



The Use of Digital Tools by Black and Latino Businesses

By: Ron Busby, Jr., Morgan Butler, and Mia L. Woodard

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Introduction

Successful businesses must constantly innovate and reinvent themselves. Many businesses today use a mobile-friendly website, social media presence, data processing software, apps, and other tools to increase visibility, revenues, and efficiency.

Unfortunately, there is little research on the use of digital tools by Black and Latino businesses. This data brief helps to address this void by aggregating the most pressing results from a recent Joint Center survey conducted with Black and Latino business owners in 2017.

Summary of Results

- **Digital Visibility:** Black and Latino businesses are online. An overwhelming majority of survey respondents (90% of Black businesses and 95% of Latino businesses) stated that they have websites for their businesses. 73% of Black and 78% of Latino business websites are mobile-friendly. Over a quarter of Latino business owners have a Spanish-language version of their websites. A majority of Black and Latino businesses also engage social media platforms. Percentages begin to decrease for websites designed to be viewable across mobile platforms, and they significantly decrease for use of digital tools to track customer interactions with their websites.
- **Digital Marketplace Presence:** Approximately 20% of Black and Latino businesses surveyed have online sales or transactions that make up over 50% of their revenues, but less than half of Black businesses and approximately half of Latino businesses report tracking their online ratings. Approximately one third of Black and Latino respondents do not accept online payments. Of those who do accept payments, PayPal is the dominant platform.
- **Apps:** 17% of Black and 25% of Latino businesses surveyed currently have their own apps. Of those businesses that reported not having an app, over a quarter indicated that they were unfamiliar with the process, and nearly a quarter stated that they lacked the technical support to develop an app. Of the businesses that do have an app, Android is the dominant platform.

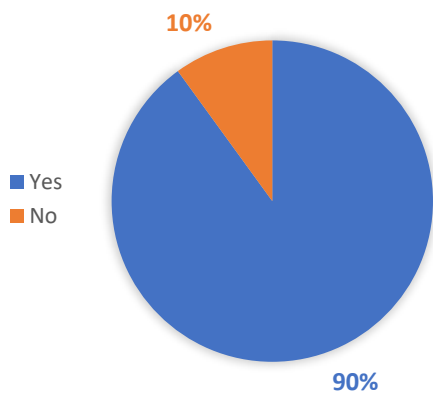
- **Digital Business Tools:** 76% of Black and 78% of Latino businesses surveyed bank online. A majority of Black and Latino business owners also report using online platforms for accounting. Less than half of Black and Latino business owners reported using digital tools for invoicing, payment processing, or data analytics.
- **Cybersecurity:** 57% of Black and 29% of Latino business owners surveyed who suffered cyberattacks reported that they experienced a loss of data resulting from the attack(s).

Results

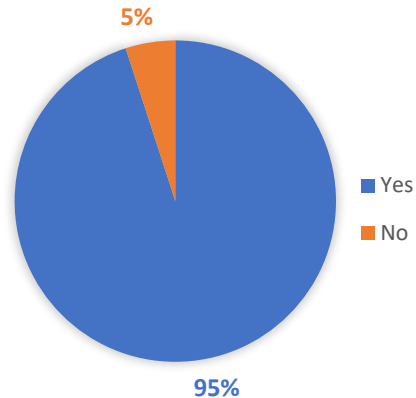
Digital Visibility

PERCENTAGE OF BUSINESSES WITH A WEBSITE

BLACK BUSINESSES

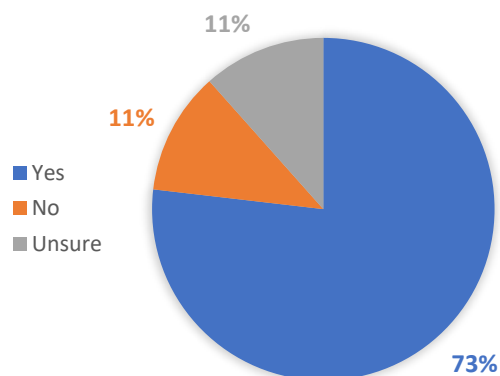


LATINO BUSINESSES

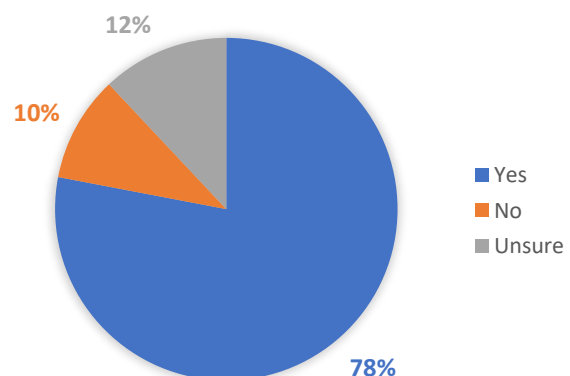


PERCENTAGE OF BUSINESSES WITH MOBILE-FRIENDLY

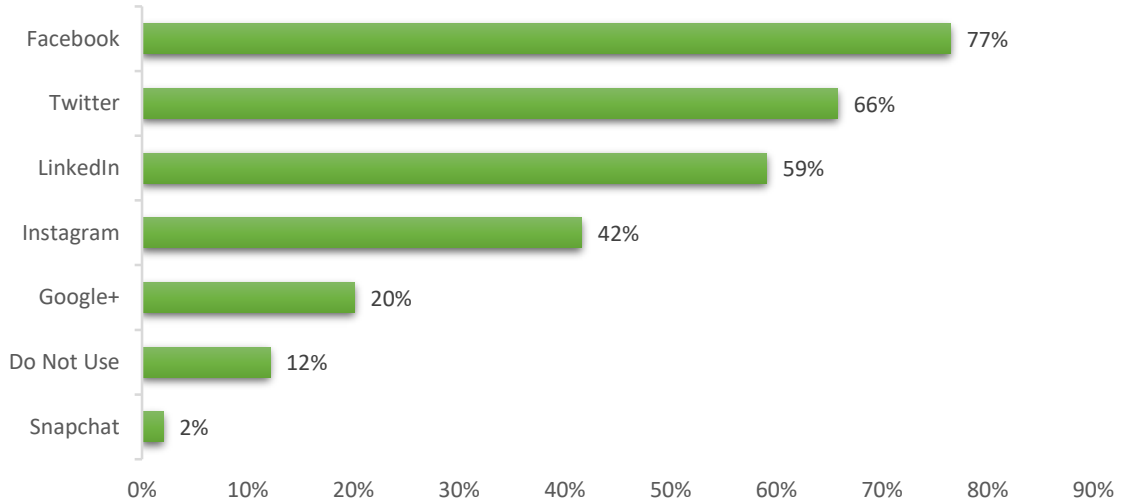
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LATINO BUSINESSES

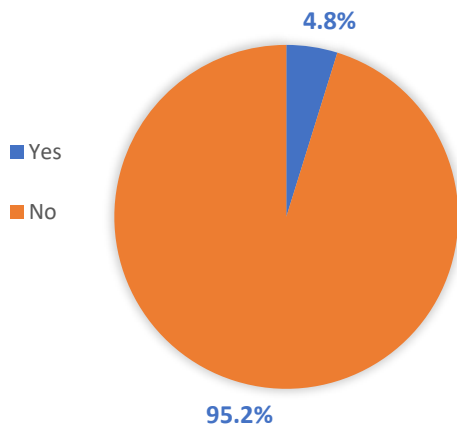


On What Social Media Platforms Does Your Business Have Its Own Account?

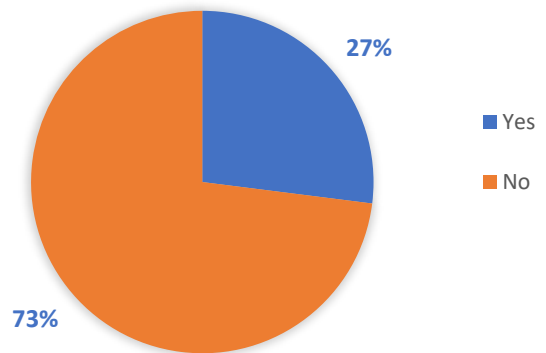


PERCENTAGE OF BUSINESSES WITH WEBSITES IN LANGUAGE OTHER THAN ENGLISH

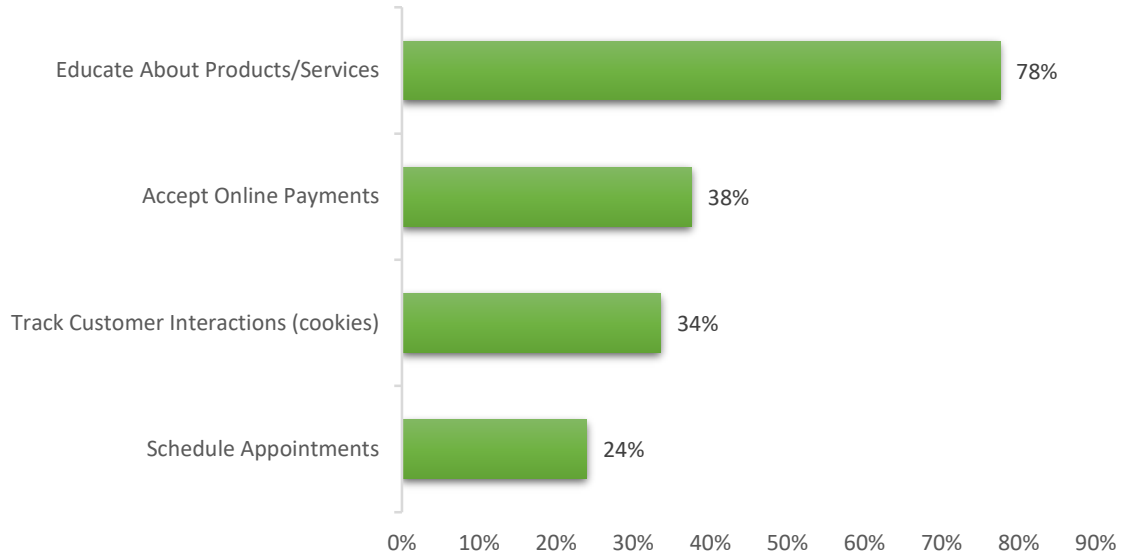
BLACK BUSINESSES



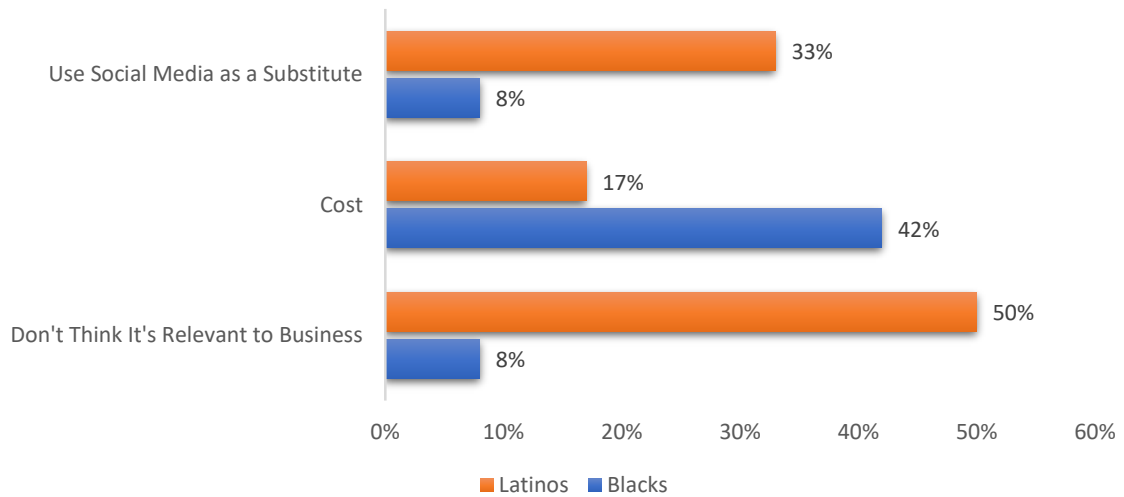
LATINO BUSINESSES



What Features Does the Website Have?



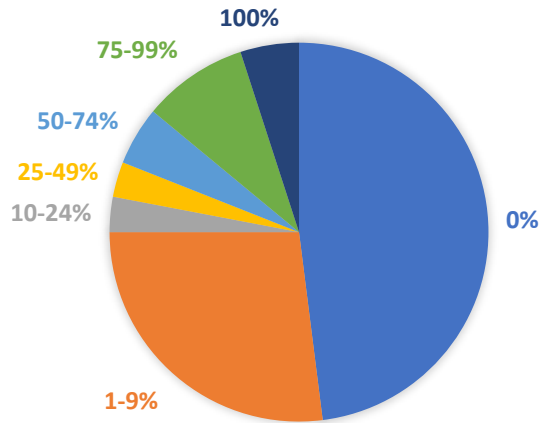
Reasons Why Businesses Don't Have Websites



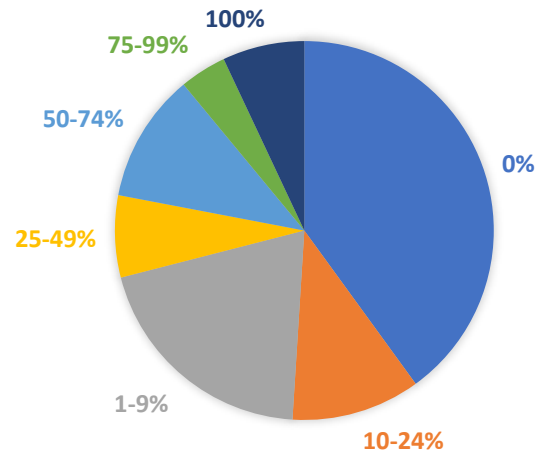
Digital Marketplace Presence

PERCENTAGE OF REVENUE FROM ONLINE SALES

BLACK BUSINESSES

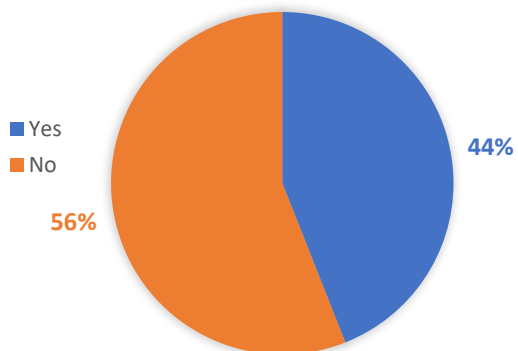


LATINO BUSINESSES

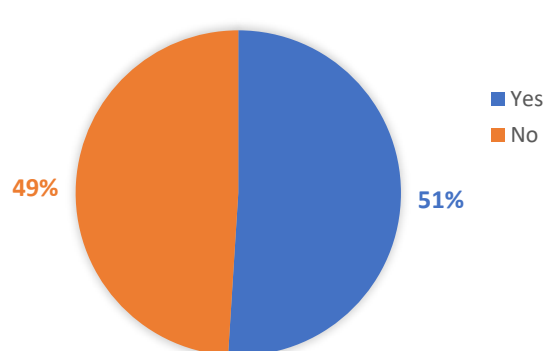


PERCENTAGE OF BUSINESSES THAT TRACK ONLINE RATINGS

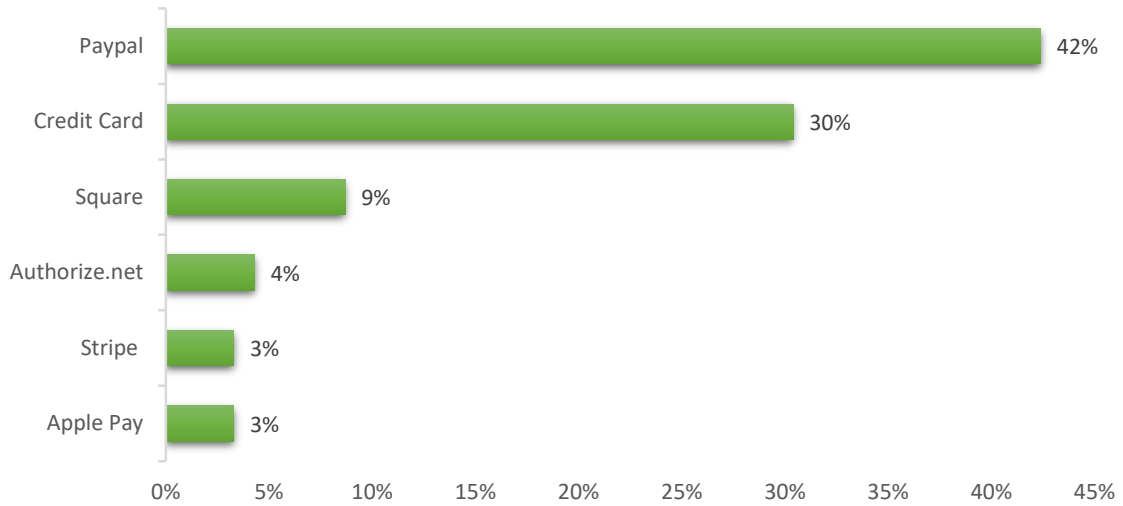
BLACK BUSINESSES



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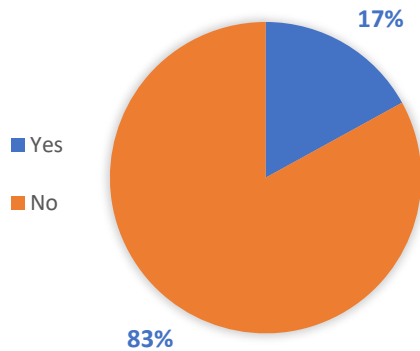
What Online Payment Platforms Does Your Business Use?



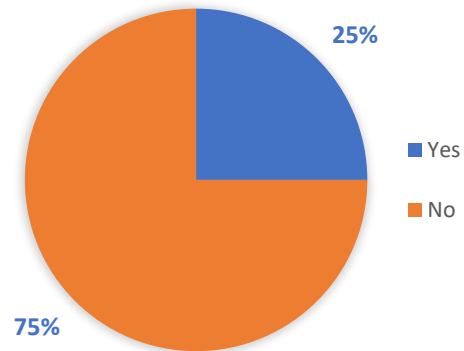
Mobile Apps

PERCENTAGE OF BUSINESSES THAT HAVE DEVELOPED THEIR OWN

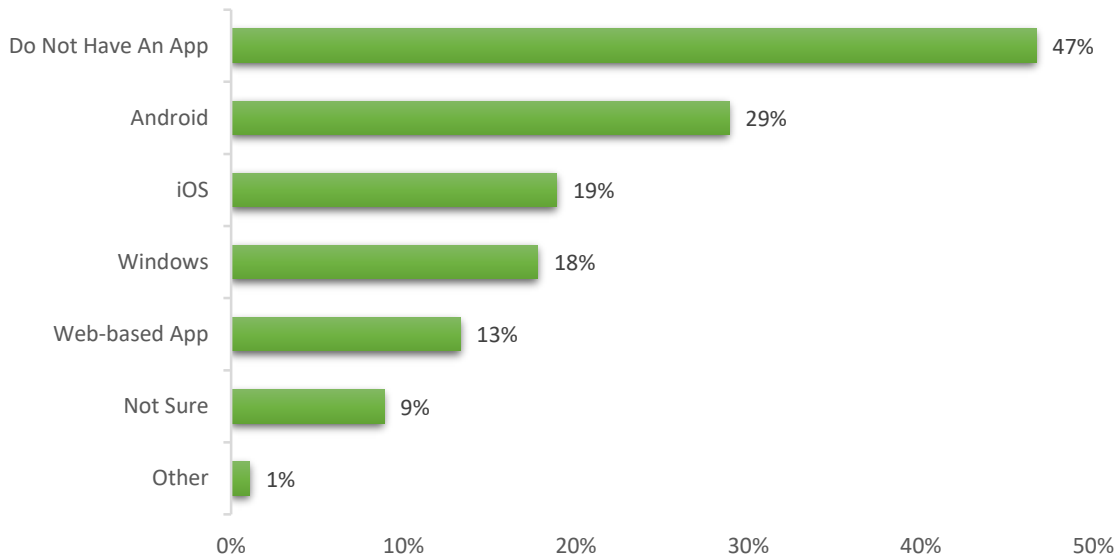
BLACK BUSINESSES



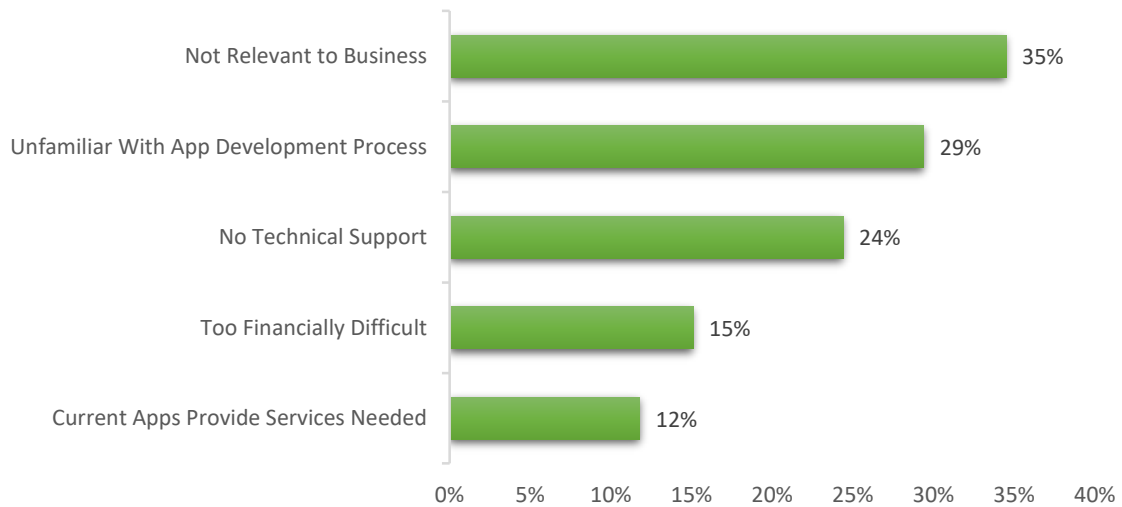
LATINO BUSINESSES



What Platforms Does Your Business App Use?



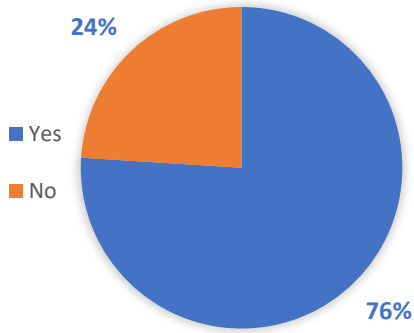
What Are The Reasons Your Business Does Not Have an App?



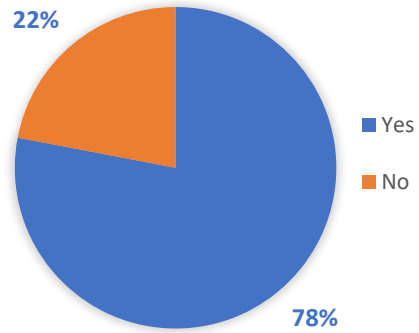
Digital Business Tools

PERCENTAGE OF BUSINESSES THAT USE ONLINE BANKING

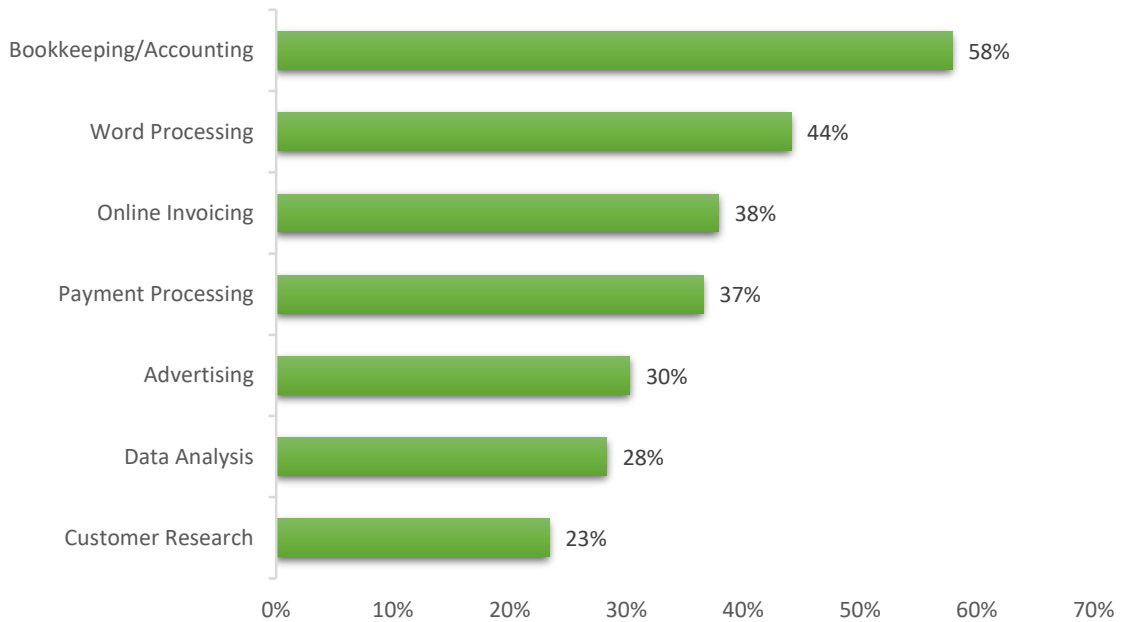
BLACK BUSINESSES



LATINO BUSINESSES



What Types of Digital Tools Are You Using to Manage the Business?



Methodology

The Joint Center for Political and Economic Studies commissioned and analyzed the results of this survey conducted in partnership with the United States Black Chambers Inc. and the United States Hispanic Chamber of Commerce. This survey results from a national sample of 150 registered business owners from both chambers' databases.

Using survey questions developed by the Joint Center, and distributed by the United States Black Chambers Inc. and the United States Hispanic Chamber of Commerce, email campaigns were conducted from **August 29 to October 4, 2017**.

Under ideal circumstances in which resources are abundant, businesses would be individually identified beyond the representational population of business owners who are affiliated with chambers and registered with the respective email listservs. The Joint Center acknowledges that data collection from this sample population results in an under-representation of businesses that operate without email or internet access and may tailor survey results to organizations with basic technical resources or digital connection.

Due to the rounding of responses to the nearest percentage point, not all the data in tables and graphs add up to 100 with variations including 99 or 101.

Respondents were asked to self-report race and whether they were Latino or of Hispanic origin (which the Joint Center uses interchangeably in this report to be more inclusive of those who identify as being of South or Latin American descent). For breakdowns of Black respondents, we include only non-Hispanic Blacks.

These results express general perspective on the status and needs for Black and Latino businesses in the evolving digital economy. We hope they serve as a tool to probe the unique issues of Black and Latino businesses and local economies.

Contributors

Ron Busby, Jr. is a 2017 Joint Center Google Fellow and former Center for American Progress and White House intern. Before coming to work with the Joint Center, Ron spent the 2016 election cycle working for Google's Elections Team, where he helped manage digital marketing strategies for multiple campaigns. He is currently in his senior year at Columbia University studying Human Rights. Morgan Butler is the Communications Coordinator at the Joint Center for Political and Economic Studies. Morgan graduated *magna cum laude* from Grambling State University with a B.A. in mass communications. Mia L. Woodard, Esq. is the Managing Editor for the Joint Center for Political and Economic Studies and Founder of The WordPlay Project, LLC, a content-focused strategic communications firm. Our survey, data analysis, and data brief were developed in consultation with Dr. Ismail White, Director of Survey Research for the Joint Center for Political and Economic Studies.

This project arises out of conversations between the Joint Center, the United States Black Chambers Inc., the United States Hispanic Chamber of Commerce, and Google (which is a financial supporter of the Joint Center).



The Joint Center was founded in 1970 as the Black think tank ([history here](#)). Today, the Joint Center remains anchored in the Black community and collaborates closely with organizations from other communities. We focus on the future of work, the future of entrepreneurship, and the use of technology to improve quality of life in communities with significant African American populations. We also work to increase diversity among staff in Congress.

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