SURVEY OF RURAL CHALLENGES 2017

WHAT SMALL TOWN PEOPLE SEE AS THEIR BIGGEST CHALLENGES

AND WHAT TOPICS THEY MOST WANT HELP WITH



SAVEYOUR.TOWN/2017SURVEY

When you ask small town people what challenges they want help with, the responses provide an interesting insight into rural areas today.

SaveYour.Town and SmallBizSurvival.com conducted a survey among subscribers and visitors to their sites during 2017, receiving 250 individual responses. The results were compared with a similar survey in 2015 that received 227 responses.

RURAL COMMUNITY CHALLENGES

Top five concerns at the community-wide level were mostly the same in 2017 as 2015.

- 1. Downtown is dead
- 2. Losing young people
- 3. No one shops in town
- 4. Missing out on tourism opportunities
- 5. Need new residents

The top four choices are the same as in the 2015 results, but with the first two switched in position. The fifth most-chosen answer, "Need new residents," rose two slots from seventh position in the 2015 results. The number five choice in 2015 was "No businesses in town," which dropped one position to sixth in 2017.

SMALL-TOWN BUSINESS OWNER CHALLENGES

Over ¾ of those surveyed identified themselves as current or prospective small business owners. Top concerns among business owners were mostly the same in 2017 as 2015.

- 1. Tried opening later hours without success
- 2. Marketing isn't working
- 3. Need help but cannot hire
- 4. People want to pick their brain for free
- 5. Need a usable building

The top four choices are the same as in the 2015 survey, but with choices three and four switched in position. The fifth most-chosen challenge, "Need a usable building," rose two slots

from seventh position in the 2015 results. The number five choice in 2015 was "Need an idea to start a business," which fell to ninth position this year.

RURAL TRENDS OF INTEREST

Over 85% of participants chose among the coming trends of most interest to them. This was a new question on the 2017 survey.

The top trends garnering attention were:

- 1. Rural retail trends (omni-channel, drone delivery, consumer shifts)
- 2. Rural population changes
- 3. Trends affecting rural makers and craftspeople
- 4. Rural service business trends (contingent workers, remote work)
- 5. Changes to rural society (populations, shifts in the center of power, automation)

OTHER RURAL CHALLENGES

Taking the structured and open-ended responses together, several themes emerged where the surveyed rural people most feel the need for help.

Conflicts and negativity hinder progress

- Lack of cooperation, apathy, negativity and resistance to change among local leaders and residents were the most commonly-mentioned challenges, appearing in 22 of the open-ended responses
- **Conflicts between different groups and cultures** were mentioned, including conflicts between age groups, long-time residents conflicting with new residents, different religious and faith communities, and diverse racial groups
- **Social isolation** caused by conflicts between groups and unique local issues were mentioned in three open-ended responses

Uncertainty around population

- Losing young people and a need to recruit new residents both scored in the top five of the choices this year
- **Decline in population and aging population** both were mentioned in the open-ended responses

- Lack of volunteers was also mentioned, with people saying they had more ideas and projects than people to accomplish them
- Workforce shortages were mentioned in five open-ended responses

Rural communities are focused on downtown

• **Downtown business district issues** were commonly mentioned, including the types of businesses, need for business support, drawing residents downtown for shopping and activities, and competition with online and big chain retail competitors

RURAL SOLUTIONS

Even though the survey focused on identifying rural challenges, positive responses focused on the future, creating their own solutions and moving forward.

Rural people are focused on creating their own solutions

• Many people identified local trends they feel they could take better advantage of, including tourism, accommodations, youth retention and family friendly activities

Lack of people is more of a limiting factor than lack of funding

- There are so many rural projects and activities that a shortage of volunteers emerges
- Over a quarter of all the people mentioned the lack of volunteers as a challenge
- Only two people brought up a lack of funding

There's more interest in makers than in manufacturers

• When asked about trends 30 years into the future, more people expressed an interest in trends for makers and craftspeople than for manufacturing

WHAT THE SURVEY DIDN'T SAY

The responses from rural people broke down some prevalent small-town stereotypes.

Small towns aren't interested in recruiting outside businesses

- While many local governments and economic development professionals are focusing on recruiting outside businesses, the need for that was not reflected in this survey
- No one mentioned needing to recruit a national chain or an outside franchise business to improve their town

• Only two respondents mentioned a business gap, or a specific business they felt their community or downtown needed to develop through local entrepreneurs

Rural people are not waiting for factory jobs to come back

- There was not a single mention of the return of factories in responses to this survey
- Many responses focused on growing local entrepreneurship
- Five times as many people mentioned a lack of available workforce than mentioned lack of jobs

Rural community challenges aren't as poverty- and crisis-driven as you might think

- While national media coverage of rural areas often focuses on towns that have suffered the loss of a major employer or industry, the least-selected choice for challenges (under 7%) was that their town had suffered "a terrible blow"
- Although rural poverty is another common media topic, only three responses mentioned poverty, crime or drugs

Small town business challenges are more about buildings and marketing than about loans

- Although a lack of small business lending is often cited as holding back small businesses, more people cited trouble finding a usable building than trouble finding a loan, and this was also true in the 2015 survey results
- It's not true that everyone knows everyone in a small town, as both of the top small business challenges related to marketing

Housing shortages didn't get many mentions

• Although housing is a major focus issue for governments in some rural regions, only three responses to this survey mentioned a shortage of usable housing

THE WRITE-IN CANDIDATES

When given open space to mention any other challenges, the surveyed rural people shared many additional areas where they need help.

- Help how do we counter general apathy and build a greater sense of community across the entire community?
- As more young families decide to "go rural", will the old communities welcome and open up to them? Can they help revive old or dying facilities and improve access to daily

needs and necessities? How can young doctors and teachers be enticed to settling in rural areas?

- Our municipal leaders have PMS: they're Pale, Male and Stale. They are risk averse, penny-pinching and, unwittingly perhaps, make their jobs look difficult which repels young people and business owners from running for election.
- We have great ideas to help our town/county, but not the human capacity to move them forward.
- Maybe the answer is to differentiate by giving rural consumers the "old" shopping experience, BUT doing it so well that the alternatives aren't so attractive.
- How do I attract good employees for low-level jobs?
- Loss of transportation and loss of medical services in rural areas. What are alternatives?
- Social isolation is a big issue for rural communities here [Australia]. It's historical (closure of rural schools for cost-cutting, itinerant farm staff community due to our unique 'sharemilking' system that helps young farmers into farm ownership but does mean lots of moving about...) [Our farmers are] far more at risk for suicide (social isolation, long hours etc). Lots is being done but still a challenge.*
- Demographic shifts, the creative class, "rural by choice"... finding a community niche in the business clusters that the entire region will depend upon, appropriate housing (we have affordable housing in spades).....all of these are challenges to making our communities attractive enough for new residents and to have our own millennials return home. There is no single magic bullet. There are many threads to weave.*
- Knowing how to filter the media reports on government reports about changes in business and taxes and how it effects the shopping consumers, along with entrepreneurs who may want to start up in business. In other words...how can we prepare to change with the unknown?
- Start the talk about #BrainGain. I hated when they coined #braindrain when I was in high school. Let's talk about the influx that is coming and give more momentum to the movement. I also hate it when people talk about their communities housing problem. It is a housing opportunity to the entrepreneur that will fix it.

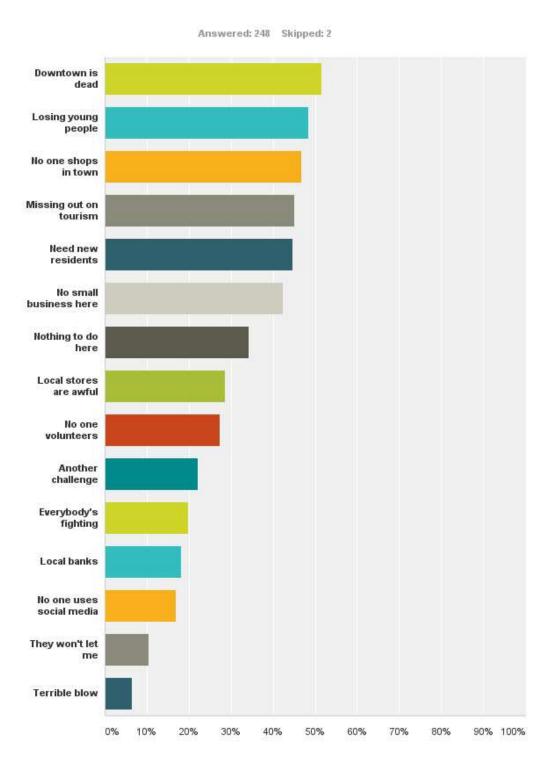
*edited for brevity and clarity

ACTION STEPS

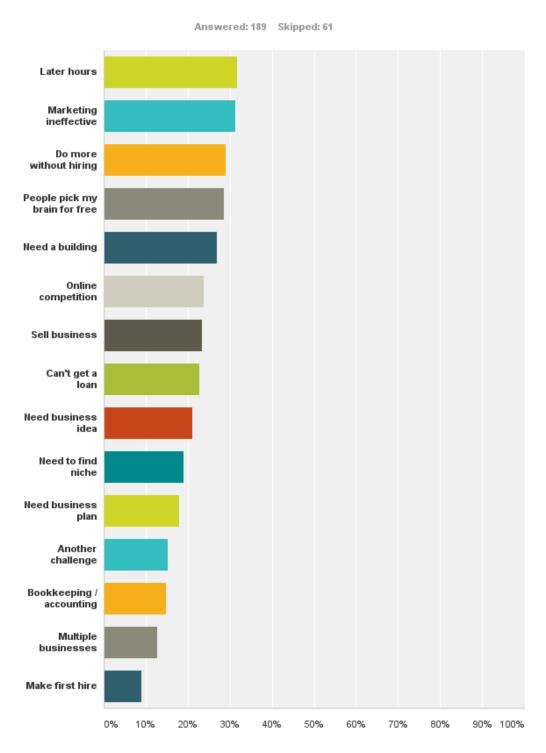
A set of action steps created in response to this survey data is available at no cost to subscribers at http://saveyour.town/2017survey

THE BREAKDOWN

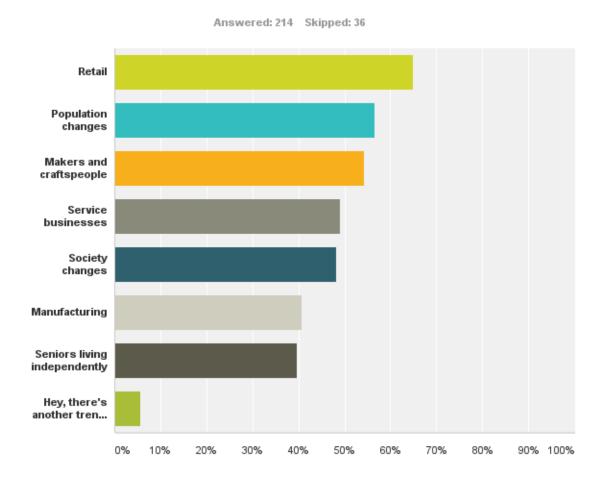
Questions presented a list of topics people would like to have SaveYour.Town and SmallBizSurvival.com write about. People could choose as many as they wished from the list of possible challenges to their community.



In the next section, people could choose as many as they wished from the list of possible challenges to their rural small business.



Another question focused on the trends affecting rural places that people would like to know more about. People could choose as many as they wished from the list.



http://saveyour.town/2017survey

FULL TEXT OF QUESTIONS

Which of these rural challenges would you be super excited if we wrote more about facing them? Pick as many as you would be thrilled to learn more about. (Answers were presented in a random order for each person completing the survey, and each participant could choose as many as they wished.)

- Help, our downtown is dead! How can we fill empty buildings and make it a living place?
- Help, no one shops in town! How can we get people to shop local first?
- Help, I'm the only one who cares! No one volunteers! How can we get more people involved?
- Help, our local stores are awful! How can we get them to get with the times?
- Help, there's no business here! How can we grow our own small businesses?
- Help, my town is really messed up! Everybody's fighting! What can we do about this?
- Help, there's nothing to do here! How can we get more going on?
- Help, no one uses social media here! How can we get people online?
- Help, we're missing out on tourism opportunities! How can we get people to take advantage of these opportunities?
- Help, we're losing our young people! How can we keep them here?
- Help, they won't let me do what we need! Why won't they do what I tell them they should?
- Help, we need new to recruit some new residents! How can we draw them in?
- Help, our local banks aren't helping! Where are our small businesses supposed to find the money?
- Help, our town has suffered a terrible blow! How will we ever get past it?
- Help, we have another challenge you didn't list! It's like this...

Which of these rural business challenges would you be super excited if we wrote about them? Choose as many as you would be thrilled to learn more about. (Answers were presented in a random order for each person completing the survey, and each participant could choose as many as they wished.)

- Help, we can't get a loan! Where do we find the money?
- Help, I want to start a business, but I don't know what business to start! How do I get an idea?
- Help, I kinda know what business I want to be in, but I don't know what to focus on. Can you help me find my niche?
- Help, I tried being open later hours, but no one showed up! How do I get people to shop later?
- Help, I'm juggling multiple businesses! How do I keep them all in the air?
- Help, I can't find a usable building in this town! Where can I start my business?
- Help, everyone wants to pick my brain for free! How do I ever get paid for my work?
- Help, I have no idea how to keep books! How do I stay in business when I hate doing the accounting?
- Help, I need help, but I can't hire! How do I get more done without hiring an employee?
- Help, I need to hire, but I've never done that before. What the heck do I do first?
- Help, I need to sell my business! Where do I find a buyer in this small town?
- Help, customers love our stuff, but they buy it online instead of from us! How can we stop them?
- Help, I hate business plans! Don't make me do one!
- Help, I'm doing all this marketing, but it doesn't do any good! No one is listening to me!
- Help, I have another challenge. It's like this...

Which of these trends affecting rural places over the next 30 years would you be excited to learn more about? Pick as many as you would love to learn more about. (Answers were presented in a random order for each person completing the survey, and each participant could choose as many as they wished.)

- How will rural manufacturing change with improvements in automation, 3D printing, AI (artificial intelligence), and a shift to local manufacturing?
- How will makers and craftspeople change with a rise in demand for small scale, hand crafted, artisan, and local items?
- How will rural service businesses change with the gig economy, contingent workers, independent professionals, and rural sourcing?
- How will rural retail businesses adapt to new channels, online technology, drone delivery, and a consumer shift to shop small when shopping in person?
- How will rural populations change with the declining cost of distance, changing employment patterns, and de-coupling of place from work?
- How will rural society change with changing populations, the center of power shifting from government to the people, and automation of key infrastructure?
- How will rural seniors live independently longer with self-driving vehicles, AI (artificial intelligence), smartphone apps and wearable health devices, home automation and maintenance, and VR/AR (virtual reality and augmented reality)?
- Hey, there's another trend you didn't mention that I want to know more about. It's like this...

THE NUMBERS AND METHODOLOGY

In the 2017 survey, a total of 250 responses were collected online between February 17, 2017, and March 16, 2017, from subscribers and visitors to SaveYour.Town and SmallBizSurvival.com. Respondents identified themselves as rural, and 189 identified themselves as business owners by responding to the business challenges question. Participants included 215 from the USA, 25 from Canada, 7 from Australia and 3 from other international locations. (See map below)

In the 2015 survey, a total of 227 responses were collected online between April 12, 2015, and May 11, 2015, from subscribers and visitors to SmallBizSurvival.com. Respondents identified themselves as rural, and 175 identified themselves as business owners by responding to the business challenges question. Participants included 206 from the USA, 11 from Canada and 10 from other international locations. Full results of the 2015 survey are available online at http://smallbizsurvival.com/survey-of-rural-challenges-2015-2.html



2017 survey participants by location, based on IP addresses

PRESS ROOM

The online pressroom for this survey data is at <u>SaveYour.Town/2017survey</u>

ABOUT SAVEYOUR. TOWN AND SMALL BIZ SURVIVAL

<u>SaveYour.Town</u> believes small towns can be saved. Deb Brown and Becky McCray joined forces in May 2015 to help small towns and rural communities thrive. They provide speeches and presentations internationally, site visits and community brainstorming sessions, and online video library and short courses full of practical steps that can be put into action right away. Deb Brown is frequently featured across the US as a speaker on rural issues, chamber of commerce topics, economic development, tourism, social media and marketing. Becky McCray is an international speaker and author, whose programs on small business, rural trends, economic development and marketing have given practical ideas to audiences at over 180 events in the US, UK, Canada and Australia.

<u>SmallBizSurvival.com</u> is an online media site focused on rural small business. It was founded January 14, 2006 by Becky McCray. It has been ranked in the top 30 small business blogs worldwide by Invesp BlogRank and BizHumm. As a publisher, McCray was named one of the Power Players in Technology Business Media and a Small Business Influencer Journalist four years in a row.