

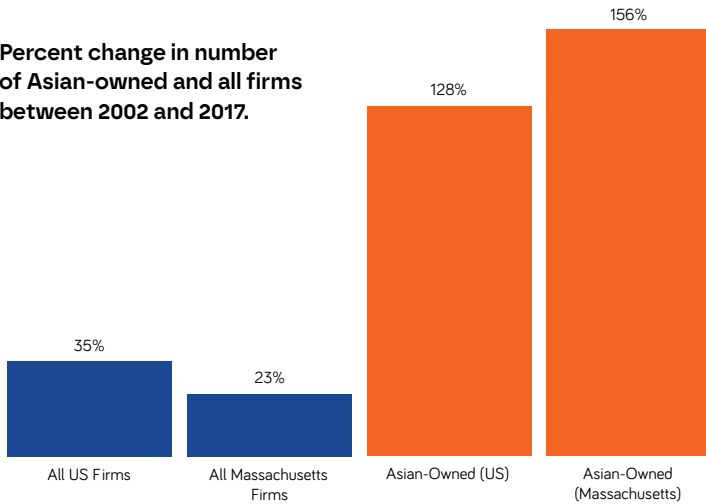
A Snapshot of Asian-Owned Businesses in Massachusetts

Asian-owned businesses in Massachusetts¹ are fast-growing and diverse. They add billions to the Massachusetts economy and, at the same time, face many barriers to accessing services. This brief captures the resilience and resourcefulness of Asian entrepreneurs and the invisibility, isolation, and lack of support they experienced pre- and post-pandemic. The Asian Business Empowerment Council (ABEC) shares this brief to galvanize new collaborations, resources, and advocacy to support Asian-owned businesses throughout Massachusetts.

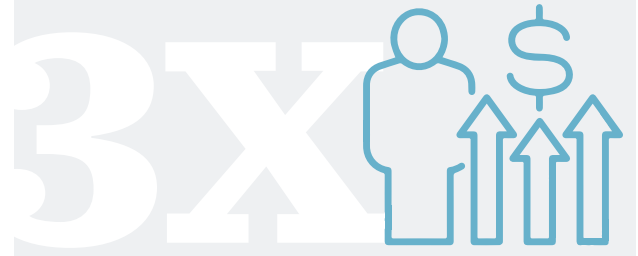
¹ Due to data limitations, the brief does not include Native Hawaiian and Pacific Islander-owned businesses.

A CHANGING LANDSCAPE

Percent change in number of Asian-owned and all firms between 2002 and 2017.



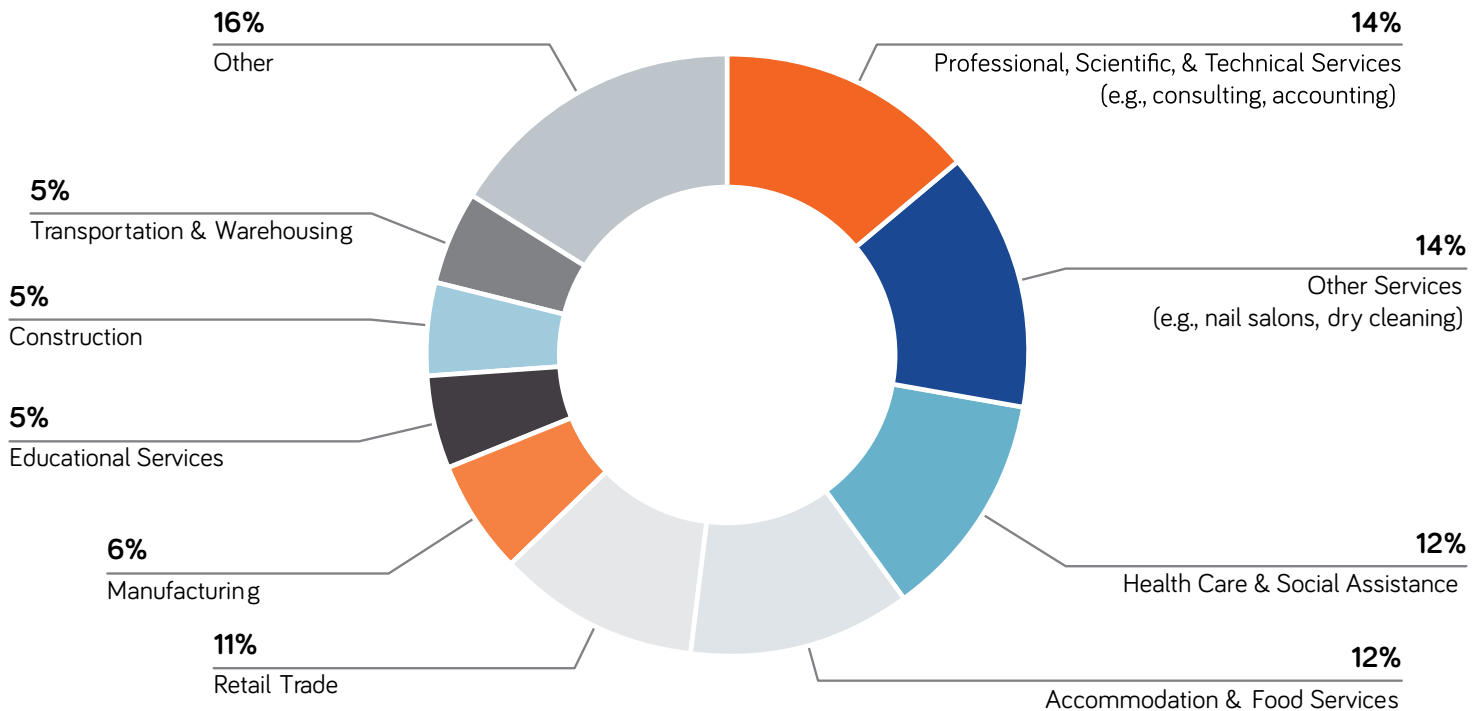
Payroll has tripled – from \$1.2 billion in 2002 to \$3.98 billion in 2020



Source: Survey of Business Owners; Annual Business Survey

Asian entrepreneurs in Massachusetts are represented in every sector, including high-paying sectors like health care and low-paying sectors like nail salons. They have been disproportionately affected by COVID-19 closures, particularly in industries heavily impacted by the pandemic (See Ongoing Challenges, page 3).

Asian Entrepreneurs by Industry



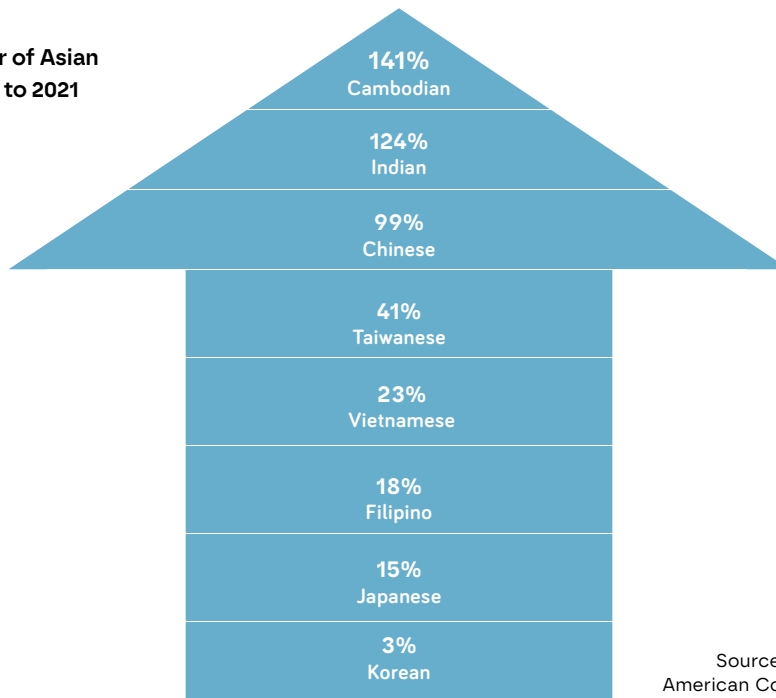
Source: 2017-2021 American Community Survey PUMS

Economic contributions of Asian-owned businesses, 2020

	Total Payroll Asian-Owned Firms, Massachusetts, 2020	Annual Wage per Employee Asian-Owned Firms, Massachusetts, 2020
Professional, Scientific, & Technical Services	\$1.7 billion	\$110,000
Accommodation & Food Services	\$543 million	\$17,000
Health Care & Social Assistance	\$443 million	\$38,000
Retail Trade	\$268 million	\$28,000
Manufacturing	\$183 million	\$60,000

Source: Annual Business Survey

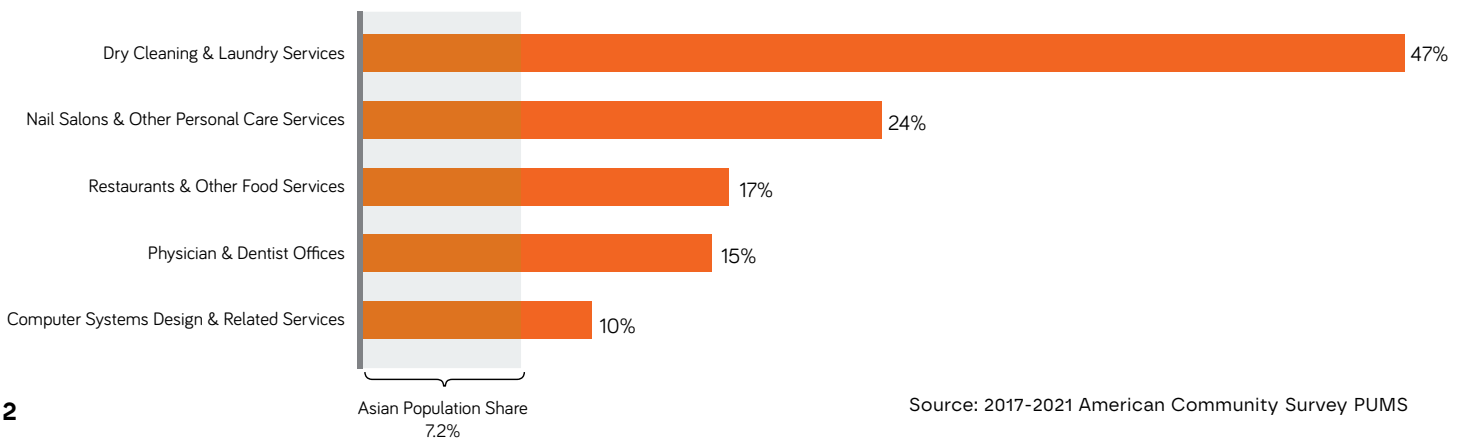
Percentage change in number of Asian entrepreneurs between 2007 to 2021 in Massachusetts



Source: 2007-2011 & 2017-2021 American Community Survey PUMS

Asian communities are not evenly distributed across sectors. For example, nearly 2/3 of Asian nail salon entrepreneurs are Vietnamese while approximately half of Asian physicians are Indian. Drycleaning and laundry Asian entrepreneurs are most likely to be Korean or Vietnamese and approximately 40 percent of Asian restaurant owners are Chinese.

Share of Asian Entrepreneurs in Select Sectors



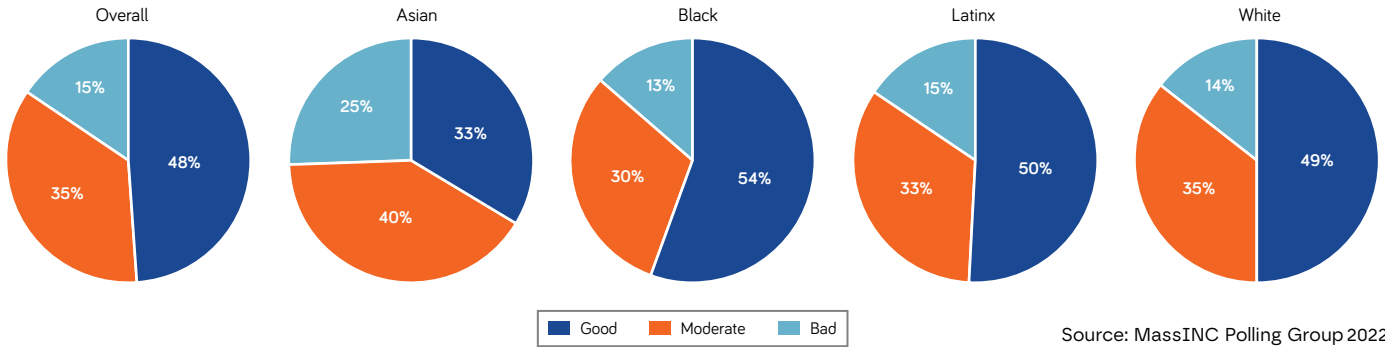
Source: 2017-2021 American Community Survey PUMS

ONGOING CHALLENGES

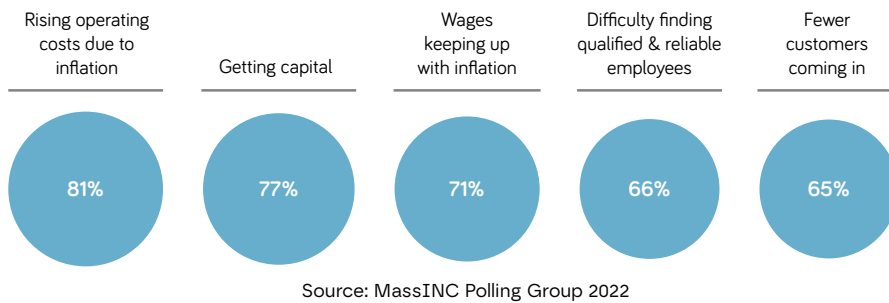
In 2022, Asian business owners were more likely than other racial groups to say their revenues had dropped since the onset of COVID-19, with about 60 percent reporting their revenue had declined. Asian business owners are less optimistic about economic conditions than other groups and struggle with accessing the capital and resources they need to grow their business.² Asian entrepreneurs are less likely to access or know about technical and financial assistance available to them.

² MassINC Polling Group Survey

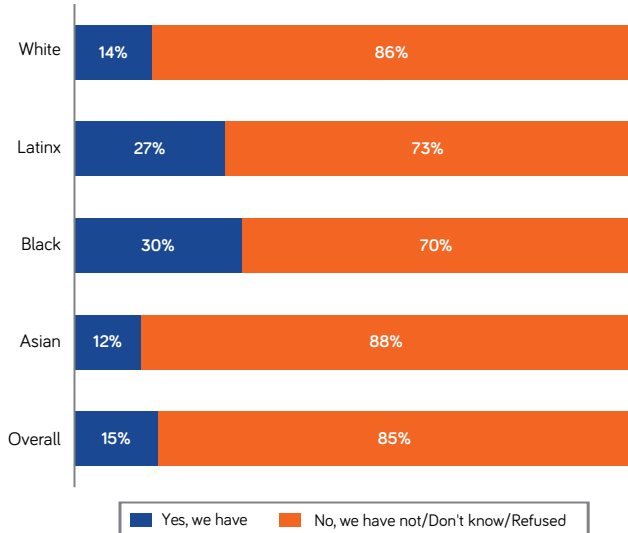
Share of Massachusetts small business owners who say business conditions are good, bad, or moderate by race or ethnicity. 2022.



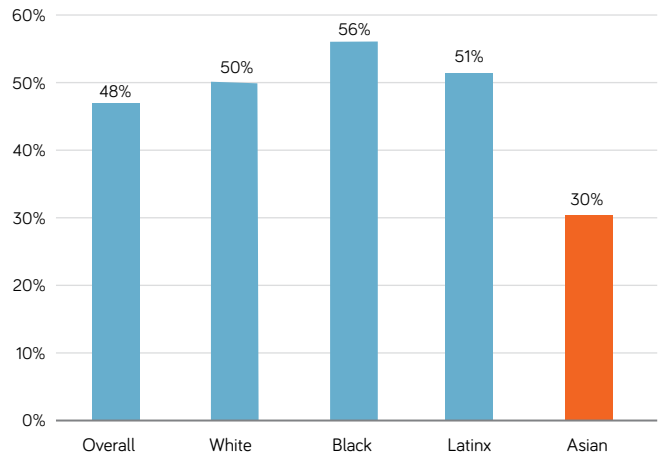
Share of Asian small business owners who list a given challenge as a major concern. Massachusetts. 2022.



Has your company received assistance, coaching, or advice in the last 12 months?



Asian-owned businesses are less likely to work with anchor institutions than any other group.³



Source: MassINC Polling Group 2022

³ Anchor institutions include large businesses, colleges & universities, cultural institutions, large non-profits, foundations, and state & local government.

OPPORTUNITIES

The business landscape in Massachusetts holds immense potential for empowering Asian entrepreneurs and fostering a more equitable environment through a range of strategies:

Access to capital: Addressing the gap in accessing capital is essential in supporting and growing economically disadvantaged Asian businesses. But financial capital alone is insufficient to overcome the systemic disparities. Greater investment is needed to increase access to social capital by way of networks, to sustain human capital such as employee retention, and to grow political capital to advocate for business owners' needs, such as protection against hate crimes and vandalism.

Outreach: Reducing the burden on businesses to find resources by conducting targeted outreach and centralizing resources for Asian-owned businesses will increase access to technical assistance and growth opportunities, like working with anchor institutions.

Language inclusion and equity: Technical and financial assistance must be provided in a range of Asian languages to be inclusive and equitable in reaching Asian entrepreneurs.

Partnership and collaboration: Frequent and consistent convenings among stakeholders and allies are needed to generate solutions, reduce isolation, build community, and advance a strong, unified advocacy voice for Asian entrepreneurs.

Data disaggregation: Given the wide diversity of the AAPI community, having publicly available data on major ethnic groups is essential to understand the unique strengths and challenges that each subgroup faces. State and local agencies, research institutions, and policymakers should prioritize collecting disaggregated ethnic subgroup data to capture these important nuances and ensure that specific needs are met.

About the Asian Business Empowerment Council

The Asian Business Empowerment Council (ABEC) is a new venture that is being incubated by the Asian Community Fund with generous seed funding from the Eastern Bank Foundation and the Boston Foundation. ABEC serves as a platform to coordinate and unify a vibrant community of entrepreneurs, service providers, and advocates to build a strong collective voice for the Asian American Pacific Islander (AAPI) business community across Massachusetts. ABEC supports AAPI businesses to overcome historic inequities in access to capital and contracting opportunities to increase pathways to economic growth and success.

<https://www.tbf.org/abec>

For more information, contact Qingjian (Q.J.) Shi at qj.shi@tbf.org

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EMPOWERMENT
COUNCIL**
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