

2018 Women Business Owner Spotlight

Letter from Sharon Miller



We're excited to share the 2018 Bank of America Women Business Owner Spotlight, our third annual study exploring the goals, challenges and everyday realities of women entrepreneurs across the country.

This year, we find that women entrepreneurs are increasingly confident about the business environment – and their own outlook for growth – with economic optimism reaching a two-year high, and a larger number expecting their revenues to increase compared to last year. As the digital transformation

sweeps across the small business landscape, the Spotlight also explores the role of women-owned businesses in adopting game-changing technology, including the finding that women are deploying mobile devices for payments and other business functions at a higher rate than men.

We also dug into women's experiences regarding access to capital. While an overwhelming majority believe access to capital for women business owners has improved over the last decade, a majority still believe it is more difficult to secure financing for their businesses than it is for men.

Bank of America is committed to providing women entrepreneurs with solutions to ignite and accelerate their potential. Through the Tory Burch Foundation Capital Program, we've loaned more than \$40 million to more than 2,000 women business owners since 2014. We extend opportunities to women-owned businesses as part of an annual \$2 billion Supplier Diversity Program, and we partner with several organizations helping women succeed as business owners through mentoring, networking, and education and training.

Whether you've been in business for decades or just opened your doors this year, Bank of America is committed to helping provide you a competitive advantage to sustain and responsibly grow your small business—that's the Bank of America Business Advantage.

Sharon Miller, Managing Director, Head of Small Business, Bank of America

Methodology

GfK Public Communications & Social Science conducted the Bank of America Small Business Owner Report Survey for Spring of 2018 online between February 12 and March 26, 2018 using a pre-recruited online sample of small business owners. GfK contacted a national sample of 1,031 small business owners in the United States with annual revenue between \$100,000 and \$4,999,999 and employing between two and 99 employees. In addition, a total of approximately 300 small business owners were also surveyed in each of ten target markets: Atlanta, Boston, Chicago, Dallas, Houston, Los Angeles, Miami, New York, San Francisco and Washington, D.C. The sample was comprised of 655 male and 376 female small business owners. The final results were weighted to national benchmark standards for size, revenue and region.

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Rising business and economic confidence

Women business owners are much more confident about their revenue growth prospects, while hiring and long-term growth plans are also up slightly from last year.



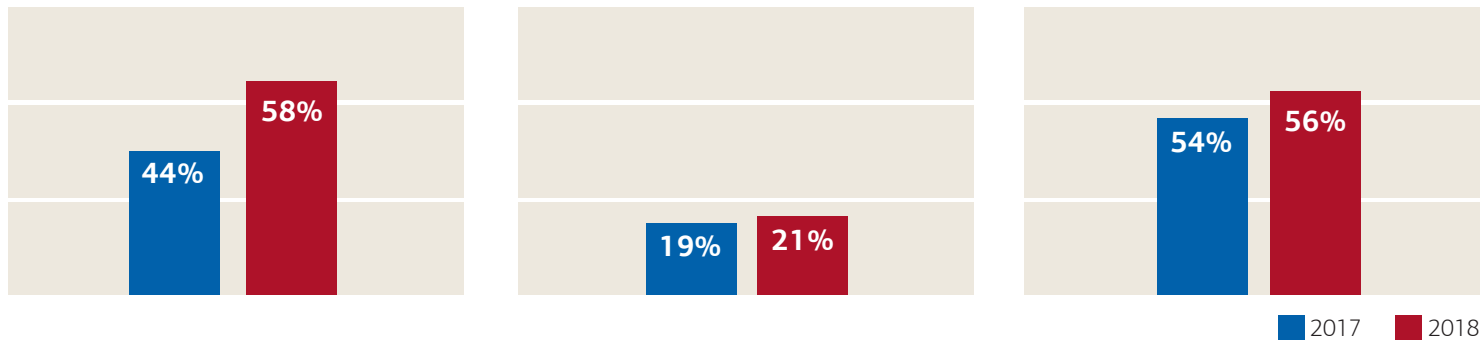
Expect **revenue to increase** in the year ahead



Plan to hire in the year ahead

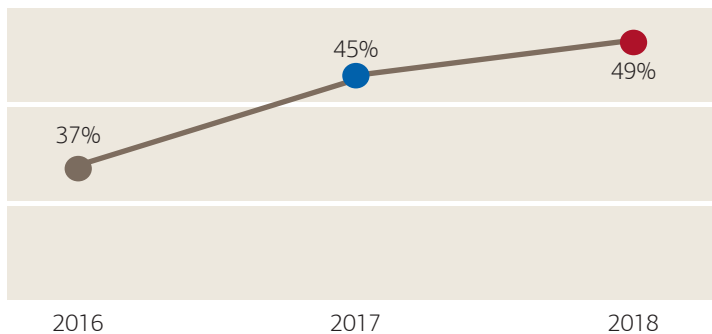


Plan to **grow business** over the next five years

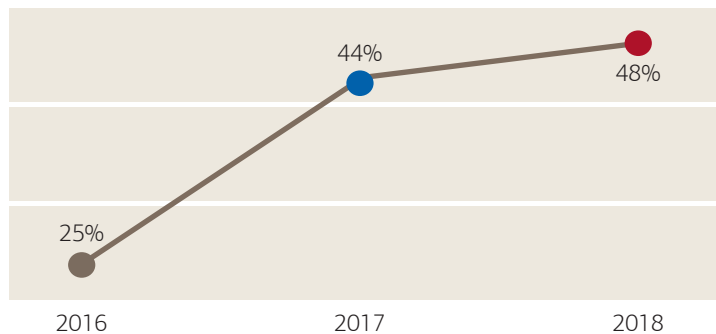


Mirroring this trend, women entrepreneurs' confidence in the economy has been on the rise since 2016.

My **local economy** will improve over the next 12 months

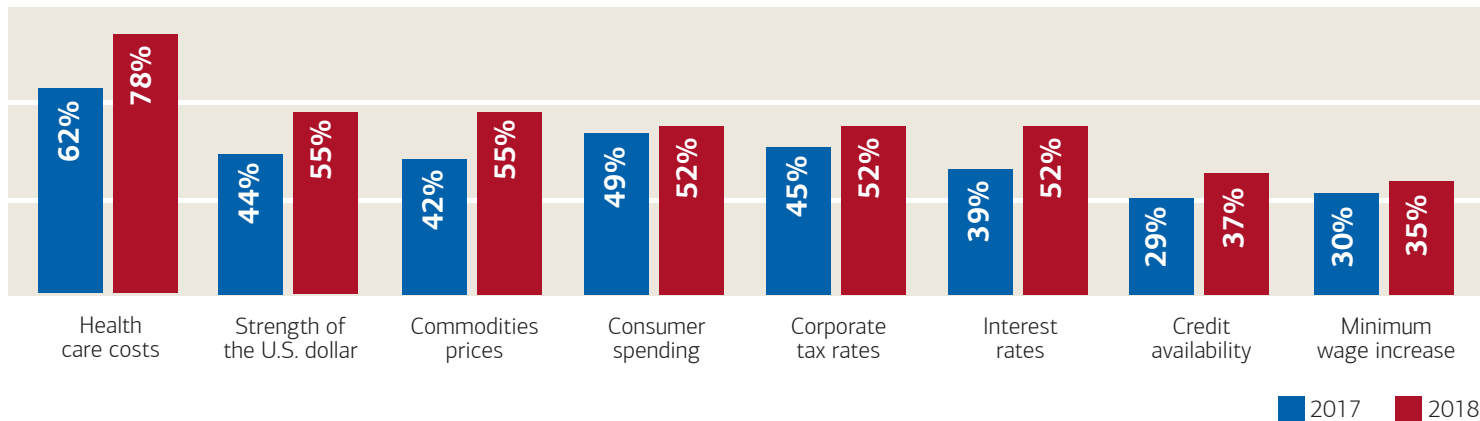


The **national economy** will improve over the next 12 months



However, women business owners' concern over a variety of economic factors has also increased since last year, including health care costs, commodities pricing and interest rates.

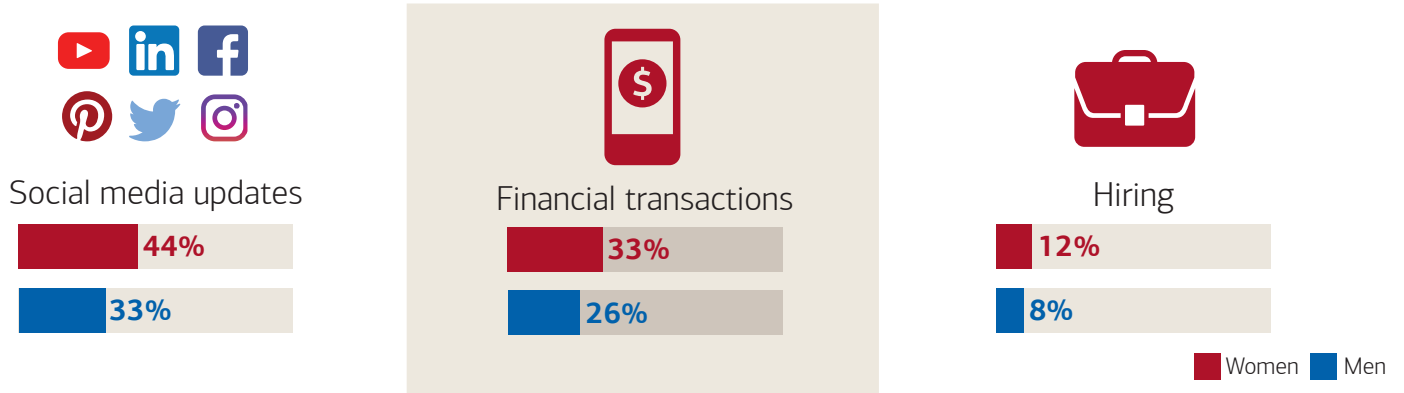
Over the next 12 months, I am concerned about...



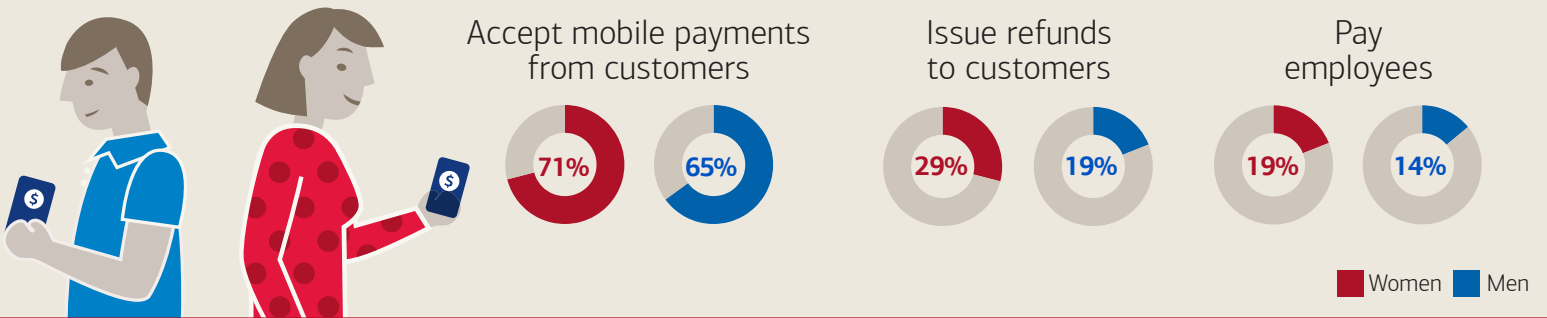
Leading the digital transformation

While half of small business owners foresee a complete transition to digital payments in the next five years, women entrepreneurs are leading the charge - with a higher percentage using mobile devices to process payments and manage other transactions.

Women entrepreneurs are more likely to use **mobile devices** for **complex tasks**, including:

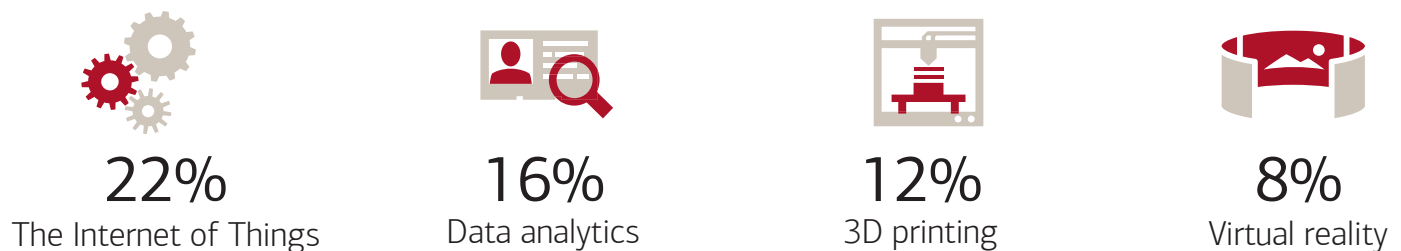


Among those conducting **financial transactions** on **mobile devices**, women business owners are more likely than men to...



Looking to the future, more than three-fourths of women entrepreneurs believe the success of their business will be dependent on continuing innovation. In fact, 42 percent report they currently use or are exploring at least one advanced technology.

I am currently using or exploring...



Progress toward equal access to capital

Women entrepreneurs say conditions have improved for women-owned businesses to start up and succeed.

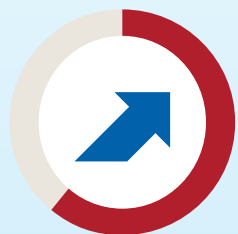


84%

Say access to capital for women entrepreneurs has improved in the last decade

However, they still perceive a steeper climb to small business ownership and financing than their male counterparts.

When comparing themselves to male business owners they know, women entrepreneurs say...



61%

It was more difficult to start my business



68%

It was more difficult to secure financing



Women entrepreneurs who see a **gender disparity in access to capital** believe the one factor that would have the **greatest impact** is...

