

An aerial photograph of a city skyline, featuring several prominent skyscrapers and a dense urban landscape. The image is overlaid with a semi-transparent blue filter. The text is centered and white, providing a high-contrast look.

STATE OF SMALL BUSINESS

**LEVERAGING TECHNOLOGY
FOR BUSINESS GROWTH**

**Small Business
Digital Alliance**

MICHIGAN BOASTS A ROBUST SMALL BUSINESS LANDSCAPE



902,000

small businesses account for 48.3%
of the Michigan's businesses.

1,900,000

small business employees represent
48.3% of Michigan workers¹

170,000

jobs were created in 2021 by
small businesses with fewer than
50 employees²

11,400

new businesses were created on average per
month in Michigan in 2022 – over a 50% increase
from pre-pandemic levels (7,500/month)³

A wide-angle photograph of a city skyline at sunset. The sky is filled with soft, orange and yellow clouds. Several tall buildings are visible, including a prominent one with a pointed top. The city lights are beginning to glow.

**DETROIT RANKS AMONG TOP CITIES
FOR STARTUPS AND TECH,
CREATING OPPORTUNITIES FOR
NEW AND EXISTING SMALL BUSINESSES⁴**

DIGITAL TOOLS CREATE BETTER OUTCOMES FOR SMALL BUSINESSES

Deloitte's analysis in *Connected Small Businesses in the United States* found that **digitally advanced small businesses experience significantly better outcomes** than those with lower levels of digital engagement.³

2X AS MUCH EARNED
REVENUE
PER EMPLOYEE

3X AS LIKELY TO HAVE
EXPORTED OVER
THE PREVIOUS YEAR

NEARLY
3X AS LIKELY TO BE
CREATING JOBS OVER
THE PREVIOUS YEAR

NEARLY
4X REVENUE GROWTH
EXPERIENCED OVER
THE PREVIOUS YEAR

MORE THAN
6X AS HIGH AVERAGE
EMPLOYMENT
GROWTH RATE

Despite these benefits, Deloitte found that

74% OF US SMALL BUSINESSES
AREN'T TAKING ADVANTAGE
OF DIGITAL TOOLS.⁵

CONSUMERS WANT TO SUPPORT SMALL BUSINESSES - BUT USE OF OUTDATED TECHNOLOGY MAKES IT HARD

 **66%**

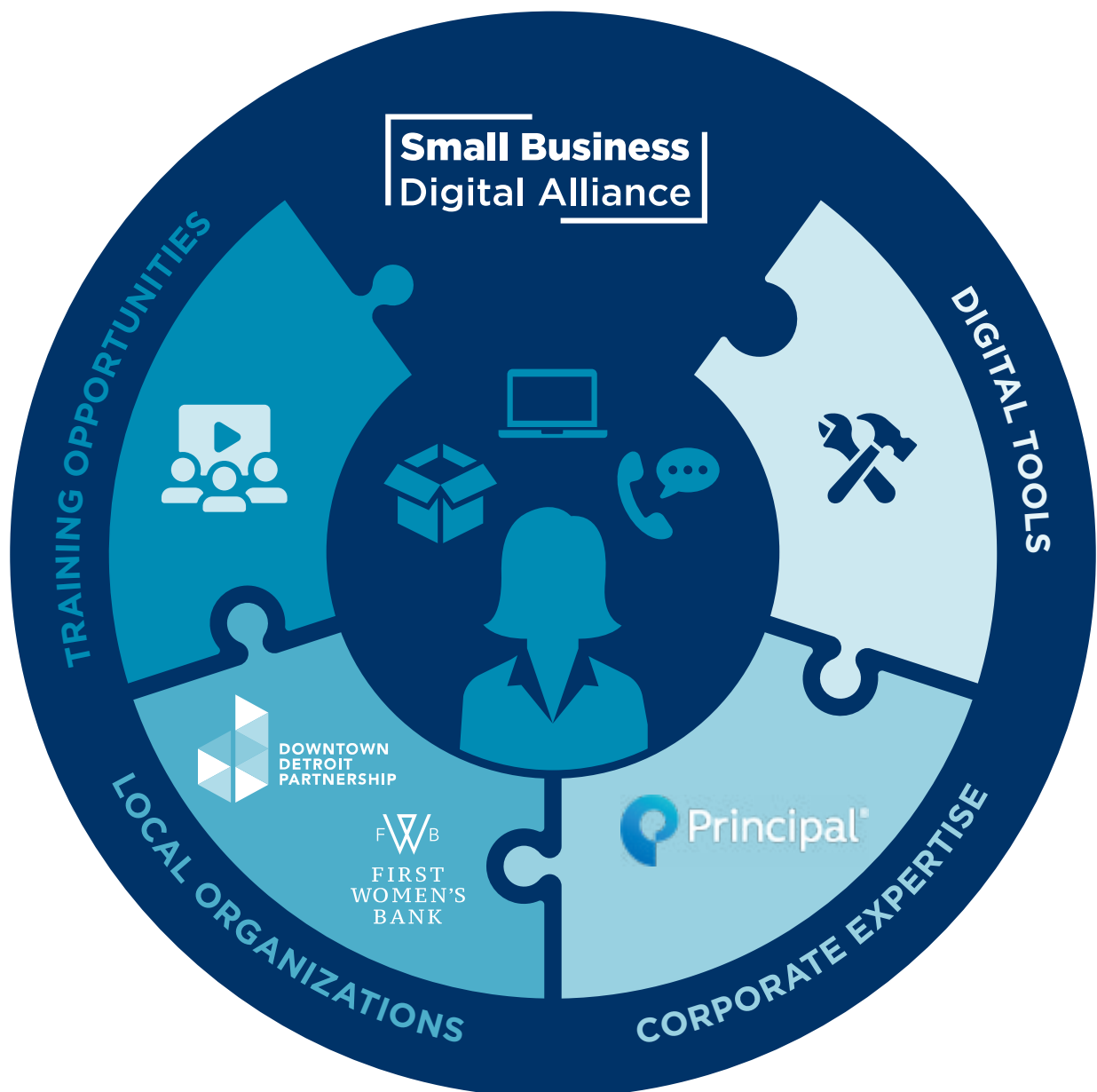
of consumers said crises like the pandemic made them more likely to shop from small businesses in the future.

 **63%**

said that the limited use of digital technologies by small businesses makes shopping more complex than with big retailers.⁴

SBDA BRINGS TOGETHER KEY PLAYERS TO ADDRESS KEY ISSUES

The SBDA brings together ecosystem partners dedicated to creating economic opportunity for all entrepreneurs and small business owners. Digitally advanced small businesses experience significantly better outcomes than those with lower levels of digital engagement. Yet, nearly 75% of small businesses aren't taking advantage of digital tools, and microbusinesses cite getting online as their second biggest challenge.⁵ Local organizations can identify local needs and contextualize and deliver corporate expertise to their small business communities as they go digital.



PANEL CONVENES KEY ECOSYSTEM PLAYERS TO DISCUSS LEVERAGING TECHNOLOGY FOR BUSINESS GROWTH IN DETROIT

The Small Business Digital Alliance and Principal Financial Group® hosted an all-female panel discussion with small business leaders, moderated by Amy Friedrich, President of Benefits and Protection at Principal. Small business owners and local allies convened at the Ford House on the Detroit waterfront to attend the panel. Over half of US businesses are investing at least a third of their expandable income on technology.⁶ To address this, the discussion explored the importance of understanding financial security holistically and the connection between a sustainable business model, centered in personalization, and the implementation of digital tools when developing business continuity.



LOCAL PARTNERS HELP DETROIT BUSINESSES THRIVE



KITTY WHITFIELD

SMALL BUSINESS ENGAGEMENT MANAGER,
DOWNTOWN DETROIT PARTNERSHIP

Kitty Whitfield is Downtown Detroit Partnership's Small Business Engagement Manager and was a featured panelist at the Small Business Digital Alliance's local event in September 2022. Kitty is a native Detroiter with over 30 years of customer and public service experience. She is devoted to the continued growth of businesses in Detroit. As small business engagement manager, she connects small businesses in downtown Detroit with city departments to provide them with resources and opportunities available to the business community.



LASHAWNA MANIGAULT

DIRECTOR OF SMALL BIZ SERVICES,
DISTRICT BUSINESS LIAISON PROGRAM,
DEGC

The Detroit Economic Growth Corporation provides economic opportunity to Detroit residents and employers. DEGC elevates the small business community through innovative programming and resources that help entrepreneurs bring their ideas from conception to reality. By connecting businesses with digital tools, like the ones available through the Small Business Digital Alliance, DEGC helps businesses thrive and gain a competitive advantage.



ENDNOTES

1. US Small Business Administration. California Small Business Economic Profile. 2021.
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 3. Deloitte. “Small Business Technology Trends.” 2018.
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 4. Connected Commerce Council and Google. “Digital Tools Continue to Unlock Opportunities for US Small Businesses.” February 2022.
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 5. Deloitte. “Small Business Technology Trends.” 2018.
<https://www2.deloitte.com/us/en/pages/technology-media-and-telecommunications/articles/connected-small-businesses.html>
- GoDaddy. “National Microbusiness Activity Survey.” Accessed October 4, 2022.
<https://www.godaddy.com/ventureforward/explore-the-data/>
6. Principal Financial Group. Financial Well-Being Index. July 2022.
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