

THE RURAL AND SMALL TOWN BUSINESS RESOURCE

Survey of Rural Challenges 2021

Rural communities were not immune to the chaos of 2020, but remained more concerned with ongoing challenges.

To find out what rural people felt were their biggest challenges, SaveYour.Town and SmallBizSurvival.com surveyed over 280 rural people in the fourth quarter of 2020. The results make up this fourth edition of the <u>Survey of Rural Challenges</u>.

Challenges stemming from the pandemic and economic crisis were ranked as *less* important than long-existing rural challenges.

Continuing challenges with losses in **housing**, **business** and **population** ranked as the highest rural community challenges. The ongoing lack of **workers**, stiff **competition from online** businesses, and **marketing** ranked as the highest challenges to rural small businesses.

Other preconception-changing results

Defying stereotyped media profiles of **poverty, crime and drug abuse** as the primary rural challenges, rural people ranked these **lowest of all** community challenges.

Although rural economic development often centers around **jobs**, it was one of the **least-mentioned** challenges in this survey.

For all the concern over **small business lending**, rural people say **usable buildings** are as hard or harder to find than loans.

Rural small business owners show **little interest in business plan assistance**, yet it remains a popular type of assistance offered to rural businesses.

More rural people said they **needed an idea for a business to start** than said they were worried their business would fail.

What challenges are on the minds of rural people?

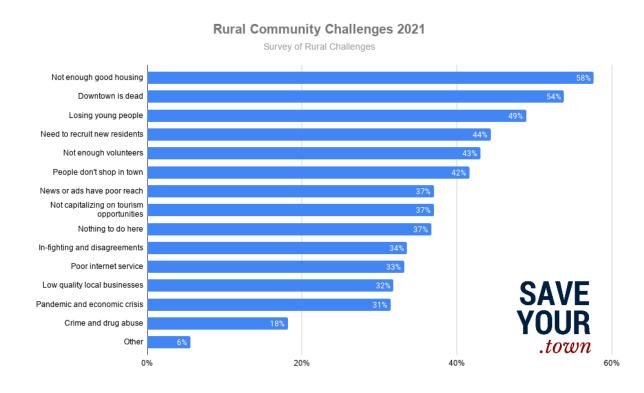
This word cloud includes the text of open-ended responses on the survey.



Rural Community Challenges

The pandemic and economic crisis did not dominate the responses. It did not rank in the top ten challenges.

Housing, business and population losses continue to rank as the highest rural community challenges.



The top five rural community challenges in 2021 were:

- 1. Not enough good housing
- 2. Downtown is dead
- 3. Losing young people
- 4. Need new residents
- 5. Not enough volunteers

How this compares to previous survey results

Top five concerns at the community-wide level this year are somewhat different from the results from 2019, 2017 and 2015.

"Not enough good housing" moved up from third in 2019, when it was a newly-offered choice.

"Losing young people" and "Downtown is dead" have appeared in the top five in all rounds of the survey.

"Need new residents" ranked in the top 5 in 2021, 2019 and 2017. This is the first time that "Not enough volunteers" ranked in the top five.

Detailed responses to the open-ended "another challenge" option broke down into these rough categories.

- Attitudes: leaders not moving forward, not acting on suggestions or new ideas, "poor us" attitude, factions for and against changes
- Infrastructure: old buildings, transportation
- Economic opportunity: jobs, wages, child care
- Too many organizations fighting for resources
- Environment: weeds, trash

Rural Community Assets, Challenges

A new question for 2021 invited people to share more about their community, positive or negative. Over 100 responses were entered.

Assets

Tourism, recreation, natural resources and bike trails were commonly mentioned assets (23 responses).

Caring people, volunteerism and effective local leaders were the next most common asset (20 responses).

Challenges

Resistance to change, newcomers or new ideas were the most commonly cited challenges, in 20 responses.

Other challenges mentioned were widely disparate, receiving only a handful or responses or just one.

This may indicate a need for more customized support for the individual challenges of each community.

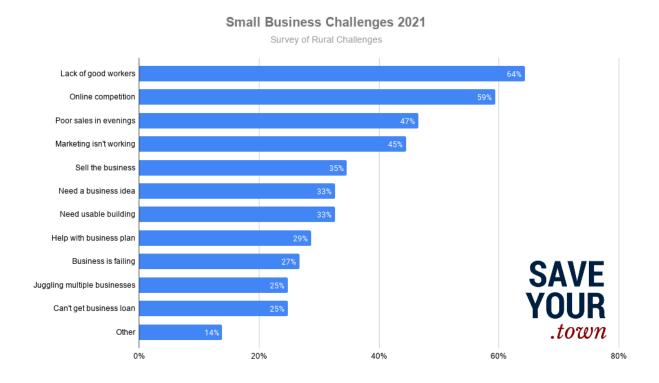
Small-town Business Challenges

The lack of workers and difficulties with marketing continue to challenge rural small businesses.

Online competition continued to increase pressure on rural small businesses, climbing to the second-highest ranking challenge.

Despite the pandemic and economic crisis, **rural business** owners ranked the likelihood of business failure and the inability to find a business loan as some of the lowest of all listed challenges.

Crisis relief loan packages may have played a role in supporting small businesses in late 2020 as this survey was being conducted. On previous surveys, inability to find a business loan scored from the middle to low: ranging from sixth to ninth of the eleven listed challenges, before dropping to eleventh this time.



The top five challenges ranked by rural small businesses were:

- 1. Can't find good employees
- 2. Online competition
- 3. Tried later hours without success
- 4. Marketing isn't working
- 5. Need to sell my business

More than $\frac{1}{3}$ of respondents identified themselves as current or prospective small business owners or having an interest in business challenges by answering this question.

How this compares to previous survey results

"Can't find good employees" was the number one challenge in 2021 and 2019. Previously worded as "Need help but cannot hire," it was in the top five in 2017 and 2015.

Online competition continues to move up, ranking sixth in 2017 and 2015, third in 2019, and second this year.

"Marketing isn't working" and "Tried later hours without success" remain in the top five on all three surveys.

"Need to sell my business" ranked in the top five for the first time, and may reflect an increasing pressure on aging business owners.

Small-town Business Assets, Challenges

A new question for 2021 invited people to share more about their business. About half of the people who answered the multiple choice question on small businesses also entered an answer to this question.

No assets received more than a few mentions. Being involved in the community, selling online, good customer service and good people (owners and staff) were the most commonly mentioned with five or fewer mentions.

Difficulty getting people to shop and support local businesses was the most commonly mentioned challenge, with eight responses.

Five people mentioned that the pandemic had hurt local businesses.

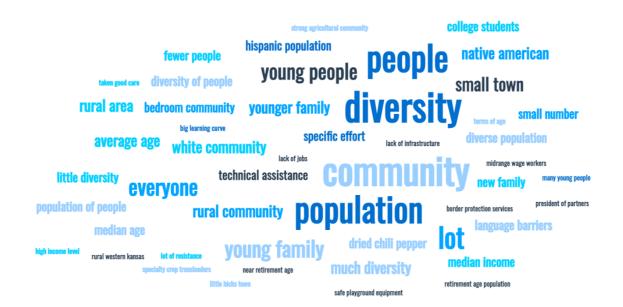
Diversity in rural people and communities

An open-ended question invited participants to tell more about the diversity of their communities, including people of different ages, colors, languages, disabilities, genders or incomes.

Fewer than half of people (132 of 289) entered an answer. About the same number of responses mentioned increasing diversity (33), no change or "is diverse" (29), and a lack of diversity (35).

Race, color or ethnicity were the most commonly mentioned types of diversity, appearing in 14 answers. Aging population and losing young people were mentioned as a diversity challenge by 21 people.

Challenges with inclusivity, resistance, tension or factions were mentioned by 17 people.



About the survey methodology

The survey was open from October 19, 2020 to January 1, 2021. A total of 289 responses were collected online from subscribers and visitors to SaveYour.Town and SmallBizSurvival.com, from media coverage and cooperating groups that publicized the survey.

Respondents identified themselves as rural, and 101 identified themselves as business owners by responding to the business question. Participants included 276 from the USA, four from Canada, four from Australia and one from Mexico.

Based on SaveYour.Town customer data, most respondents likely serve as community leaders and officials, work in community and economic development, own their own businesses or work in a community-oriented business.

Full text of survey questions and challenges

Rural community challenges 2021

"Which of these rural challenges would you be excited to learn more about facing them? Choose as many as you want."

- Help, there is not enough good housing here! Where are people supposed to live?
- Help, our downtown is dead! How can we fill empty buildings and make it a living place?
- Help, we're losing our kids! How can we keep young people from moving away?
- Help, we need new to recruit some new residents! How can we draw new people in?
- Help, no one volunteers! How can we get more people to help?
- Help, no one shops in town! How can we get people to shop local stores first?
- Help, there's no way to reach everyone in town with news or ads! How do we get the word out?
- Help, we're missing out on tourism opportunities! How can we get people to take advantage of what we have?
- Help, there's nothing to do here! How can we get more going on?
- Help, there's so much in-fighting in this town! How can we get everyone to agree?
- Help, our internet service is awful! How can we get our broadband up to speed?
- Help, our local businesses are terrible or out of date! How can we get them to get with the times?

- Help, this pandemic and economic crisis really hurt our town! How will we ever recover?
- Help, there is so much crime and drug abuse. What do we do about it?
- Other Click to add a different challenge

"What else would you like to tell us about your community? What are your community's best assets? What have you tried that worked well in your community? What didn't work so well?"

Small business challenges 2021

"If you own or run a small business, we'd love to get your thoughts on some business topics, as well. Which of these rural business challenges would you be excited to learn more about facing? Choose as many as you want."

- Help, I need to hire workers, but there aren't any good employees here! How do I find good people?
- Help, customers love what I sell, but then they go buy the same things online! How can I make them buy from me?
- Help, I tried being open later hours, but no one showed up! How do I get people to shop evenings?
- Help, I'm doing all this marketing, but it doesn't do any good! How do I get customers to listen to me?
- Help, I need to sell my business! Where do I find a buyer in this small town?
- Help, I don't know what business to start! How do I get an idea?
- Help, I can't find a usable building in this town! Where can I put my business?
- Help, I hate business plans, but lenders and others keep asking for mine! How do I get help without one?
- Help, my business is failing! Who will help me save it?

- Help, I'm juggling multiple businesses! How do I keep them all in the air?
- Help, I can't get a business loan! Where do I find the money I need?
- Other Click to add a different challenge

"What else would you like to tell us about your business? What are your best assets in your business? What have you tried that worked well in your business? What didn't work so well?"

About SaveYour.Town

SaveYour.Town believes small towns can be saved by their own people using their own resources. Rural experts Deb Brown and Becky McCray joined forces in May 2015 to help small towns and rural communities thrive. They deliver speeches and presentations internationally, lead site visits and community brainstorming sessions, and create online videos and short courses of practical steps that can be put into action right away.

About Small Biz Survival

SmallBizSurvival.com publishes practical articles for rural small businesses. It was founded in January 2006 by Becky McCray from Oklahoma. It achieved top ranking among small business blogs on sites like Technorati, Invesp BlogRank and BizHumm, and it continues to appear on lists of top small business blogs. For her work as publisher, McCray has been named one of the Power Players in Technology Business Media and a Small Business Influencer Journalist four times.

Bios

Becky McCray is a lifelong small-town entrepreneur. As co-founder of Save Your.Town, she shares insights from her real-world experience as a business owner and cattle rancher. Throughout her career, rural has been the focus. She managed a retail store, served as city administrator and nonprofit executive, bought and sold antiques and taught classes in business and technology. Her practical perspective is featured at her highly-ranked website, SmallBizSurvival.com, and in her award-winning book, *Small Town Rules.* She's been featured and quoted in books, newspapers, magazines, blogs, podcasts and

university publications. She makes her home base in Hopeton, Oklahoma, a community of 30 people.

Deb Brown is a small town enthusiast and expert for small towns. Her practical approach for getting communities into action right away has been shared at national conferences, local visits, service organizations and everything in between. Her wealth of experience includes foreign casualty insurance underwriting, bartending, retail management, selling knives around the US, leading a chamber and working with small towns. Deb has lived in tiny towns, small towns, small cities and a major metro city. Yet, she's come home to a small town and travels to many other rural communities to help. She collaborates with Becky McCray at www.saveyour.town and has her own business www.BuildingPossibility.com.

Survey Results and News Room:

• surveyofruralchallenges.com

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