Welcome to the discussion on

**Setting Roots in Rocky Soil:**

The State of AAPI-owned Businesses in Massachusetts

Tuesday, June 18th, 2024
9:30 to 11:00am
TODAY’S AGENDA

09:00 – 09:30 | Breakfast and Networking

09:30 – 11:00 | Program Begins
                  Asian Caucus Remarks
                  Report Introduction
                  Report Presentation
                  Intro of Panelists
                  Panel Discussion
                  Closing Remarks
BUSINESS GROWTH VISIBILITY CAMPAIGN
TODAY’S SPEAKERS

Paul Lee
Chair, Asian Community Fund & Asian Business Empowerment Council

Rep. Tackey Chan
State Representative, Chair of the House Asian Caucus

Q.J. Shi
Director, Asian Business Empowerment Council

Anne Kiyono Calef
ABEC Research Consultant

Segun Idowu
Chief of Economic Opportunity and Inclusion, City of Boston
Jason Solomon
Vice President, Relationship
Manager
Eastern Bank, Equity Alliance for
Business

Nancy Daniel
Founder & Owner
Madhrasi

Anuradha Yadav
Executive Director
Women of Color Entrepreneurs

Vincent W. Lau,
Moderator
Managing Partner
Clark Lau LLC
12.6.2023: POWERING LOCAL AAPI-OWNED SMALL BUSINESSES
THANK YOU TO TODAY’S LOCAL, AAPI-OWNED BREAKFAST VENDOR

O’SOME CAFÉ

@osomecafe100
12.6.2023: #SHOPAAPI NIGHT MARKET
in collaboration with Association of Asian American Investment Managers (AAAIM) and Asian American Lawyers Association of Massachusetts (AALAM)
LEARN MORE + GET EMAILS
on our websites

ASIAN COMMUNITY FUND

ASIAN BUSINESS EMPOWERMENT COUNCIL
3.27.2024: ASIAN WOMEN MAKING AN IMPACT
in collaboration with Women of Color Entrepreneurs
UPCOMING EVENTS

INAUGURAL GALA

THURSDAY, OCTOBER 3, 2024
AT 5:30PM
WESTIN COPLEY BOSTON

SAVE THE DATE & STAY CONNECTED FOR MORE

@abec_ma
Asian Business Empowerment Council
2024: BOSTON’S FIRST HISTORIC ASIAN RESTAURANT WEEK

@abec_ma

Asian Business Empowerment Council
STAY CONNECTED on LinkedIn

Asian Business Empowerment Council

@abec_ma

Asian Community Fund

Asian Business Empowerment Council
5.21.2024: ASIAN BUSINESS LEADERS BREAKFAST

Asian Business Empowerment Council
SUPPORT THE MOVEMENT

DONATE
Paul W. Lee

Chair

Asian Community Fund;
Asian Business Empowerment Council
Representative Tackey Chan

Second Norfolk District
State of Massachusetts
Q.J. Shi

Director

Asian Business Empowerment Council
Setting Roots in Rocky Soil: The State of AAPI-Owned Businesses in Massachusetts

June 18, 2024
Participant Overview
221 Survey Respondents
62 Focus Group Participants
262 AAPI-owned Businesses
Completed the survey in Vietnamese, Chinese, or Khmer

Participant Demographics

- 18% Immigrants
- 61% Participants
- 59% Women
Survey Participants by Sector

- Other Services (Nail Salons, Dry Cleaners, & Other Personal Services): 26%
- Accommodation & Food Services: 19%
- Professional, Scientific, and Technical Services: 15%
- Health Care & Social Assistance: 13%
- Retail Trade: 6%
- Manufacturing: 5%
- Administrative and Support Services: 2%
- Educational Services: 3%
- Other Sectors: 11%

Note: NAICS sectors based on open-ended business descriptions.
1. Business Conditions
2. Challenges Facing AAPI-Owned Businesses
3. Opportunities to Support AAPI-Owned Businesses
4. Policy & Practice Recommendations
Business Conditions
Business conditions in the past 12 months varied greatly by sector.

Share of AAPI business that reported business conditions were worse, better, or about the same compared to how it was 12 months ago by sector. Fall 2023.

Note: NAICS sectors based on open-ended business descriptions.
AAPI business owners with a college degree or higher were more likely to report improved business conditions.

Share of AAPI business that reported business conditions were worse, better, or about the same compared to how it was 12 months ago by educational attainment. Fall 2023.

AAPI immigrant-owned businesses are more likely to report worsened business conditions.

Share of AAPI businesses that reported business conditions were worse, better, or about the same compared to how it was 12 months ago by nativity. Fall 2023

Business owners who took the survey in Chinese, Vietnamese, or Khmer were more likely to report worsened business conditions.

Share of business owners that reported business conditions were worse, better, or about the same compared to how it was 12 months ago by survey language. Fall 2023

Challenges Facing AAPI-Owned Businesses
## Top Challenges Faced by AAPI Businesses

Share of AAPI business owners who identified the following business challenges. Fall 2023.

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finding and retaining qualified and reliable employees</td>
<td>56%</td>
</tr>
<tr>
<td>Fewer Customers</td>
<td>52%</td>
</tr>
<tr>
<td>Wages keeping up with inflation</td>
<td>47%</td>
</tr>
<tr>
<td>Getting capital or funding</td>
<td>34%</td>
</tr>
<tr>
<td>Supply chain problems</td>
<td>27%</td>
</tr>
</tbody>
</table>

Participants were allowed to select more than one response.

Asian-owned businesses reported the greatest difficulty hiring. Share of Asian small business owners who said filling positions has been difficult/easy. Massachusetts. 2024.

Note: Small business is defined as having 500 employees or fewer.
“Retaining and hiring is really, really difficult…. You want to scale and you want to build, but you cannot do that when you don’t have a strong foundation. And in order for us to…. build a strong foundation, we just need reliable people.”

-Restaurant Owner, Springfield
Anti-Asian behaviors and/or attitudes increased significantly during the COVID-19 pandemic.

Share of AAPI-owned businesses that reported a negative impact from anti-Asian attitudes or behaviors during the height of the COVID-19 pandemic (March 2020 to March 2022) and in the last 12 months (Sept. 2022 to Sept 2023).

Opportunities
### Top Types of Assistance Requested by AAPI Businesses

Share of AAPI businesses who selected a given type of assistance as helpful. Fall 2023.

<table>
<thead>
<tr>
<th>Assistance Type</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Getting access to or applying for grants</td>
<td>68%</td>
</tr>
<tr>
<td>Finding and getting funding from new resources</td>
<td>35%</td>
</tr>
<tr>
<td>Getting access to or applying for low interest loans</td>
<td>31%</td>
</tr>
<tr>
<td>Digital, electronic, or internet marketing assistance</td>
<td>24%</td>
</tr>
<tr>
<td>Professional strategic planning advice or assistance</td>
<td>18%</td>
</tr>
<tr>
<td>Training on using social media to promote the business</td>
<td>18%</td>
</tr>
</tbody>
</table>

Respondents could select more than one response.

Asian business owners were most likely to have difficulty navigating the funding application process.

Share of business leaders that said that the “complex application process” or “language access” has been a challenge when applying for financing by race. 2024.

Source: MassInc Survey of Small Business Owners. 2024.
“I can speak English, but reading, especially the long, financial, legal stuff, is hard.... So I have my son to read. [And that’s how we were able to get a loan].”

-Focus Group Participant
AAPI business owners are most likely to use their own personal funds for financial support.

Share of AAPI business owners who used a given source for financial support in the past twelve months. 2023.

<table>
<thead>
<tr>
<th>Source of Support</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owner personal funds</td>
<td>41%</td>
</tr>
<tr>
<td>Local, state, or federal government</td>
<td>27%</td>
</tr>
<tr>
<td>Family and/or friends</td>
<td>24%</td>
</tr>
<tr>
<td>Banks or similar lenders and other loans</td>
<td>16%</td>
</tr>
<tr>
<td>Foundations, chambers of commerce, or other charitable or industry organizations</td>
<td>10%</td>
</tr>
<tr>
<td>Investors (not family or friends)</td>
<td>3%</td>
</tr>
</tbody>
</table>

“Before we reach out to strangers, we reach out in our own pockets, and then to our family, and then we reach out to strangers... but I think if those investor networks are made more available and accessible to us, you know, we will use them...”

-Focus Group Participant
Less than a quarter of respondents received technical assistance in the past 12 months.

Share of AAPI businesses who received assistance, business coaching, or business advice from an external resource in the past. 2023.

Policy & Practice Recommendations
Invest in language- and culture-specific technical assistance.

Increase access to small business loans, grants, and non-traditional lending.

Expand access to AAPI and non-AAPI networks.

Increase anchor institution spending with AAPI businesses.

Advance language access and inclusion.
Panel Discussion
Audience Q&A
Segun Idowu

Chief of Economic Opportunity and Inclusion

City of Boston