

2015 Joint Small Business Credit Survey

INTRODUCTION

The Small Business Credit Survey asks about general business conditions and your firm's financial and credit experiences. The survey is conducted by the Federal Reserve Banks of Atlanta, Boston, Cleveland, New York, Philadelphia, Richmond, and St. Louis in partnership with local business and civic groups.

The questions are best answered by an owner or key financial decision maker. Your answers are confidential, and results will be reported only in the aggregate. The information will help to shape programs that benefit the small business community. The questionnaire takes approximately 10 minutes to complete. Please click the next button in the bottom right to begin the survey. Thank you.

DEMOGRAPHICS

First, we have some general questions about your business.

1) Which state is your headquarters located in?

a) >>Drop down list of states <<

2) ZIP code?

a) _____

3) In what year was your business established? (YYYY)

a) _____

4) Which of the following BEST describes your business's primary activity? Please select 'ALL other' if you don't see your industry or if you are unsure.

- a) Agriculture
- b) Manufacturing
- c) Transportation or warehousing
- d) Retail trade (does not include restaurants)
- e) Wholesale trade
- f) Finance (does not include accounting)
- g) Health care or social assistance (includes childcare but NOT personal fitness)
- h) Education or training
- i) Staffing
- j) Real estate (agent, broker, appraiser, or property management)
- k) Rental (homes, autos, equipment, etc.)
- l) Leisure and Hospitality (hotels, restaurants, entertainment, personal fitness)
- m) **ALL other services or unsure (includes accounting and business or consumer services not listed above)**

- 5) Please describe what your business does (barber shop, law firm, insurance agency, construction, etc.).**

DEMOGRAPHICS

Next, we have a few questions about the approximate size of your business.

- 7) Does your business have any paid employees, excluding owner(s) and contract workers?**

- a) Yes
- b) No
- c) Unsure. Please explain: _____

- 8) How many people does your business employ (including owners)? *If none, enter 0.***

- a) Full-time employees (30+ hours per week)
- b) Part-time employees (less than 30 hours per week)

- 9) Has your business relied on any contract workers during the past 12 months?**

- a) No
- b) Yes, please enter the number: _____

- 10) Roughly, what were your business's total revenues in 2014?**

- a) \$25,000 or less
- b) \$25,001 - \$50,000
- c) \$50,001-\$100,000
- d) \$100,001 - \$250,000
- e) \$250,001 - \$500,000
- f) \$500,001 - \$1,000,000
- g) \$1,000,001 - \$5,000,000
- h) \$5,000,001 - \$10,000,000
- i) \$10,000,001 - \$100,000,000
- j) More than \$100,000,000
- k) Unsure
- l) Decline to answer

PERFORMANCE

We now have a few questions about your business’s performance and challenges.

11) At the end of 2014, was your business operating at a profit, break-even or at a loss?

- a) At a profit
- b) At break-even
- c) At a loss
- d) Unsure

12) How did the following change over the past 12 months?

	Decreased	No change	Increased
Revenue			
Number of employees			
Number of contract workers			

13) How does your business expect the following to change over the next 12 months?

	Decrease	No change	Increase
Revenue			
Number of employees			
Number of contract workers			

14) Which of the following challenges, if any, did your business experience in the past 12 months?

Select all that apply.

- a) Government regulations
- b) Taxes
- c) Credit availability
- d) Cash flow (for example, meeting payroll or paying for inventory)
- e) Costs of running business
- f) Growing Revenues/sales
- g) Hiring and/or retaining qualified staff
- h) Other. Please specify: _____
- i) None

If more than one challenge is selected and ‘None’ is not selected:

15) Which was your business’s BIGGEST challenge in the past 12 months?

- a) >>>List populates based on selections in <<<

FINANCING

We have questions about how your business is financed.

16) Does your business have any outstanding debt?

- a) Yes
- b) No
- c) Unsure

If business has debt:

17) How much total debt does your business have as of today?

- a) \$10,000 or less
- b) \$10,001 - \$25,000
- c) \$25,001 - \$50,000
- d) \$50,001 - \$100,000
- e) \$100,001 - \$250,000
- f) \$250,001 - \$500,000
- g) \$500,001 - \$1,000,000
- h) \$1,000,001 - \$2,000,000
- i) Over \$2,000,000
- j) Unsure

If business has debt:

18) Was any of the following used as a guarantee or as collateral to secure this debt? Select all that apply.

- a) Personal assets or guarantee
- b) Business assets
- c) Portions of future sales (percentage of future credit card receivables for payment of merchant cash advances)
- d) Unsure
- e) None
- f) Other. Please specify: _____

19) How does your business PRIMARILY fund its operations?

- a) Retained business earnings
- b) Personal funds of owner(s)
- c) External financing

If business uses external financing:

20) Which type of external financing does your business PRIMARILY use?

- a) Equity investments
- b) Credit cards
- c) Loans
- d) Lines of credit
- e) Investment or loans from friends and family
- f) Other (such as trade credit, factoring, or leasing). Please specify: _____

If business uses credit cards:

21) Does your business use personal credit cards or business credit cards?

- a) Personal credit cards
- b) Business credit cards
- c) Both
- d) Unsure

If business uses equity investments:

22) Who provided the equity investment? Select all that apply.

- a) Venture capital firm
- b) Impact investor (intention is to generate social and environmental impact alongside a financial return)
- c) Private investor or angel investor
- d) Crowdfunding
- e) Other. Please specify: _____

23) During the first two years of business, how did your business PRIMARILY fund its operations?

- a) Retained business earnings
- b) Personal funds of owner(s)
- c) External financing
- d) Unsure/ don't remember

If used external financing:

24) Which types of financing did the business use during its first two years? Select all that apply.

- a) Loans
- b) Business lines of credit
- c) Home equity line of credit
- d) Investment from family/ friends
- e) Credit cards
- f) Angel investor, venture capital, or impact investment capital (intention is to generate social and environmental impact alongside a financial return)

- g) Crowdfunding
- h) Other. Please specify: _____
- i) Unsure / don't remember

CREDIT SEARCH

Next, we have a few questions regarding your business's experience seeking financing in the past 12 months.

25) Did your business seek advice on financing options from any of the following in the past 12 months? Select all that apply.

- a) Accountant, consultant, or business advisor
- b) Loan broker
- c) Banker or lender
- d) Friends, family, or colleagues
- e) Chamber of commerce or industry association
- f) SBDC (Small Business Development Center)
- g) SCORE (Service Corps of Retired Executives)
- h) Other. Please specify: _____
- i) None

26) Did your business APPLY for any financing in the past 12 months? (Borrowing, leasing, or requesting equity investments – excluding financing provided by owner(s) of business)

- a) Yes
- b) No
- c) Unsure

If selected yes, go to credit applicants section.

If selected no, go to non-applicants section.

If selected Unsure, go to final demographics section.

If business applied for credit

CREDIT APPLICANTS

27) For what purpose was your business seeking financing? Select all that apply.

- a) Meet operating expenses
- b) Expand business (hiring, new products or services, new location, contracts, or capital assets, etc.)
- c) Pursue new opportunity (merger or acquisition, purchase of equipment or space that was previously leased, etc.)
- d) Refinance or pay down debt
- e) Other. Please specify: _____

28) What factors were most important to your business when evaluating credit options? Select all that apply.

- a) Existing relationship with lender
- b) Cost
- c) Flexibility of the credit product(s)
- d) Speed of the decision process
- e) Ease of the application process
- f) Perceived chance of being funded
- g) Other. Please specify: _____

29) In the past 12 months, did your business apply for any of the following? Select all that apply.

- a) Loan or line of credit (including business loans and lines of credit, auto loans, commercial mortgages, cash advances, or non-traditional loans from online lenders)
- b) Credit card
- c) Equity investment
- d) Leasing
- e) Trade credit
- f) Factoring (the sale of accounts receivable to a third party at a discount)
- g) Other. Please specify: _____

If applied for loan or line of credit:

30) For which type(s) of loan or line of credit product(s) did your business apply? Select all that apply.

- a) Business loan
- b) SBA-backed loan or line of credit
- c) Line of credit
- d) Commercial mortgage
- e) Merchant cash advance
- f) Other loan. Please specify: _____

Repeat for each selection:

31) Where did your business apply for <selection>? Large banks operating in your area include: <state specific list>.

- a) Large bank
- b) Small or community bank
- c) Credit union
- d) Nonbank online lender (including alternative and marketplace lenders such as Lending Club, OnDeck, CAN Capital, PayPal Working Capital)
- e) Other (including government loan funds and community development financial institutions)
Please specify: _____

If selected nonbank online lender:

32) What was the name of the nonbank online lender?

- a) Name: _____
- b) Unsure

If applied to more than one product or source OR indicated business applied but did not give product or source information:

33) How much of the TOTAL financing dollars your business applied for in the past 12 months was approved?

- a) All (100%)
- b) Most (51%-99%)
- c) Some (1%-50%)
- d) None (0%)
- e) Unsure

List each product/source combination selected. All permutations listed in table below. Only relevant permutations will display for respondent.

34) For each product, how much of the financing dollars your business applied for in the past 12 months was approved?

	All (100%)	Most (51% - 99%)	Some (1% - 50%)	None (0%)	Unsure
Credit card					
Equity investment					
Leasing					
Trade credit					
Other credit product					
Loan from large bank					
Loan from small/community bank					
Loan from credit union					
Loan from nonbank online lender					
Loan from other source					
SBA-backed loan or line of credit from large bank					
SBA-backed loan or line of credit from small/community bank					
SBA-backed loan or line of credit from credit union					
SBA-backed loan or line of credit from nonbank online lender					
SBA-backed loan or line of credit from other source					
Line of credit from large bank					
Line of credit from small/community bank					
Line of credit from credit union					
Line of credit from nonbank online lender					
Line of credit from other source					
Commercial mortgage from large bank					

Commercial mortgage from small/community bank					
Commercial mortgage from credit union					
Commercial mortgage from nonbank online lender					
Commercial mortgage from other source					
Merchant cash advance from large bank					
Merchant cash advance from small/community bank					
Merchant cash advance from credit union					
Merchant cash advance from nonbank online lender					
Merchant cash advance from other source					
Other loan from large bank					
Other loan from small/community bank					
Other loan from credit union					
Other loan from nonbank online lender					
Other loan from other source					
Loan					
SBA-backed loan or LOC					
Line of credit					
Commercial mortgage					
Merchant cash advance					
Other loan					
Loan or line of credit					

If respondent applied for loan or LOC. Only list sources that are selected:

35) Overall, was your business satisfied or dissatisfied with the lender(s) it applied to? *For the sources that approved your application, consider the application process as well as the terms of repayment. For sources that did not approve your application, consider only the application process.*

	Satisfied	Neutral	Dissatisfied
Large bank			
Small or community bank			
Credit union			
Nonbank online lender			
Other lender			

If selected “dissatisfied.” Repeat for each applicable source.

36) Why was your business dissatisfied with the <source> it applied to? Select all that apply. For the sources that approved your application, consider the application process as well as the terms of repayment. For sources that did not approve your application, consider only the application process.

- a) High interest rate
- b) Unfavorable repayment terms
- c) Difficult application process
- d) Long wait for credit decision
- e) Lack of transparency
- f) Other, please explain _____

If business did not receive 100% of the financing it asked for:

37) What was the MOST important business impact, if any, of not receiving the full amount of financing for which your business applied?

- a) Unable to meet operating expenses on time
- b) Delayed a planned business expansion (for example, hiring, new products or services, new location, contracts, or capital assets)
- c) Passed on a business opportunity (for example, merger or acquisition, purchase of equipment or space that was previously leased)
- d) Funded business with personal sources
- e) No significant impact
- f) Other. Please specify: _____

If business did not receive 100% of the financing it asked for:

38) What were the likely reasons your business was not approved for the full amount of financing it applied for? Select all that apply.

- a) Low credit score
- b) Insufficient credit history
- c) Insufficient collateral
- d) Inadequate documentation
- e) Weak business performance (for example, uneven cash flow or poor revenue)
- f) Unsure
- g) Other factors. Please specify: _____

If business did NOT apply for credit

NON-APPLICANTS

39) What was the PRIMARY reason your business DID NOT apply for financing in the past 12 months?

- a) Not needed; had sufficient funding
- b) Did not think application would be approved
- c) Did not want to accrue debt
- d) Credit cost was too high

- e) Loan search/application process is too difficult or confusing
- f) Other. Please specify: _____

If did not apply because “did not think application would be approved”:

40) What were the likely reasons your business would not be approved? Select all that apply.

- a) Low credit score
- b) Insufficient credit history
- c) Insufficient collateral
- d) Inadequate documentation
- e) Weak business performance (for example, uneven cash flow, poor revenue)
- f) Unsure
- g) Other. Please specify: _____

FINAL DEMOGRAPHICS

We have a few final questions about your business.

If non-employer firm:

41) Why did you start or purchase this business? Select all that apply

- a) To generate extra income
- b) Had a new good/service to bring to market
- c) Start/continue family business
- d) Wanted a flexible work arrangement / preferred to be my own boss
- e) No other employment options
- f) Other. Please specify: _____

If non-employer firm:

42) Does this business (or other businesses you own) provide one or more of the owner's primary source of income?

- a) Yes
- b) No
- c) Unsure

43) Is your business...

	Yes	No	Unsure
<i>If nonemployer firm:</i> Operated out of your home?			
<i>If nonemployer firm:</i> Legally incorporated?			
A NOT-FOR-PROFIT organization? (Not-for-profit firms have a special designation from the IRS)			

Part of a franchise?			
A member of a business industry association (for example, chamber of commerce)			

44) Have any of the owners previously owned another business?

- a) Yes
- b) No
- c) Unsure

45) Is more than half (at least 51%) of your business owned by ...

	Yes	No	Unsure
A woman?			
Someone who is a member of a minority racial group (African American, Asian, or Native American)?			
Someone who is of Hispanic, Latino, or Spanish origin?			
A veteran?			

List for each “yes” selection:

46) Is your business a...

	Yes	No	Unsure
Certified women-owned business?			
<i>(List if minority racial group or Hispanic dissent)</i> Certified minority-owned business?			
Certified veteran owned business?			

47) Do you have any comments about availability of business financing or general business conditions?

48) Business name:

49) Email Address (used only for survey-related purposes). You will receive a copy of the results.

Thank you for your valuable input. The information you provided will bring small business issues to the attention of policy makers. Please click the ‘next page’ below to submit your survey.