



NEW RESEARCH REVEALS TWO THIRDS OF AUSTRALIAN BUSINESS OWNERS ARE WORRIED ABOUT THE RECESSION, YET MOST ARE UNSURE OF HOW TO PREPARE

2022 has been a challenging year so far for the economy. In Australia and overseas, inflation and interest rate rises have put a strain on many small to medium size businesses, leading many economists to speculate if a recession will hit sooner rather than later.

New research commissioned by [The Entourage](#), Australia's largest business coaching and training provider with a growing community of over 650,000 members, found that two thirds (67%) of Australian business owners and entrepreneurs are concerned about the impact of an upcoming recession on their business. The research was conducted independently through the My Business database and surveyed over 1,000 local business owners, entrepreneurs, and c-suite executives.

Jack Delosa, Entrepreneur, Investor and Founder of The Entourage, commented on the research, saying "It's unfortunate, but not surprising that so many business owners are worried about an upcoming recession. The next 12 to 24 months are going to be a challenging time for many businesses that are caught off guard, still recovering from the pandemic and multiple lockdowns, and haven't taken the necessary preventative steps to mitigate the risk of a declining economy. If you're a business owner who hasn't implemented any strategies to bullet-proof your business against a possible recession, now is the time to start taking action."

Of the business owners concerned about the recession, the research found that 36 per cent are primarily afraid of the unknown, 24 per cent are most worried about losing customers and 22 per cent disclosed that their business is in a precarious state after COVID. Furthermore, almost half (48%) of survey respondents said they're not taking any preventative steps to prepare their business for the fallout of a recession. Of that group, 47 per cent said they're not putting any preventative measures in place because they're confused about what strategies they should implement.

One business owner commented that "My industry was hit badly by the pandemic, and I just would not have the resources to deal with a recession so close to the last situation. I am still finding my feet and researching new ideas to get me on top of things again."

Likewise, another business owner said that "the uncertainty [of a recession] is hard to plan for, plus the thought of a reducing workforce is of great concern as our passionate, hardworking people are our greatest assets."

On the more optimistic side, 52 per cent of survey respondents reported that they *are* taking preventative steps to prepare their business for a recession. Some of these steps include focusing on revenue generating activities (40% of respondents) ensuring that their business has enough emergency cash to sustain itself through a tough time (33%), pivoting their sales and marketing strategies (18%) and seeking advice from the right mentors (9%).

As an entrepreneur several times over, Jack understands thoroughly the anxiety that many business owners are feeling in these uncertain times. He's experienced the highs and lows that come with starting your own business, and even suffered setbacks along the way (like his first business, a B2B call center which he started when he was 18 with a \$20,000 loan, failed within only a few short months). But these early failures and challenges armed him with the lessons, successes and financial foundations to later start The Entourage.

Jack Delosa says "The journey up until today hasn't been without its challenges, but the early experiences made me realise the importance of finding the right mentors to help you succeed and grow your business. The next 12 months are going to be tough for a lot of business owners, but even more so for the ones who don't have a clear strategy in place, and don't have anyone they can turn to for proper advice. "

For the 67 per cent of business owners who are concerned about the upcoming recession, Jack offers a few of his own tried-and-tested strategies to get your business on the right track:

1. **Adopt a focus on revenue-generating activities:** Entrepreneurs should be focusing 80% of their time and efforts on revenue generating activities, especially when the market is turbulent. But this is where so many go wrong. From my experience, the average business owner only spends as little as 10% of their time on this.
2. **Develop an empathy map for where your customers are:** It's crucial for business owners to develop an understanding of what is going on for their customers, their core challenges, and any changed needs they may have. Business owners should then update all their marketing and communications around those insights, so they can speak directly to the hearts and minds of their customers.
3. **Have a plan, but be flexible:** This is the mindset that every business owner and their team needs to get comfortable with. Develop your north stars so that you and your team know where you're going, and everyone knows the role they have to play in getting there, but be clear with them - plans will change as goal posts do, and that's ok, because small-to-medium sized businesses have the advantage of pivoting and changing direction quickly (this is something that large organisations do not have).
4. **Seek out the right mentors and advisors:** Being an entrepreneur can be lonely, and no one person can know it all, so surrounding yourself with experts and industry leaders will help you feel more supported, which is invaluable. This method of connecting members with experts for personalised coaching to share strategies for success is how The Entourage has helped our members outperform the market by 300%, and generate over \$800 million in cumulative revenue in the past 12 months alone.

To find out more, visit: <https://www.the-entourage.com>

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About The Entourage**

[The Entourage](#) is Australia's leading business coaching and training provider for 6, 7 and 8-figure business owners. They offer a unique personalised coaching experience that connects business owners with elite entrepreneurs and experts who have proven strategies to achieve tangible results. Founded by high-profile entrepreneur, investor, AFR Young Rich List Member and best-selling author - Jack Delosa - who has direct experience starting, leading and investing in high-growth businesses.

Since 2010, The Entourage has transformed more than 3,500 businesses in over 150 industries, built a worldwide community of 650,000 successful entrepreneurs and business owners, and helped members generate over \$2 billion in revenue.

The Entourage is the country's most-recognised brand when it comes to paving the path forward for high-growth entrepreneurs like Jane Lu (Showpo) and Aaron Smith (KX Pilates). The Entourage is on a mission to empower entrepreneurs by giving them everything they need to build great businesses and live meaningful lives.