and passion projects this year, and they are highly motivated to succeed. As champions of small businesses, we will continue to support their journey by delivering the tools and support needed to help them launch their new venture, grow a customer base and market themselves online."

Americans are ready to turn a recession into an opportunity

A sizable number of employed Americans are ready to become entrepreneurs if a recession impacts their current jobs. This implies a new level of confidence in new small business ownership and side hustles as a viable career path.

- If a recession impacts their career, 30 percent of employed Americans would start a side hustle to make more money, while maintaining their current job.
- Of employed Americans who would feel comfortable starting a business or side hustle, 45 percent said they would feel comfortable doing so with \$10,000 or less in their savings, and 22 percent felt they wouldn't need more than \$2,000.
- Nearly half (45 percent) would pursue becoming a small business owner, or recommend that path to someone else, and 42 percent said the same thing about being a freelance worker.

The economy is a factor, but acquiring customers is another big challenge

Despite feeling prepared to start a side hustle or small business this year, rookie business owners and novice

side hustlers acknowledge that a rocky economy makes it more difficult. However, they expect to need the most support with marketing their business and keeping customers engaged.

- Thirty-five percent of employed Americans that would need help starting their own business or side hustle cited marketing, customer acquisition, and building a website or ecommerce store as the most pressing areas where they would need support.
- Over one quarter (27 percent) of employed Americans with something preventing them from starting their own business or side hustle in 2023 said startup costs would be the biggest barrier standing in their way, and 21 percent felt there is too much risk in today's financial climate.

A DIY mentality built on flexibility is fueling business owners

Constant Contact's findings reveal that future entrepreneurs possess a strong "do-it-yourself" mindset, and they are motivated to achieve more than just a better work-life balance. They see an opportunity to spark a career by monetizing their hobbies, and they are willing to self-educate to be successful.

- The primary reason employed Americans would consider starting their own business or side hustle is because they think they can monetize a current hobby or skill for extra money.
- When asked about which steps they would take to be successful in starting their own business or side hustle, the top answer (42 percent) was that they'd look for free lessons, video tutorials, and other resources.
- Only 16 percent said they would go back to school to learn how to run a business.

Learn more about the findings from Constant Contact's *Small Business Now: A 2023 Recession Forecast* report [here](#).

Report Methodology

This includes a total sample size of 2,496 adults, of whom 1,207 were employed on either a full-time or part-time basis. Fieldwork was undertaken between the 25th – 27th of January, 2023 and the figures have been weighted and are representative of all US adults (aged 18+).

About Constant Contact

Constant Contact delivers for millions of small businesses and nonprofits worldwide with powerful tools that simplify and amplify digital marketing. Whether it's driving sales, growing a customer base or engaging an audience, Constant Contact delivers the performance and guidance to build strong connections and generate powerful results. To learn more visit: www.constantcontact.com.

<https://news.constantcontact.com/2023-03-21-Constant-Contacts-Small-Business-Now-Report-Finds-Americans-Are-Ready-To-Turn-Recession-Into-Opportunity>