Stanford Latino Entrepreneurship Initiative surveyed 15,000 employer businesses in 2021 as part of its annual national survey to assess the current state of U.S. Latino entrepreneurship. We have compiled some of the most pressing insights about Latino-owned employer businesses in the Riverside metropolitan area.

There are 9,458 Latino-owned businesses in the area. With 27 Latino-owned companies for every 100 White-owned businesses, the Riverside metro area has a higher concentration of Latino-owned businesses than the United States at large (8 LOBs for every 100 WOBs).

**Latinos in Tech**

1.4x LOBs are 1.4 times more likely to be in tech than WOBs in the Riverside metro area.

**Top Customers for Businesses**

1. Consumers (B2C) 72% LOBs 66% WOBs
2. Businesses (B2B) 16% LOBs 11% WOBs
3. Nonprofit 5% LOBs 7% WOBs

**Family-Oriented**

6x Latino-owned businesses are 6 times as likely as WOBs to report their primary goal as an entrepreneur is to operate a business that can be inherited by their family.

**Effect of Pandemic**

The COVID-19 pandemic was challenging for both Latino and White firms, although, Latino-owned firms were twice as likely to report negative impacts of the pandemic (71% LOBs vs. 35% WOBs) in the Riverside metro area in 2021.

**Profitability of Business**

LOBs are less likely to be profitable than WOBs (35% and 59%, respectively) in the Riverside metro area. This trend is consistent with national patterns (43% LOBs and 49% WOBs).

**Liquidity**

LOBs report having less available cash to cover business operations than WOBs in the Riverside metro area. This pattern is consistent with national trends.

**Outstanding Business Debt**

Businesses in the Riverside metro area have less outstanding debt than businesses across the country. Concurring with national trends, LOBs in the Riverside metro area have higher outstanding debt on average than WOBs.

**Collateral Requirements for Loans**

In the Riverside metro area, LOBs are more likely to be asked to provide collateral than WOBs when taking out loans, despite having similar credit characteristics.

**Notes:** All data reported are for Latino-owned employer businesses (LOBs) and non-Hispanic White-owned employer businesses (WOBs). Our research focuses on employer firms earning over $10,000 in revenue to resemble Census parameters (MOE +/- 7%).


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