



SMALL BUSINESS TRENDS UPDATE

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Introduction

The ongoing COVID-19 pandemic has impacted each and every small business in this country for almost a year now and will unfortunately continue to do so for the foreseeable future.

Unfortunately, the pandemic has brought about extreme devastation for many small businesses from which they may never recover. On the other hand, the pandemic has allowed small businesses to innovate and come up with solutions to deal with the new challenges that the pandemic has brought upon them. Even when the pandemic ends someday, some of the changes, both positive and negative, that the pandemic has inflicted upon the small business community will likely become permanent.

Remote Working

Due to the necessity of maintaining social distancing during this pandemic, remote working has become the norm for the majority of Americans, and many businesses have had to adjust to this change accordingly, including small businesses. Now, some people believe that when the pandemic comes to a close, remote working will also come to an end. However, that is simply unlikely to be the reality for many businesses. In fact, according to a recent report by Intermedia, more than half, 57 percent, of small business owners in the United States expressed their intention to “maintain increased remote working options for employees in the long-term.”

<https://www.intermedia.com/blog/study-finds-half-smb-owners-believe-working-remotely-is-here-to-stay/>

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Therefore, it is wise to assume that this new trend of working from home will not die off any time soon, even when life returns to a degree of normalcy. One caveat to this entire argument, however, is that since some small businesses are part of the service industry (restaurants, clothing stores, etc.), those types of small businesses are more likely to return to working in-person full time as soon as possible due to the nature of the work that those businesses do.

E-Commerce

Unlike the relatively new trend of remote working, the ever-increasing popularity of e-commerce was already changing how many small businesses operated well before the pandemic began. According to figures by the U.S. Department of Commerce, in 2019, e-commerce sales in the United States increased by 14.9 percent from the previous year. However, as with remote working, the pandemic² did indeed accelerate this trend to a great extent. From the first quarter of 2020 to the second quarter of the same year, e-commerce sales grew by more than 31 percent. Moreover, during last Black Friday weekend, small

retailers saw their ³ online sales increase by an average of 110 percent, more than doubling their online sales from the previous year. Thus, as e-commerce continues to become more ⁴ popular, small businesses would be wise to take advantage of this opportunity and expand their online presence. Although some people believe that the exponential growth of e-commerce will lead to the deaths of many small businesses, the aforementioned data points indicate that there is much revenue to be had for small businesses who expand their usage of e-commerce.

²<https://www.census.gov/retail/index.html>

³<https://www.forbes.com/sites/forbesbusinesscouncil/2021/01/07/seven-small-business-trends-to-watch-in-2021/?sh=be6ba87596dd>

⁴<https://www.nbcnews.com/business/business-news/small-businesses-who-pivoted-e-commerce-saw-record-sales-during-n1249499>

Environmental Consciousness

In a trend that is certainly not unique to small businesses, many Americans are becoming more environmentally-conscious in how they live their lives, including which businesses they choose to support. It is highly unlikely that this trend will subside anytime soon as a greater percentage of those in younger generations, specifically millennials and those in Generation Z, prioritize sustainability in their shopping habits than those in older generations. As a result of this consumer ⁵ trend, many small businesses are continuing to find ways to make their business practices more environmentally-friendly. Bevi, a Massachusetts-based company, represents one such example of a small business that has implemented eco-friendly business practices. Bevi is a small business that makes water dispensers for offices and other similar spaces. What separates the company from its competitors, however, is its environmental awareness. For its main product, the company remodeled the typical water cooler in order to reduce waste, making the product more sustainable than any other water cooler. Thus, as evidenced by Bevi, ⁶ even a small change can greatly help the environment, and small businesses will continue to be at the forefront of making those types of changes in future years.

⁵<https://www.forbes.com/sites/gregpetro/2020/01/31/sustainable-retail-how-gen-z-is-leading-the-pack/?sh=30997af92ca3>

⁶<https://www.rubicon.com/blog/50-sustainable-small-businesses/>

Conclusion

Here, please conclude your report. This should sum up everything you have discussed.

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