

Evolving Entrepreneurship Patterns in the U.S.: Findings, Trends, and Next Steps for EPOP

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Quentin Brummet | NORC

Brummet-Quentin@norc.org

Anthony Washburn | NORC

Washburn-Anthony@norc.org

OVERVIEW

The EPOP:2025 Survey is the fourth wave of data collection in the ongoing EPOP Survey Project, offering a detailed snapshot of entrepreneurial activity in the United States during the first quarter of 2025. Using a nationally representative sample from NORC's AmeriSpeak Panel, this wave focuses on national-level estimates of entrepreneurial activity across key demographic groups. The data reveal a continued decline in nascent entrepreneurship and a steady rise in former business ownership. Trends in freelance and digital platform work remained relatively stable, with digital platform engagement peaking in 2024 before slightly declining in 2025.



Looking ahead, we are pleased to share preliminary plans for the EPOP:2026 Survey. Scheduled for implementation during the first quarter of 2026, this wave will introduce a longitudinal component, offering a unique opportunity to analyze entrepreneurship patterns over time and deepen our understanding of entrepreneurial dynamics in the U.S.

1 THE EPOP:2025 SURVEY

The EPOP:2025 Survey is the fourth of five waves of EPOP data collection and continues the core goals of the EPOP project by capturing the state of entrepreneurship in the United States. The survey was conducted during the first quarter of 2025, with data collected through NORC's AmeriSpeak Panel, a probability-based online panel.¹

The core questionnaire maintains consistency with previous waves while incorporating targeted updates to provide new content. New content for EPOP:2025 includes:

- The length of time gig workers have pursued this type of non-traditional employment and the percentage of their income that comes from their gig work activities.
- Business owners who provide health insurance for their employees were asked how much health insurance costs they cover and owners who do not provide health insurance coverage were asked about the challenges that prevent them from doing so.
- All respondents were also asked their sexual orientation, their sex assigned at birth, and their current gender identity.
- The Association for Enterprise Opportunity (AEO) sponsored item modules aimed at measuring key characteristics of microbusiness owners and questions related to employee staffing and management.

A full listing of these changes and the corresponding items may be found in the EPOP:2025 Survey Item Crosswalk.²

2 TRENDS IN ENTREPRENEURSHIP OVER TIME

We examine trends in business ownership as well as freelance and digital platform work from 2022 to 2025. The EPOP survey defines current business owners as those who at the time of the survey reported owning a business, professional practice, or farm. Former business owners are those who reported previously owning such an enterprise that they closed, sold, or left prior to their participation in the EPOP survey. Finally, nascent entrepreneurs are those who reported that they were considering starting a business or other form of self-employment. Further information about this measurement process may be found in Brummet and Johnson (2023).

In the context of the EPOP Survey, freelance workers are individuals who report working for themselves as a freelancer, consultant, or independent contractor. Digital platform workers are defined as individuals who, in the previous six months,³ reported earning money through short, paid tasks or jobs online or in-person that

¹ Unlike EPOP:2024, which involved a state and MSA sample design, EPOP:2025 has a revised sample design with the objective of providing national estimates of entrepreneurship characteristics by demographics like race/ethnicity, gender, age, and education.

² The EPOP:2025 Survey Item Crosswalk is located here: <https://epop.norc.org/content/dam/epop/researchers/pdf/epop-2025-survey-item-crosswalk.pdf>.

³ The time reference for digital platform work is six months as opposed to one week to capture the variability and sometimes periodic nature of this work.

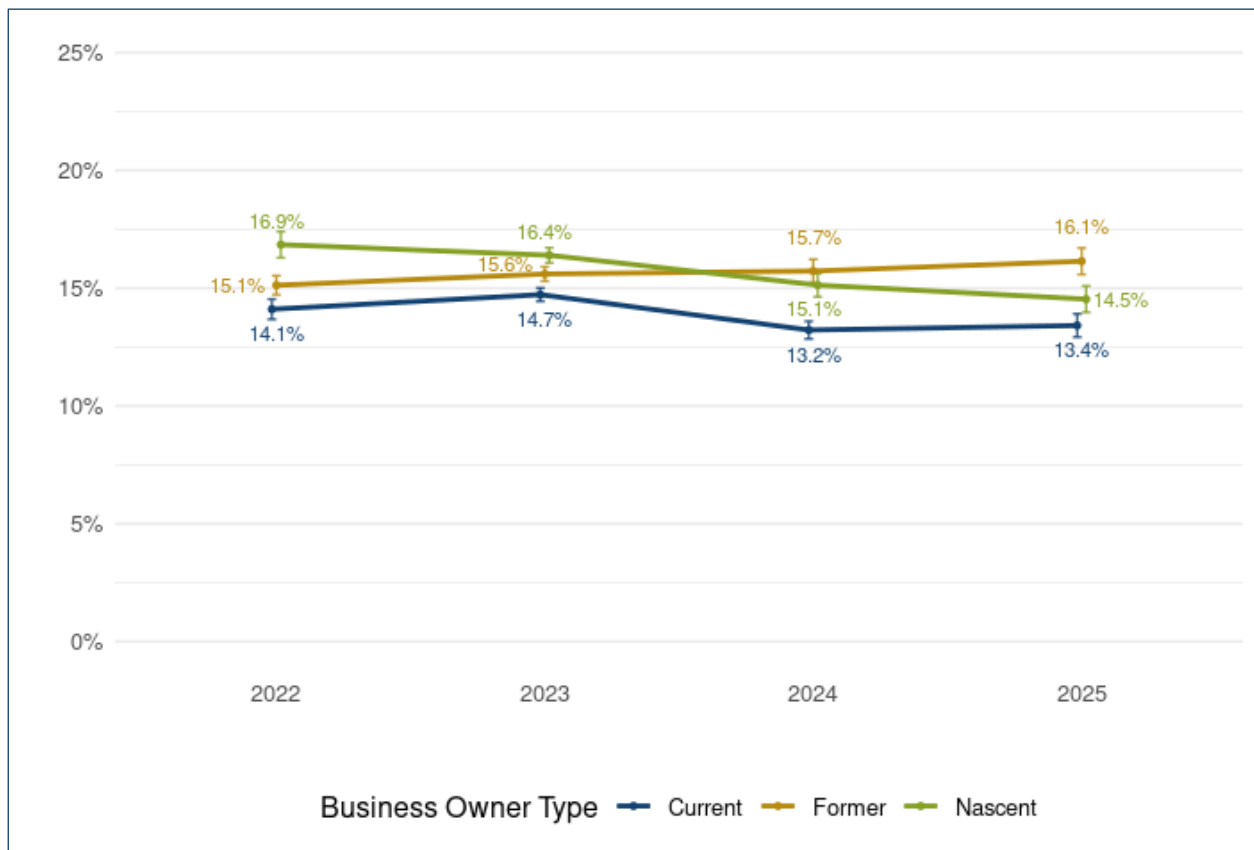
are sourced through companies that coordinate payment for the service via a digital platform (e.g., Uber or Upwork).⁴

Trends in Business Ownership

Trends in current, former, and nascent business ownership over the past four years show an overall decline in business ownership. Figure 1 shows the proportion of U.S. adults reporting owning a business increased from 2022 to 2023 before dropping to 13% in 2024, the lowest level in this four-year period. This rate then stabilized from 2024 to 2025.

The share of former business owners experienced a small but steady rise over the last four years, increasing from about 15% in 2022 to just over 16% in 2025. Most strikingly, the proportion of nascent entrepreneurs in the U.S. has been on the decline since 2022 where about 17% of the population was considering starting a business to only about 14% in 2025. Taken together, these two trends suggest a shift in the entrepreneurial landscape, marked by a growing number of individuals exiting business ownership and a shrinking pool of prospective entrepreneurs.

FIGURE 1. Proportion of Business Owners in the U.S. Population by Type

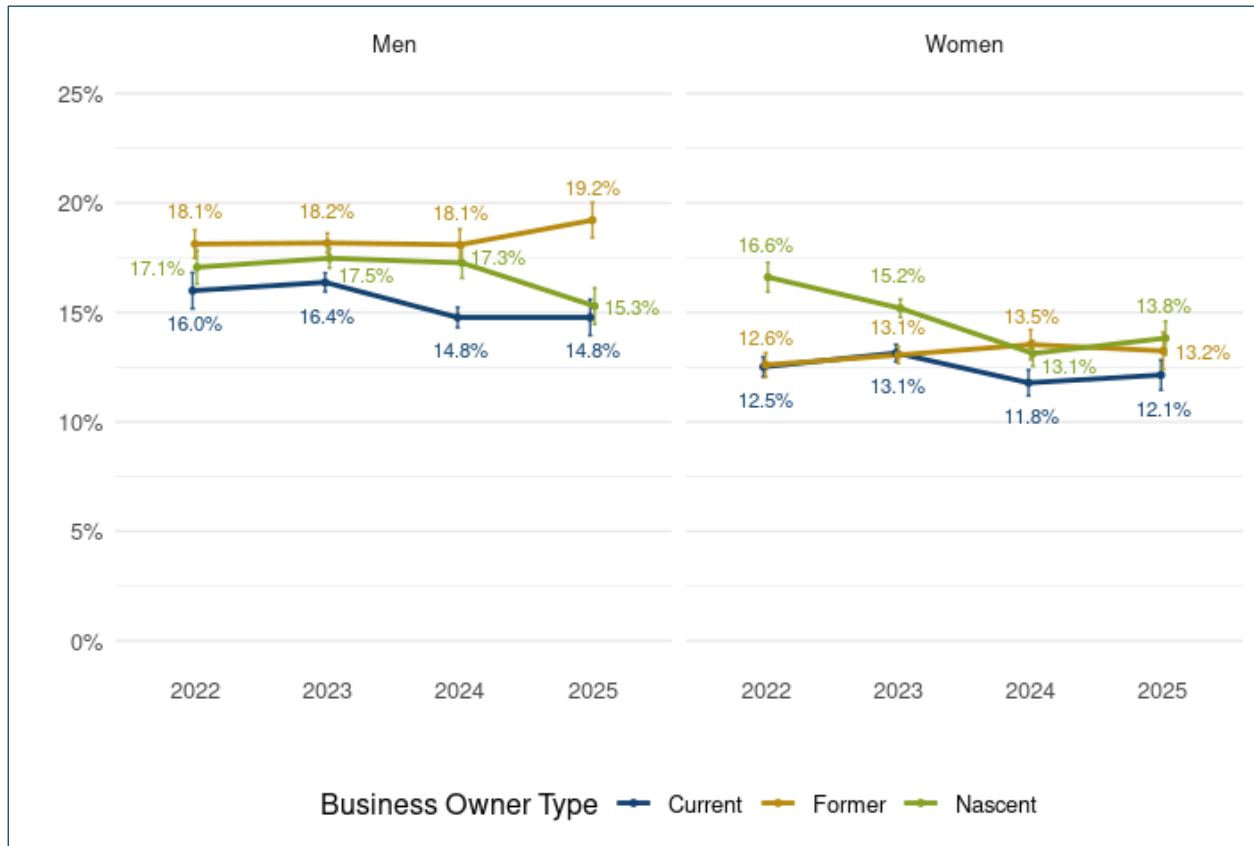


Source: NORC, Entrepreneurship in the Population Survey: 2022–2025.

⁴ Digital platforms were confirmed through independent coding. For more information on this process, please see Atkins et al. (2025).

Trends in business ownership over the last four years vary across demographic groups. Figures 2 and 3 show the same trends as in Figure 1, but separated by gender and race/ethnicity, respectively. Figure 2 shows that trends in current business ownership and nascent entrepreneurship have been consistent for men and women over time. Finally, men had an uptick in former business ownership from 2024 to 2025 relative to women, suggesting more newly closed businesses were owned by men.

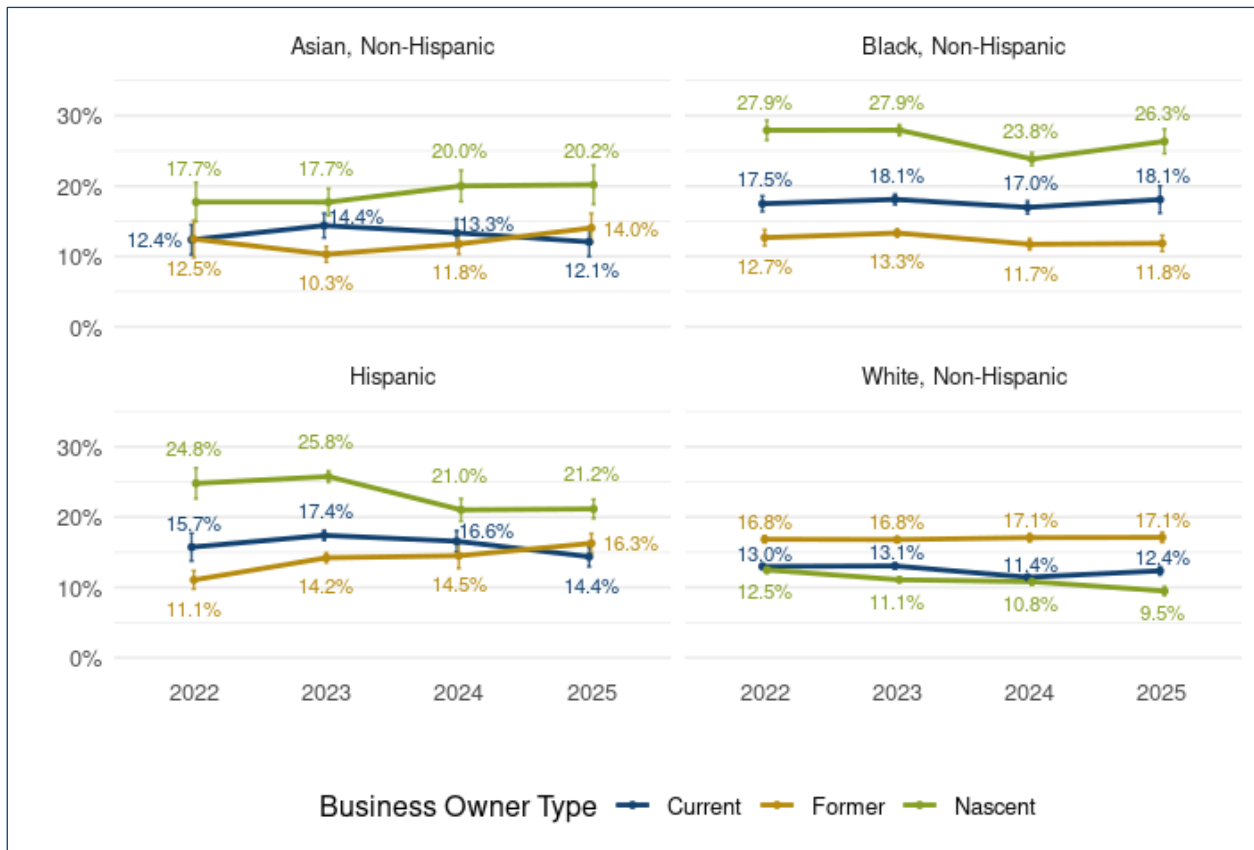
FIGURE 2. Proportion of Business Owners in the U.S. Population by Type and Gender



Source: NORC, Entrepreneurship in the Population Survey: 2022–2025.

Business ownership trends also diverge across race and ethnicity. As shown in Figure 3, patterns for non-Hispanic Black and non-Hispanic White individuals have remained relatively stable across the last four years. In contrast, non-Hispanic Asian and Hispanic individuals have both seen increases in former business ownership over the past four years. Notably, Hispanic individuals have also experienced a decrease in nascent entrepreneurship since 2023. The business ownership trends for Hispanic individuals suggest a continued slowing of entrepreneurial activities as more businesses are closing and fewer individuals are pursuing new business ventures.

FIGURE 3. Proportion of Business Owners in the U.S. Population by Type and Race/Ethnicity

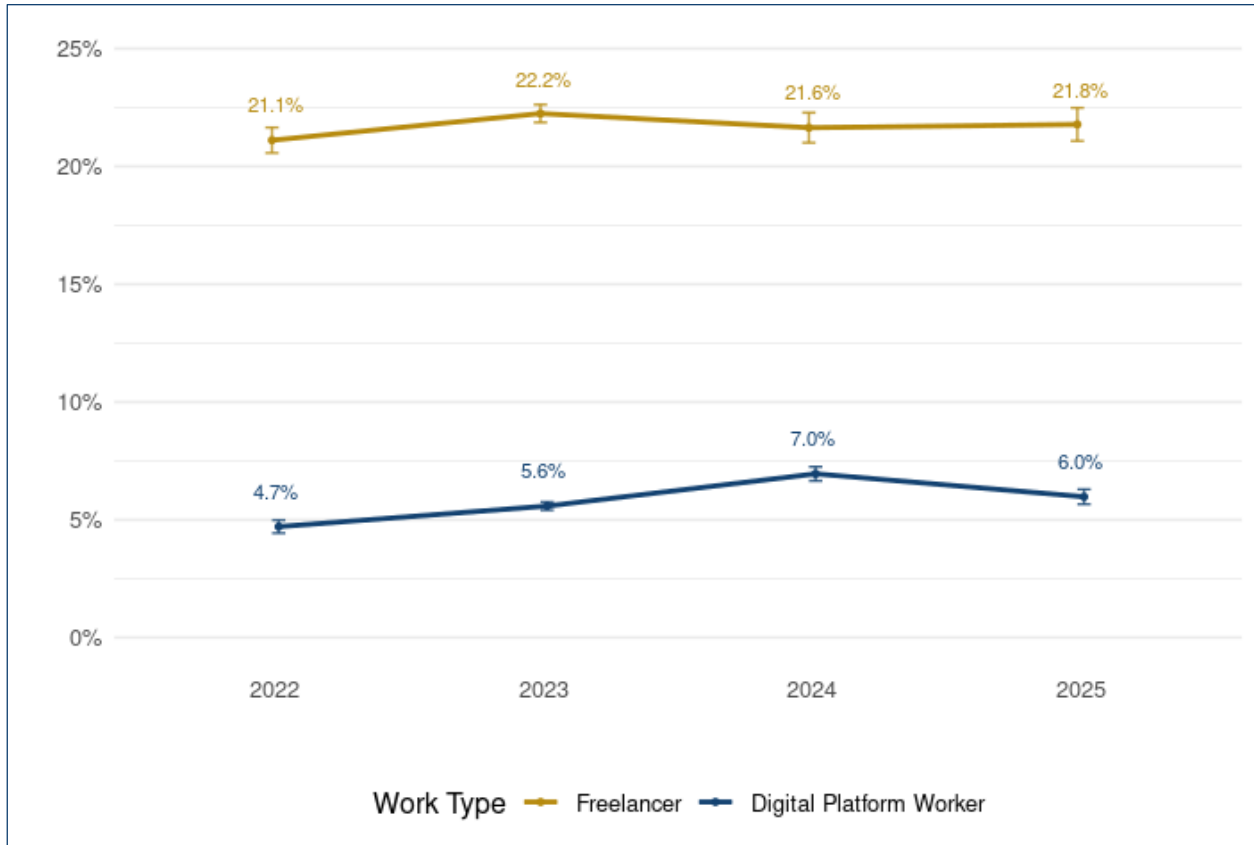


Source: NORC, Entrepreneurship in the Population Survey: 2022–2025.

Trends in Freelance and Digital Platform Work

Trends in freelance work have remained relatively stable over the past four years with digital platform work slightly increasing over time. Figure 4 shows a much greater share of the U.S. population engaged is in freelance work compared to digital platform work (21-22% and 5-7%, respectively), although digital platform work increased from 2022 to 2024 by about 2 percentage points with a slight decrease in 2025. These broad trends in freelance and digital platform work were consistent across gender and racial/ethnic groups (see Figures A1 and A2 in the Appendix).

FIGURE 4. Proportion of Freelance and Digital Platform Workers in the U.S. Population



Source: NORC, Entrepreneurship in the Population Survey: 2022–2025.

3 LOOKING FORWARD TO EPOP:2026

The next and final wave of the EPOP Survey Project will collect data in the first quarter of 2026 and provide a valuable opportunity to further study entrepreneurship trends. EPOP:2026 will use a new sample design where most completed interviews will consist of respondents who have completed prior waves of EPOP. This sample design will allow for longitudinal analyses while still allowing for key cross-sectional estimates at the national level.

We anticipate EPOP:2026 will support a range of new analyses including:

- Insights into the steps taken by nascent entrepreneurs that are predictive of successfully opening a business in future years.
- Shedding light on the predictors of success for business owners, including the steps and challenges most associated with growing a business compared to shutting one down.
- Detailed examinations of how access to capital for both nascent entrepreneurs and current business owners is associated with business success.
- Analyses of the future entrepreneurial activities of freelancers and gig workers, and whether these activities lead to future business ventures and growth.

If you have any questions about current EPOP data or plans for EPOP:2026, please contact EPOPResearch@norc.org.

REFERENCES

Atkins, Rachel Marie Brooks, Quentin Brummet, and Katie Johnson. 2025. “Understanding the Online Platform Based “Gig” Workforce in the U.S.: Evidence from the Entrepreneurship in the Population Survey.” <https://www.nber.org/system/files/chapters/c15170/c15170.pdf>

Brummet, Quentin and Katie Johnson. 2023. “Entrepreneurial Background and the Path to Business Ownership: Evidence from EPOP:2023.” <https://epop.norc.org/content/dam/epop/media/publications/pdf/epop-2023-brief-entrepreneurial-background.pdf>

ABOUT THE EPOP SURVEY

EPOP Survey Project Overview

The EPOP Survey aims to fully understand entrepreneurship in the U.S. economy across the varied pathways people take towards business ownership. Thus, the EPOP Survey considers the experiences not only of current business owners but also individuals in the process of starting a business, as well as those who are no longer business owners. The project conducts an annual survey of approximately 30,000 individuals to represent the non-institutionalized adult population in the U.S. by state and major metropolitan area. This report is based on the 2024 survey. Subsequent annual surveys are planned through 2026, with the final 2026 round focused on reinterviewing previous EPOP respondents to provide longitudinal information for data users. The survey estimates the prevalence of current business owners, contractors, and freelancers, individuals planning to start a business, former business owners, and withdrawn business owners who at one point took steps towards business ownership. Of those who are or who have engaged in entrepreneurial activity, the EPOP Survey asks about business formation steps and support, challenges and obstacles, and capital investments.

Survey Design and Methodology (2025)

A complete methodology report is available on the EPOP Survey website.

Target Population. All non-institutionalized adults 18 years or older in the United States.

Sample Design and Frame. The study sample is selected from NORC's AmeriSpeak® Panel, with samples selected with explicit stratification and known sample selection probabilities.

Data Collection. EPOP:2025 data collection started on February 12, 2025, and ended on April 4, 2025. Data were primarily collected via an online survey; computer-assisted telephone interviewing was a secondary mode and available upon request. The survey was available in both English and Spanish. All participants were compensated for their participation.

Data Processing. The raw data file was reviewed and compared to the programmed survey specifications to identify data irregularities and develop any necessary code to transform raw data for consistency. Complete and partial survey records were all reviewed for data integrity (e.g., to identify respondents who completed the survey too quickly to have read question text and respondents who straight-lined responses) and those that were in violation were discarded. For a small number of cases where the data could not be repaired, the case was discarded. Similarly, cases were evaluated for item nonresponse. Those with high item nonresponse or missing critical pathway information were dropped from the final data set.

About ✨NORC

The EPOP Survey Project is designed and conducted by NORC at the University of Chicago. NORC is an independent research institution that delivers reliable data and rigorous analysis to guide critical programmatic, business, and policy decisions. NORC conducts objective, non-partisan research to help inform people in government, nonprofits, and businesses making decisions on key issues of the day. Our research addresses important issues like employment, education, and health care. Since 1941, NORC has conducted groundbreaking studies, created and applied innovative methods and tools, and advanced principles of scientific integrity and collaboration. Today, government, corporate, and nonprofit clients around the world partner with NORC to transform increasingly complex information into useful knowledge.

For more information, visit [NORC.org](https://norc.org) and connect with us at linkedin.com/company/norc and facebook.com/NORCatUofC.

About the Ewing Marion Kauffman Foundation

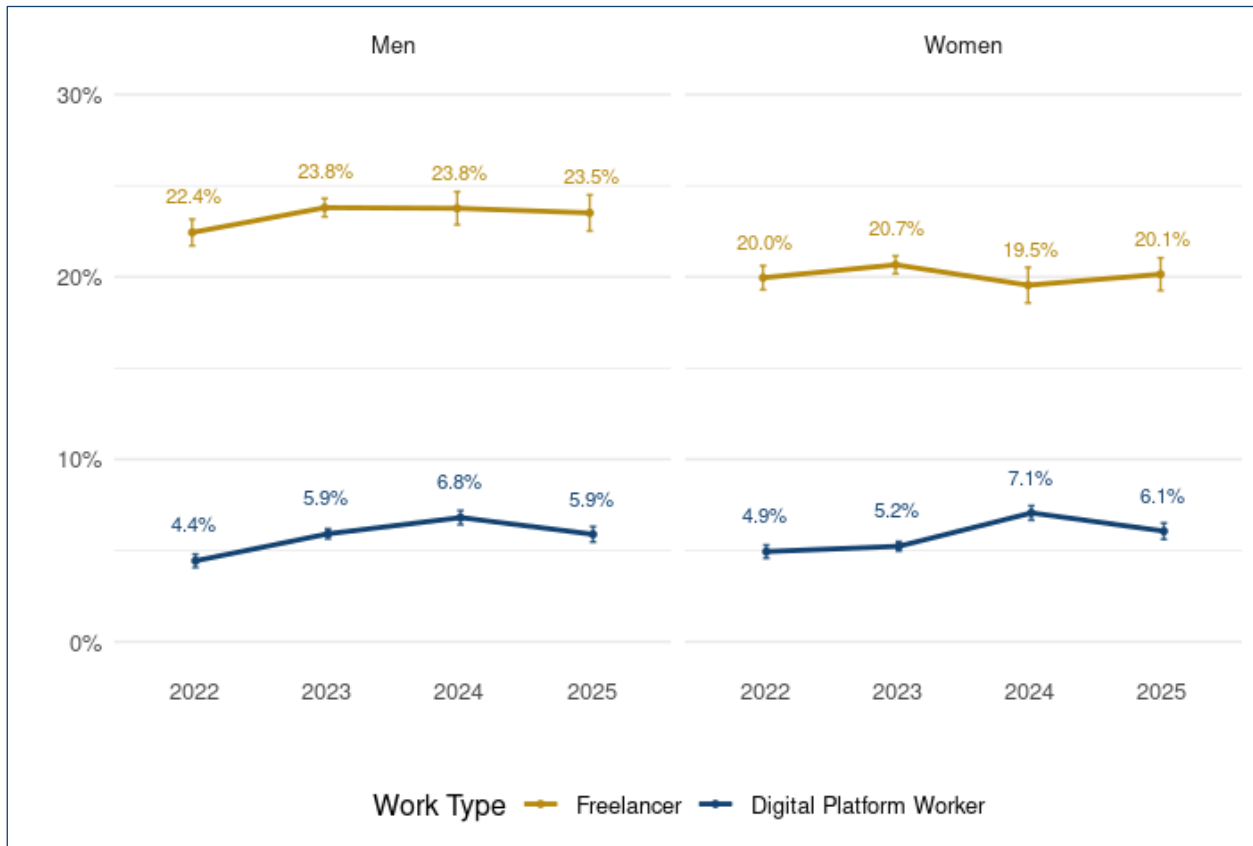
The EPOP Survey Project is both guided and funded by the Ewing Marion Kauffman Foundation a private, nonpartisan foundation based in Kansas City, Mo., which seeks to build inclusive prosperity through a prepared workforce and entrepreneur-focused economic development. The Foundation uses its \$3 billion in assets to change conditions, address root causes, and break down systemic barriers so that all people – regardless of race, gender, or geography – have the opportunity to achieve economic stability, mobility, and prosperity. For more information, visit kauffman.org and connect with us at x.com/kauffmanfdn and facebook.com/kauffmanfdn.

Acknowledgements

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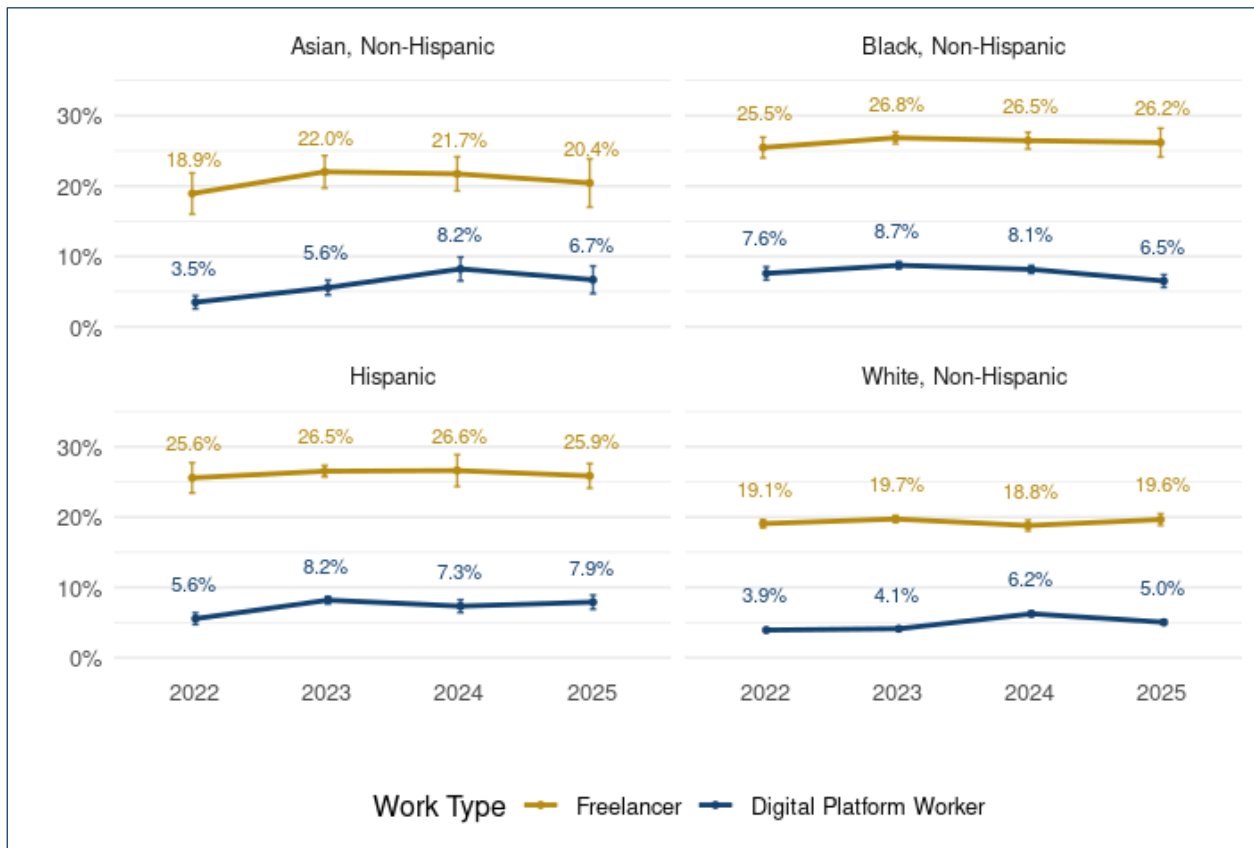
APPENDIX: TRENDS IN FREELANCE AND DIGITAL PLATFORM WORK BY U.S. POPULATION SUBGROUP

FIGURE A1. Proportion of Freelance and Digital Platform Workers in the U.S. Population by Gender



Source: NORC, Entrepreneurship in the Population Survey: 2022–2025.

FIGURE A2. Proportion of Freelance and Digital Platform Workers in the U.S. Population by Race/Ethnicity



Source: NORC, Entrepreneurship in the Population Survey: 2022–2025.