

2014 GAHCC Central Texas Hispanic Business Research Study Investors

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Austin, TX -On Monday, November 24th, the Greater Austin Hispanic Chamber of Commerce (GAHCC) released its findings of the 2014 GAHCC Central Texas Hispanic Business Research Study. The goal of the study was to provide an accurate description of Hispanic-owned businesses in Central Texas. Austin-based Zpryme served as the primary research lead for the GAHCC initiative.

The GAHCC study findings correlate to national trending. According to the Hispanic Businesses & Entrepreneurs Drive Growth in the New Economy 2nd Annual Report 2014 by Geoscape and the United States Hispanic Chamber of Commerce, the combined annual revenue of U.S. Hispanic-owned businesses is projected to exceed \$486 billion in 2014, an increase of \$18 billion in the past year. Hispanic-owned businesses in the GAHCC study posted revenues of \$4.8 billion in 2013. This is a 90% increase over 2007 revenues reported by Hispanic-owned businesses in Central Texas according to the 2007 Census Survey of Business Owners.

"I am pleased that the GAHCC has diversified its business model and is now offering Hispanic business research data on over 9,000 Hispanic-owned businesses in the region," said Thomas Miranda, Founder and CEO of Sparkovation IT, LLC and 2014 Chair of the GAHCC Board. "Our initial study has revealed a number of insights about the rapid growth of the Hispanic-owned business segment in the Austin region. Our study projects that the Austin area is well on its way to see over 50,000 Hispanic-owned businesses by 2020. While this is the initial study, the plan is to regularly refresh and possibly diversify this data of the Greater Austin Hispanic demographic and be the leader in the region in quality Hispanic business research insights."

The study explored a variety of topics related to the Central Texas Hispanic 2013 business landscape, including not only size and revenues of the businesses, but also top areas of concern and challenges faced by the Hispanic business owners.

The study painted a compelling portrait of Central Texas Hispanic-owned businesses.

Top findings were:

- Under scenario projections in the study, Hispanic-owned businesses could top 51,000 in number and contribute over \$12.8 billion in revenues to the Central Texas economy by 2020.
- Transportation and warehousing; information; administrative support; finance and insurance; and the professional and technical services industries experienced the fastest growth over the past five years.
- Total employment by Hispanic-owned businesses in Central Texas is projected to grow from 48,793 in 2013 to 127,500 in 2020.
- Nearly nine out of ten (87%) Hispanic businesses surveyed in our study reported that they started their business themselves and—of those surveyed—third generation Hispanics made up one out of three Hispanic businesses in Central Texas.
- 42.4% of Hispanic-owned businesses in Central Texas made less than \$100K in 2013 and 47.1% made between \$100K and \$499K. Hispanic-owned businesses remained relatively small (four employees) on average.
- 65% of Hispanic businesses surveyed reported having an undergraduate degree or higher.

The research was possible due to the support of the City of Austin Economic Development Department, Seton Healthcare Family, State Farm, United Heritage Credit Union, Austin Community College, IBC Bank, and Capital Metro. "We value our ongoing collaboration with the Greater Austin Hispanic Chamber," said Kevin Johns, Director with the City of Austin's Economic Development Department. "It is through these partnerships that we will continue to leverage Austin's cultural diversity as an economic asset, locally and internationally, furthering cultural innovation within Austin's

economy.”

“We believe small business is big business, and the strength of our economy in Central Texas will be directly related to the success of our Hispanic-owned businesses,” stated Mark Madrid, President and CEO of the GAHCC. “Through our breakout study, not only do we have a gauge on the size and scope of Hispanic businesses, but also the top business concerns of those businesses in personnel management, business operations, finance, marketing and IT. Now, we are working hard to strengthen partnerships to deliver business programming that aligns with those top business concerns. We are committed to catalyzing business growth and profitability for these businesses, which will create wins across the board for our economy.”

About the Greater Austin Hispanic Chamber of Commerce (GAHCC)

Established in 1973, the mission of the GAHCC is to increase its members’ personal, business, educational and financial wealth. The GAHCC vision is to be the Center of Excellence for businesses and entrepreneurs in the Central Texas Hispanic market. The Chamber continues to stand by its mission to build its members’ wealth through business education, comprehensive economic development, networking, advocacy and community engagement. For more information, visit <http://www.gahcc.org>. For more information on opportunities related to the GAHCC study

New Research Illustrates Fast-Growing Hispanic Businesses in Greater Austin and Central Texas

The study by the Greater Austin Hispanic Chamber projects substantial growth in Hispanic-owned businesses with revenues of over \$12.8 billion by 2020; economic impact of Hispanic-owned businesses and associated challenges cited in findings.

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