

TRENDS in ENTREPRENEURSHIP SERIES

Reporting on data from a wide range of sources to measure, track, and compare trends related to entrepreneurship | 2020, No. 6

INTEREST IN STARTING AND CLOSING A BUSINESS: GOOGLE SEARCHES IN THE COVID-19 CONTEXT

Given the rapid and widespread changes in the economy due to COVID-19, internet searches may offer some insight into how people are thinking about their current economic situation. This brief looks at trends in Google searches related to entrepreneurship. We examine searches associated with three topics – *new business help*, *new business exits*, and *new business opportunities* – from January 2019 to April 2020 to get a sense of relative interest during “normal” conditions and in the COVID-19 context.

Google Trends tracks Google searches among the population, rather than specifically among entrepreneurs, so it can be a useful marker of broad public interest in a topic. A journalist, an entrepreneur, and a bank manager might search for new business loans.¹ The Google Trends data reflect combinations of the terms used in the search. New business loans will capture searches for information on new loans available to businesses or loans specifically available to new businesses.



Google Trends data was analyzed for the United States for the period from January 1, 2019, to April 29, 2020. Interest in a particular search is measured by the search popularity index, which ranges from zero to 100, with 100 representing the greatest interest. The data are weekly search totals. For example, a value of 100 for the week of March 16, 2020, means interest in that particular search was highest during the week of March 16, 2020, within the period we examined (starting January 1, 2019).

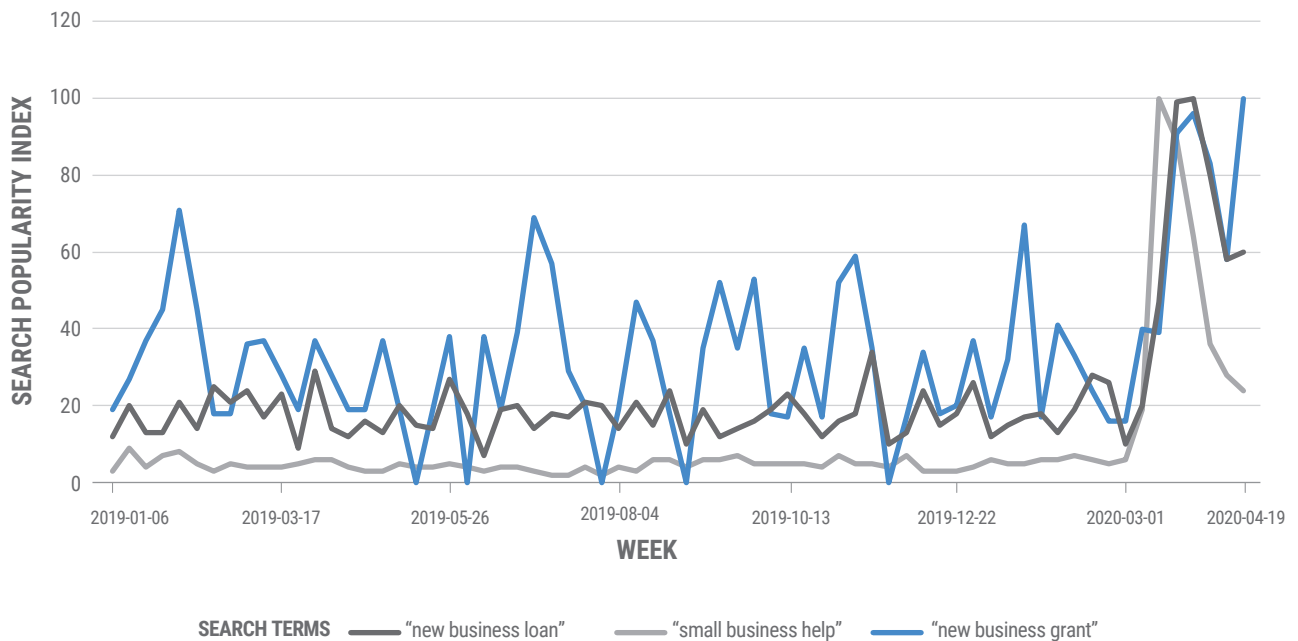
Highlights:

- Searches related to help, entry, and exit of new businesses were relatively highest in March and April 2020. This corresponds roughly to the growth of the economic and political response to COVID-19.
- Between January 1, 2019, and April 29, 2020, interest in Google searches related to **new business help** was highest in the weeks of March 16, March 30, and April 20, 2020, respectively.
- Over the same period, interest in Google searches related to **new business exit** was highest during the week of March 16, 2020.
- Interest in Google searches for *open a business*, *new self-employed*, and *new small business* were highest in the week of March 23, 2020, and interest in searches for *independent contractor* and *how to work for yourself* were highest in the weeks of March 30 and April 13, 2020, respectively.

Searches Related to New Business Help

Google Trends related to **new business help** reflect searches for *small business help*, *new business loan*, and *new business grant*. Between January 1, 2019, and April 29, 2020, interest in these searches was highest in the weeks of March 16, March 30, and April 20, 2020, respectively. It is noteworthy that although *new business grant* elicits varying interest over time, *new business loan* and *small business help* are of relatively and consistently low interest until the week of March 16, 2020.

FIGURE 1: Search Terms Related to New Business Help

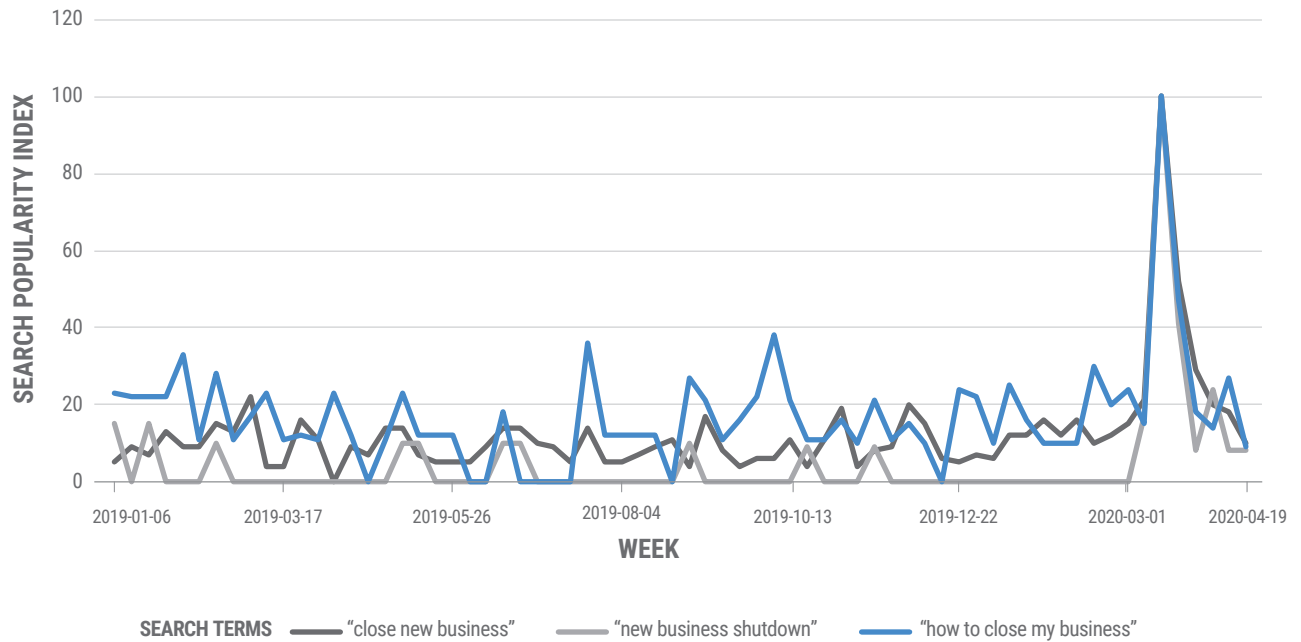


It is noteworthy that although *new business grant* elicits varying interest over time, *new business loan* and *small business help* are of relatively and consistently low interest until the week of March 16, 2020.

Searches Related to New Business Exit

Google Trends related to **new business exit** reflect searches for *close new business*, *new business shutdown*, and *how to close my business*. Interest for each of these searches was highest during the week of March 16, 2020. Prior to March 2020, none of these search terms had even moderately high interest, relative to the other search terms over the time period analyzed.

FIGURE 2: Search Terms Related to New Business Exit

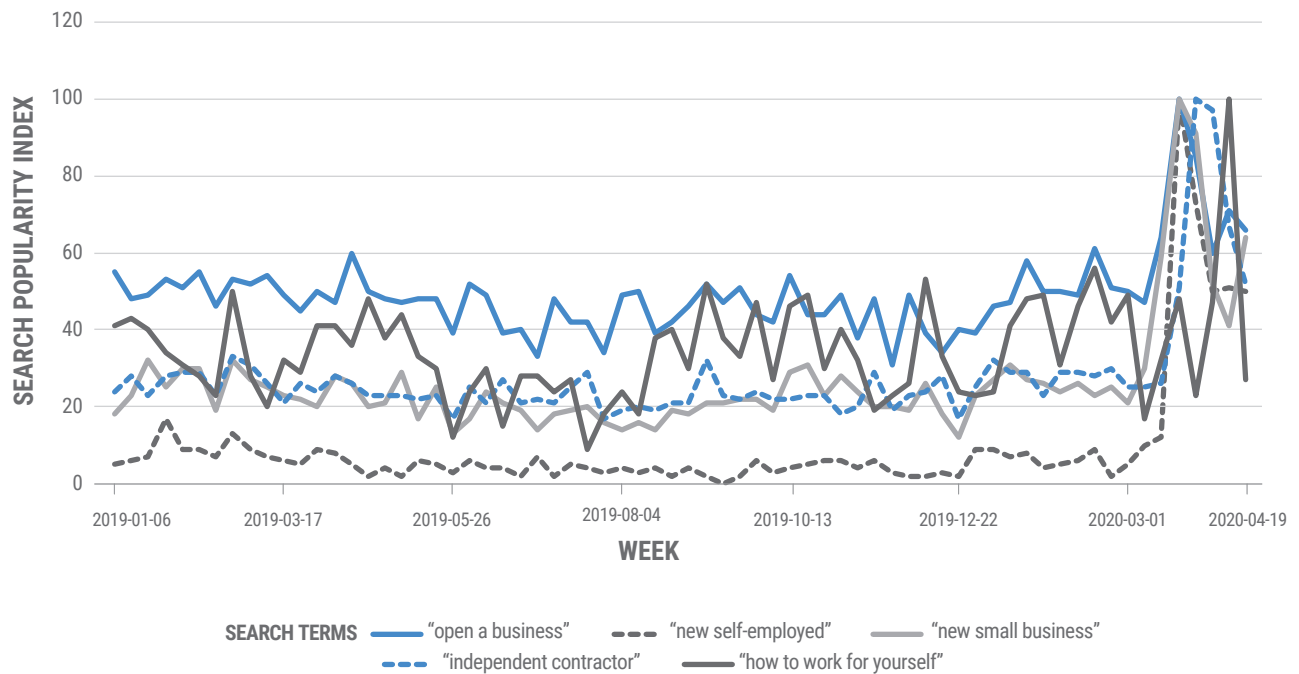


Interest for each of these searches was highest during the week of March 16, 2020. Prior to March 2020, none of these search terms had even moderately high interest, relative to the other search terms over the time period analyzed.

Searches Related to New Business Opportunities

Google Trends related to **new business opportunities** reflect searches for *open a business*, *new self-employed*, *new small business*, *independent contractor*, and *how to work for yourself*. Interest in searches for *open a business*, *new self-employed*, and *new small business* went up substantially during the period we observed and were highest in the week of March 23, 2020. Interest in searches for *independent contractor* and *how to work for yourself* were highest in the weeks of March 30 and April 13, 2020, respectively. Prior to March 2020, there was only one week in which either of these search terms had even moderately high interest, relative to the other search terms over the time period analyzed (*open a business* had moderate interest during the week of February 16, 2019).

FIGURE 3: Search Terms Related to New Business Opportunities



Interest in searches for *independent contractor* and *how to work for yourself* were highest in the weeks of March 30 and April 13, 2020, respectively. Prior to March 2020, there was only one week in which either of these search terms had even moderately high interest, relative to the other search terms over the time period analyzed (*open a business* had moderate interest during the week of February 16, 2019).

About the Data

The underlying Google Trends data used here come from a representative sample of search requests made to Google. The data is scaled between zero and 100, with 100 representing maximum interest during the time period, so that searches are comparable across time and region. Different search terms with the same level of interest may not have the same overall volume of searches. Data in this brief was downloaded from Google Trends on April 29, 2020. The data is non-real time and includes information on searches up to 36 hours before the data was pulled. For more on Google Trends data, see <https://support.google.com/trends/answer/4365533?hl=en> and <https://medium.com/google-news-lab/what-is-google-trends-data-and-what-does-it-mean-b48f07342ee8>.

Note: (1) The search data does not allow identification of user types, so it is not possible to determine if the search is initiated by an entrepreneur or not. This is helpful because the topics of interest are not restricted only to entrepreneurs. For example, someone who is not currently an entrepreneur may be searching for information on how to start a business.

Acknowledgements:

Travis Howe and Hayden Murray

Please cite as: Ewing Marion Kauffman Foundation (2020) "Interest in Starting and Closing a Business: Google Searches in the COVID-19 Context". *Trends in Entrepreneurship*, No. 6, Kansas City, Missouri.

This is a publication by the Ewing Marion Kauffman Foundation utilizing content and data from multiple sources and external contributors. Every effort has been made to verify the accuracy of the information contained herein and is believed to be correct as of the publication date. Nonetheless, this material is for informational purposes and you are solely responsible for validating the applicability and accuracy of the information in any use you make of it.