



## Hispanic-owned Businesses: An Untapped Market That's Growing at Twice the Rate of Other U.S. Firms

*Hispanic Americans run about 1 out of every 7 businesses today; Claritas provides insight into this expanding business segment in its brand new report*

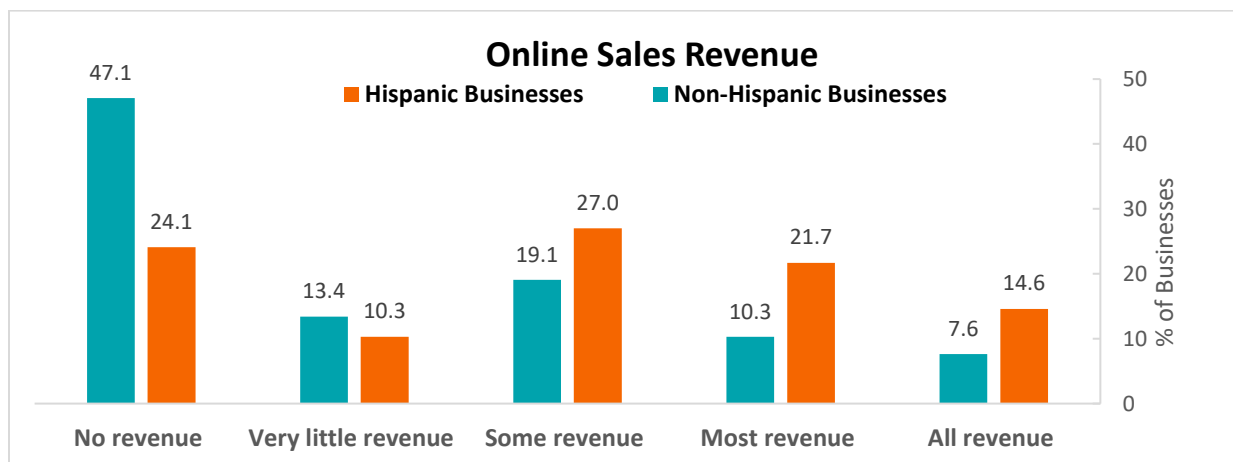
**CINCINNATI, Ohio (June 26, 2019)** –[Claritas, LLC](#)<sup>®</sup>, a marketing leader that helps companies find and win their best customers, today released *The Hispanic Small Business Report*. This latest Claritas report provides unique new insights into Hispanic-owned businesses and their buying habits.

Today, there are 4.65 million Hispanic-owned companies – representing 14% of the 33 million total U.S. businesses. And their growth continues to vastly outpace that of other U.S. businesses. In fact, Hispanic businesses grew 40.2% from 2012 to 2018 – more than twice the 18.8% growth rate of other U.S. firms. Today, about 1 out of every 7 businesses is run by a Hispanic American entrepreneur.

“The influence of Hispanic Americans in both the consumer and business markets continues to grow,” said Karthik Iyer, COO at Claritas. “Today, Hispanic American professionals are launching businesses at twice the rate of non-Hispanics. And they already own nearly 25% of businesses in areas such as the West South Central United States. So it’s no surprise that many marketers are looking for new ways to target this fast-growing professional market segment.”

*The Hispanic Small Business Report* is designed to give marketers a better understanding of Hispanic businesses – and the entrepreneurs that run them – so they can more effectively sell to this expanding market segment.

In general, Hispanic businesses are more technology savvy than other businesses. In fact, 36% of Hispanic businesses earn most or all of their revenue online, compared to 18% of other small businesses. This makes them great prospects for technology companies that offer services such as website design or cloud-based hosting.



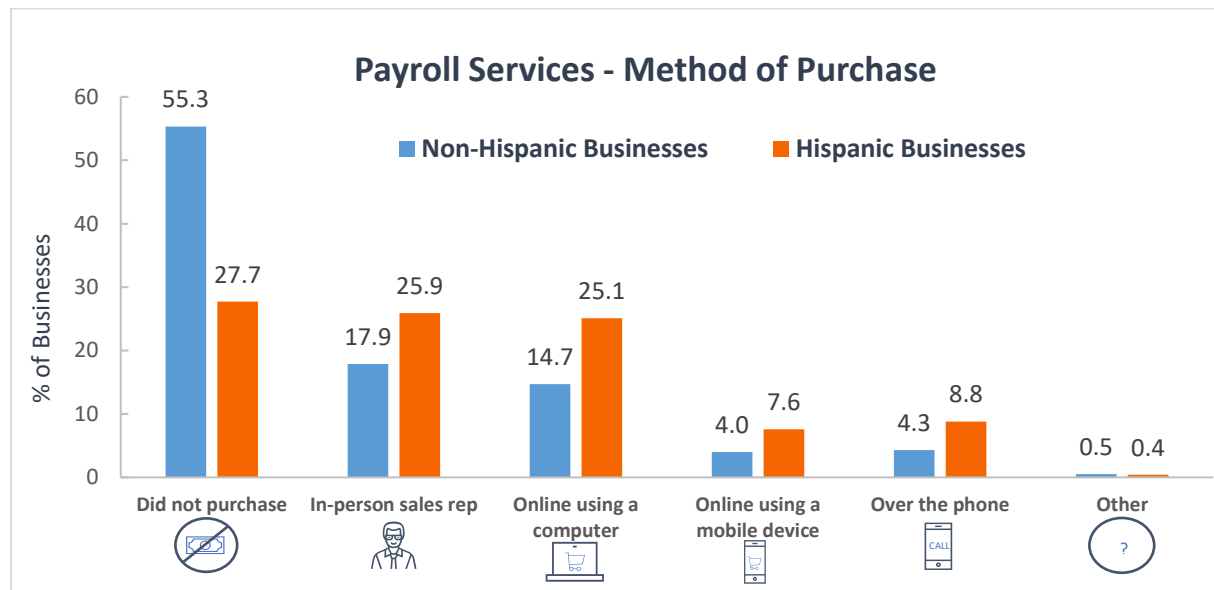
Source: Claritas Small Business Behavior Track Survey 2018

Hispanic entrepreneurs also tend to be younger than the average business owner. In fact, 70% of Hispanic small business owners are under the age of 45, compared to less than 40% of other small business owners. That makes Hispanic-owned companies a good target for marketers looking for customers with high lifetime value.



In addition, many Hispanic businesses sell to business customers. In fact, nearly 40% of Hispanic businesses report that most or all of their revenue comes from business-to-business (B2B) sales. And only 14% of Hispanic businesses have no B2B sales, while nearly 28% of non-Hispanic businesses have no revenue from B2B sales. So marketers selling B2B services or technology such as contact management software could benefit from targeting Hispanic businesses as well.

Hispanic firms are already big buyers of professional services such as payroll services. In fact, Hispanic-owned small businesses are twice as likely to buy outsourced payroll services as non-Hispanic small businesses. They are also more likely to buy those services online or in person. Claritas research reveals similar purchasing patterns for other business services, including banking, insurance, travel, telecommunications and other technology products and services.



When compared to other U.S. businesses, Hispanic-owned small businesses also:

- Are 30% more likely to be home-based
- Tend to involve multiple employees in purchasing decisions
- Rely on “neutral” third-party social media apps, blogs and industry websites when researching potential purchases
- Often use Facebook, YouTube and Instagram to research suppliers
- Look for suppliers that offer superior customer service such as flexible contracts and online chat sales support

The conclusions in *The Hispanic Small Business Report* are developed largely from data collected in the *Claritas Small Business Behavior Track*, a nationwide survey of decision makers in businesses with less than 50 employees.

With 8,500 respondents, the *Claritas Small Business Behavior Track* is one of the largest research studies of its kind, delivering buying insights specific to the banking, insurance, technology, telecommunication, and travel industries. Respondent-level research data sets are provided in SPSS, SAS, or Excel format for use with in-house analysis and proprietary client models.

“Reports such as *The Hispanic Small Business Report* provide just one example of the tools we use to help marketers find and win their best customers,” Iyer said. “Claritas’ industry-leading data and research



provides marketers with the insight they need to create, execute and optimize their marketing campaigns, cost-effectively and at scale.”

Members of the media can obtain a copy of *The Hispanic Small Business Report* by contacting Cort Irish at [cort.irish@claritas.com](mailto:cort.irish@claritas.com) or by visiting this link: [Hispanic Business Report](#)

To learn how Claritas helps marketers find and reach their best customers, visit [www.claritas.com](http://www.claritas.com). For more information on the Hispanic consumer market, see the Claritas report, *The Hispanic Market American Report*.

### **Claritas: Transforming the Way Companies Engage their Best Customers**

Founded in 1971, Claritas has assembled one of the industry's most robust identity graphs encompassing a proprietary data set of 95 million households and reaching more than 400 million devices daily in the U.S. The graph is just one of Claritas' leading-edge data and technology tools that allow our clients to **identify** their client's best customers, engage and **deliver** those customers when and where they want to be engaged and **optimize** those engagements with remarkable transparency and precision in near-real-time. With powerful analytics, trusted data partnerships, and an expert analytics team, Claritas provides the why behind the buy that is the key to selling smarter and maximizing marketing ROI.

Claritas is a company focused on growth and has recently transformed its capabilities through acquisitions that turbo-charge our core strengths, including the purchases of Miami-based Geoscape, New York-based Barometric and Foster City, Calif.-based AcquireWeb. More information can be found by visiting [www.claritas.com](http://www.claritas.com).

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