

DO WOMEN BUSINESS OWNERS HAVE IT ALL?

SMB Insights
2015

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Do women business owners have it all? This is the question that comes to mind upon reviewing the results of The Business Journals SMB Insights segment on women. While the question is decidedly tongue-in-cheek, the dimensions women business owners share are undeniably powerful.

CRITICAL MASS

Women-owned businesses are one of the largest and fastest growing sub-segments of the U.S. business market.

INDEPENDENCE

Women business owners are independent decision makers who call the shots at their companies. They work fewer hours per week than male peers and travel less frequently for business.

WEALTH

Women business owners are wealthier and have household incomes 56% higher than other full-time working women.

MEANING

Women business owners hold a unique 'work-values' balance. They are striving for financial success, but not if that success overshadows an even more important value: the inherent meaning of their work. Women owners want and need to be engaged in work that is personally satisfying and fulfilling.

WINNING AT SOCIAL

Women-owned businesses are also more engaged with social media, especially Facebook, and are cashing in. More than one-third (35%) are generating revenue from social media (versus 23% of men-owned companies).

HIGHLY DISCRIMINATING

Women owners regard 'respect' and 'ethics' as pivotal dimensions of their brand decision making process. Their ethical perspective extends to the environment and is exhibited through their 'green' efforts and pursuit of sustainable products and services.

THE PRICE? STRESS.

Women owners are stressed, time pressured, and concerned they won't have enough time to spend with their families. These stressors are much more prevalent for women owners than their male peers.

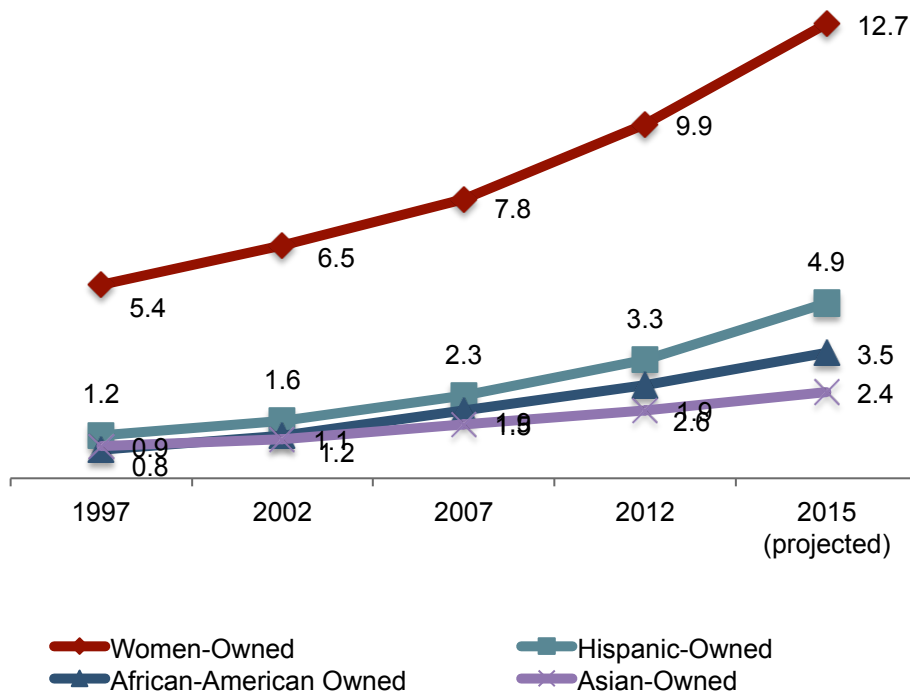
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A SIZEABLE AND DISTINCT AUDIENCE

The growth of women-owned business is increasing, with greater acceleration than other business sub-segments

NUMBER OF WOMEN-OWNED BUSINESSES

(In Millions)



GROWTH OF WOMEN-OWNED BUSINESSES

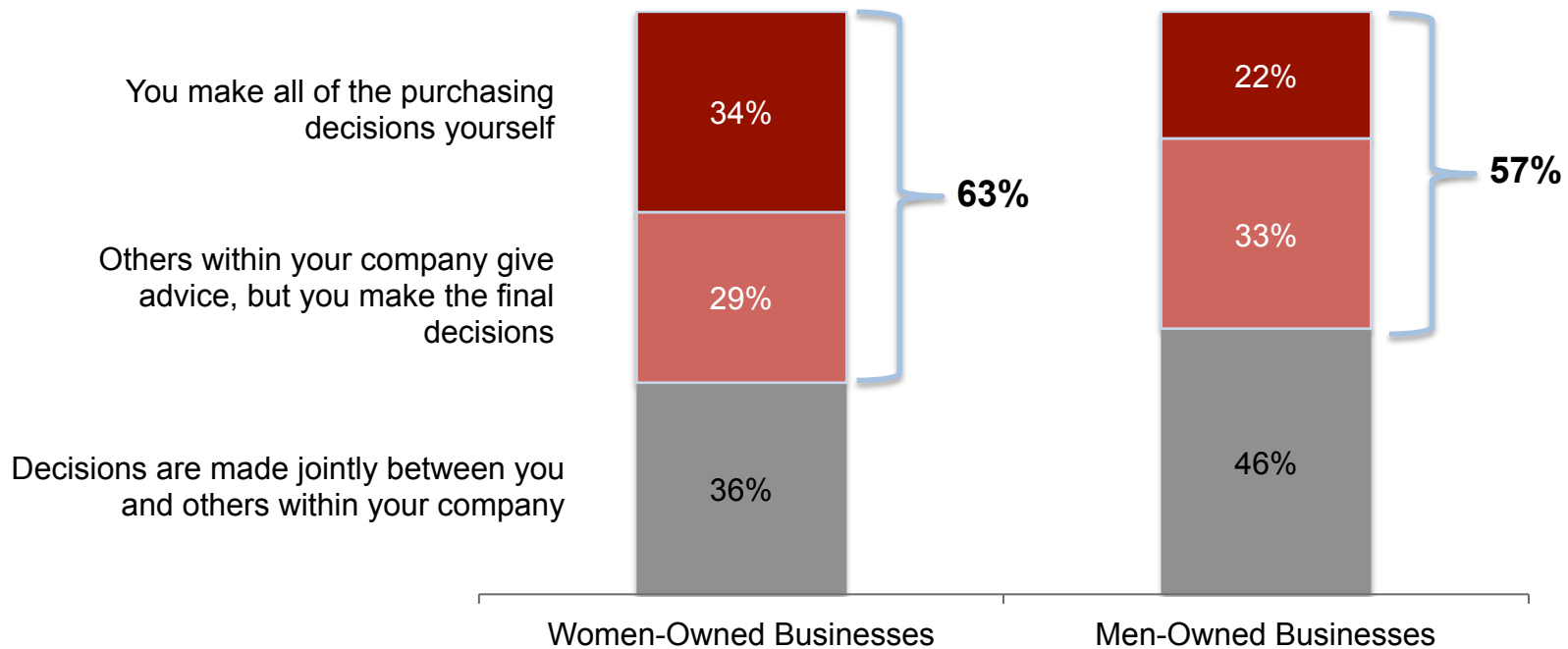
	% Growth 2007 v 2002	% Growth 2012 v 2007
Women-Owned businesses	+20.1%	+27.5
Hispanic-Owned businesses	+43.6	+46.9
African-American Owned businesses	+60.5	+34.9
Asian-Owned businesses	+40.4	+25.0
All US Businesses	+17.9	+2.0

Source: US Census Bureau: Survey of Business Owners (2012 data published 8/18/15)

Base: All US Non-farm businesses operating in the 50 states and District of Columbia. NOTE: 2015 projected using 2012 vs. 2007 growth rates

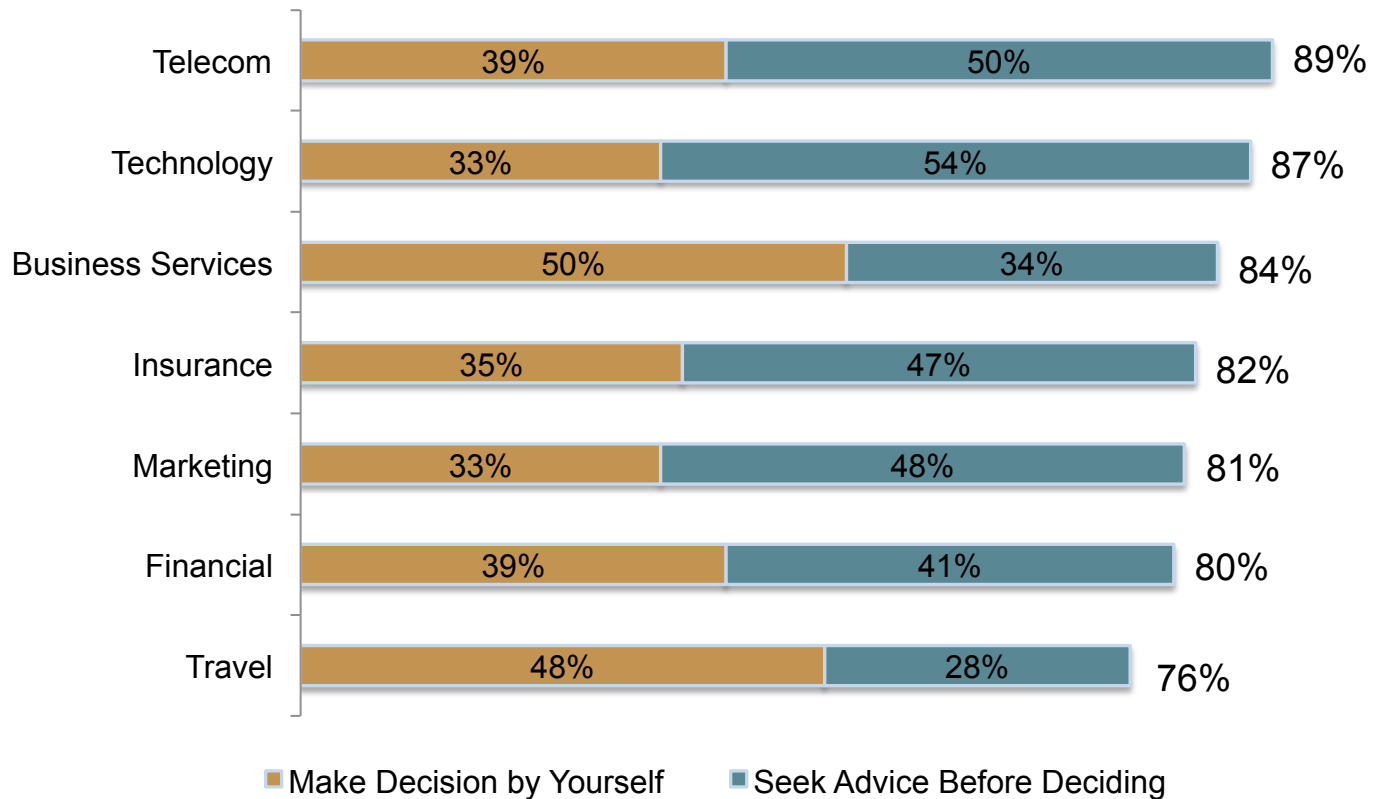
Women business owners take a strong lead in determining the purchase decisions made for their companies

ROLE IN PURCHASING DECISIONS



Women owners determine specific vendor & brand choices across numerous lines of business

DECISION MAKING ACROSS LINES OF BUSINESS



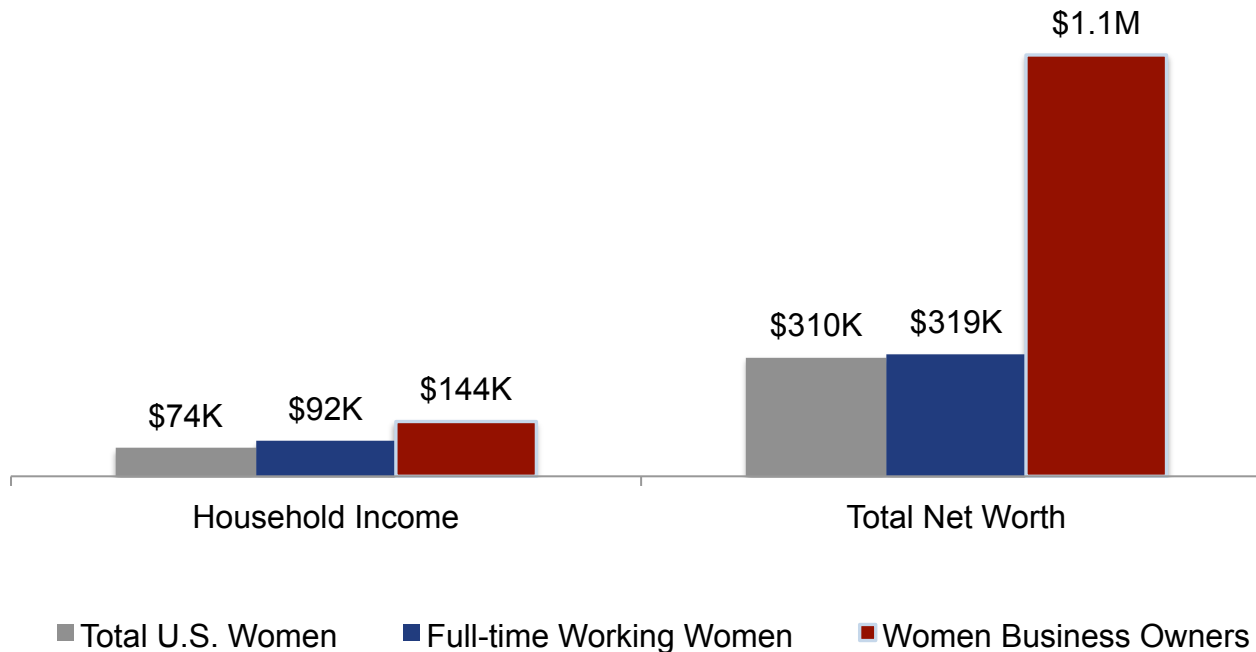
“Your company undoubtedly interacts with & uses the services of many industries. Please indicate how vendors & brand decisions are made by your company for each industry listed below.”

Women run companies are smaller & newer than those run by men; they are most found in the South & West

	Women-Owned Businesses	Men-Owned Businesses
# of Employees (average)	18	26
# Yrs in Business (average)	22.2	28.4
Under 10 Years	22%	14%
<hr/>		
Minority-owned	22	10
<hr/>		
A/B Counties	74	78
A Counties	42	50
Northeast	12	22
South	37	34
Midwest	23	23
West	28	21
<hr/>		
Annual Sales (average)	\$4.6M	\$9.1M
11% + Sales	34%	37%
<hr/>		
Blue Collar	30	31
White Collar	63	63
Unclassified	7	6

Women business owners have substantially higher incomes and net worth than other women who are working full-time

WOMEN BUSINESS OWNERS' WEALTH & INCOME



Despite women owners' greater wealth versus other working women, they lag the financial stature of men owners

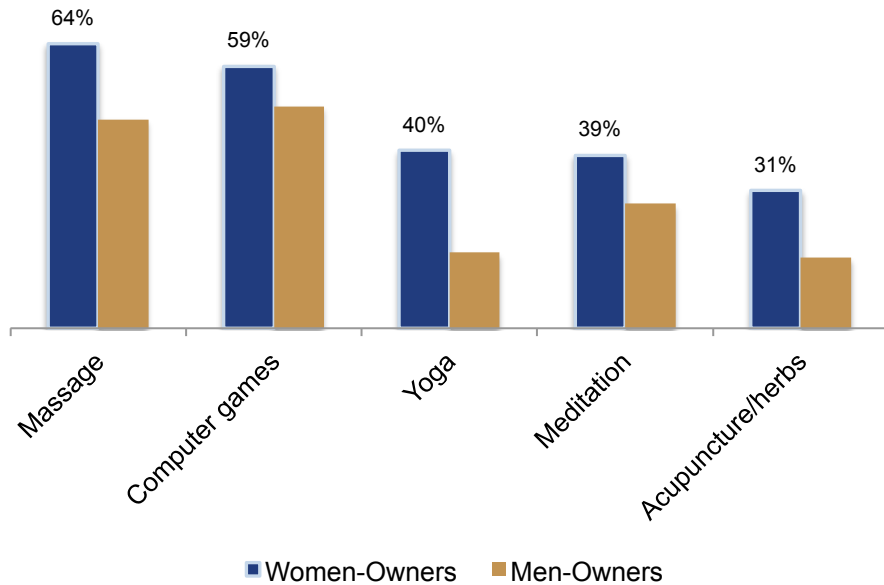
KEY DEMOGRAPHICS

	Women-Owners	Men-Owners
Age (average)	49.1	53.5
College graduate + Post graduate studies	65% 31	73% 35
Household Income (average)	\$144K	\$201K
Personal Investment Portfolio (average)	\$355K	\$489K
Planned Personal Investment Amount for 2015 (average)	\$41K	\$52K
Total Net Worth (average)	\$1.1M	\$1.7M

Women owners unwind by getting massages, playing computer games, meditating and doing yoga

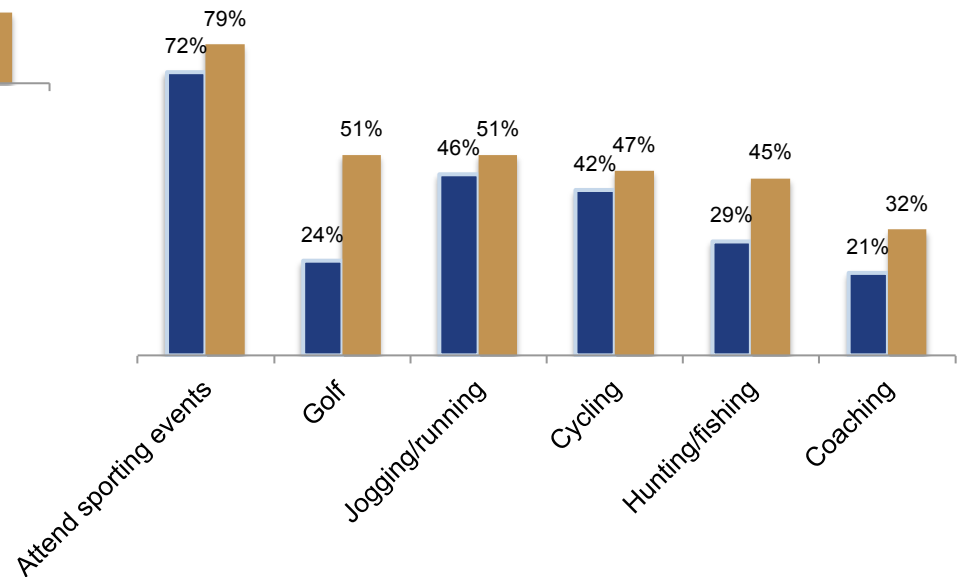
ACTIVITIES DONE MORE BY WOMEN

% Engage in Regularly/Occasionally



ACTIVITIES DONE MORE BY MEN

% Engage in Regularly/Occasionally



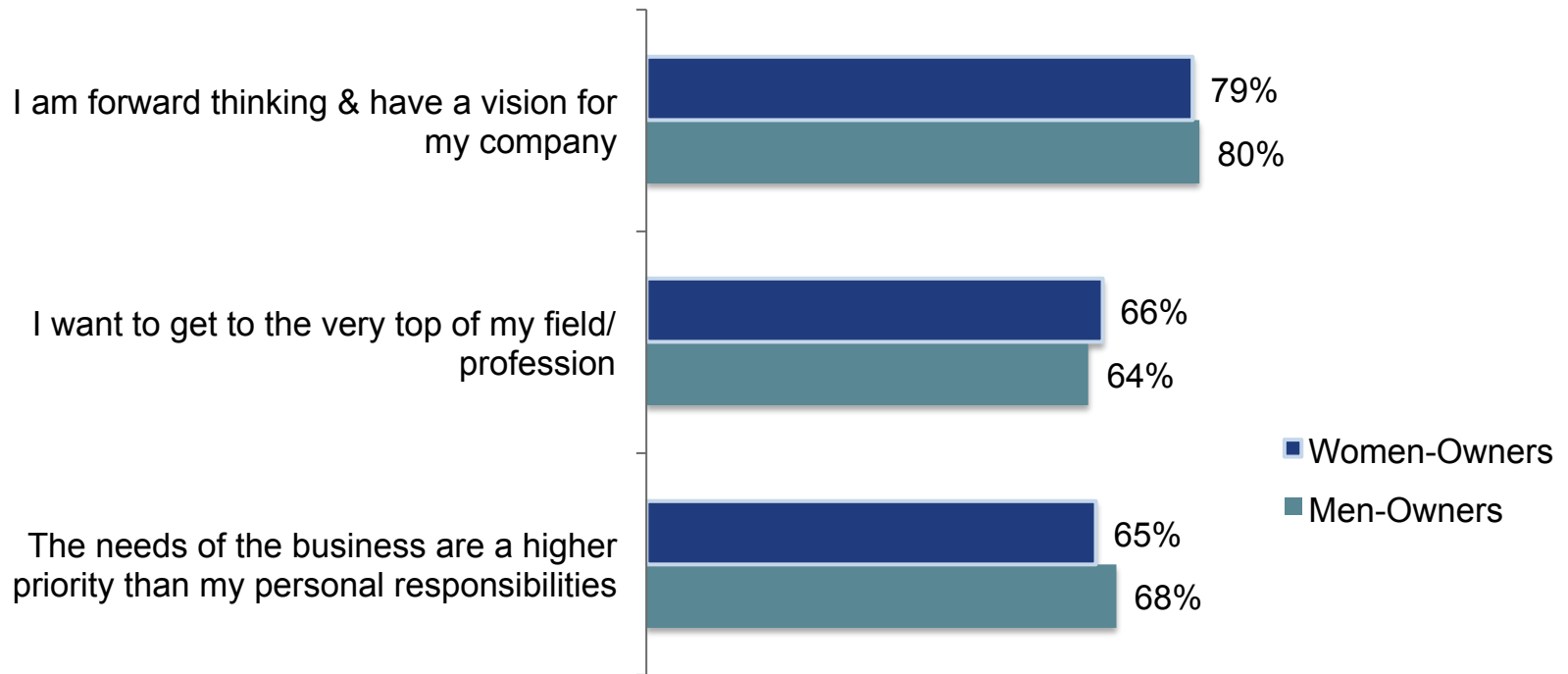
“How frequently do you engage in each of the activities listed below?”

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A UNIQUE 'WORK-VALUES' BALANCE

PERSONAL ATTITUDES ABOUT BUSINESS

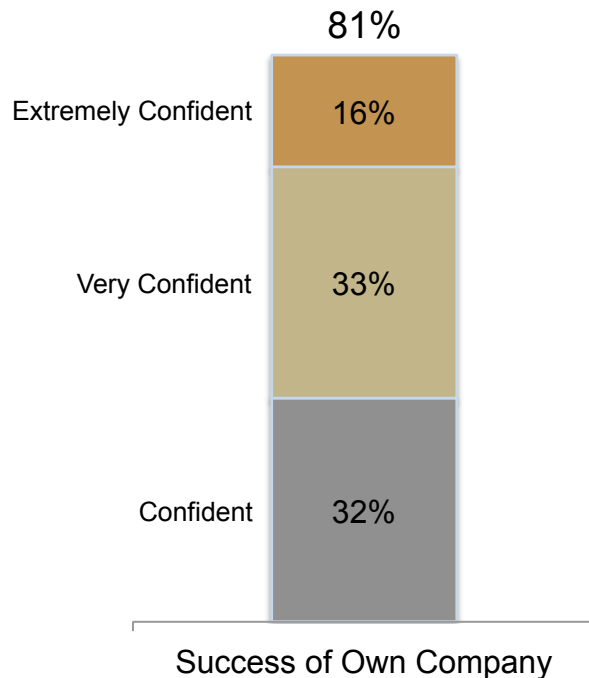
% AGREE



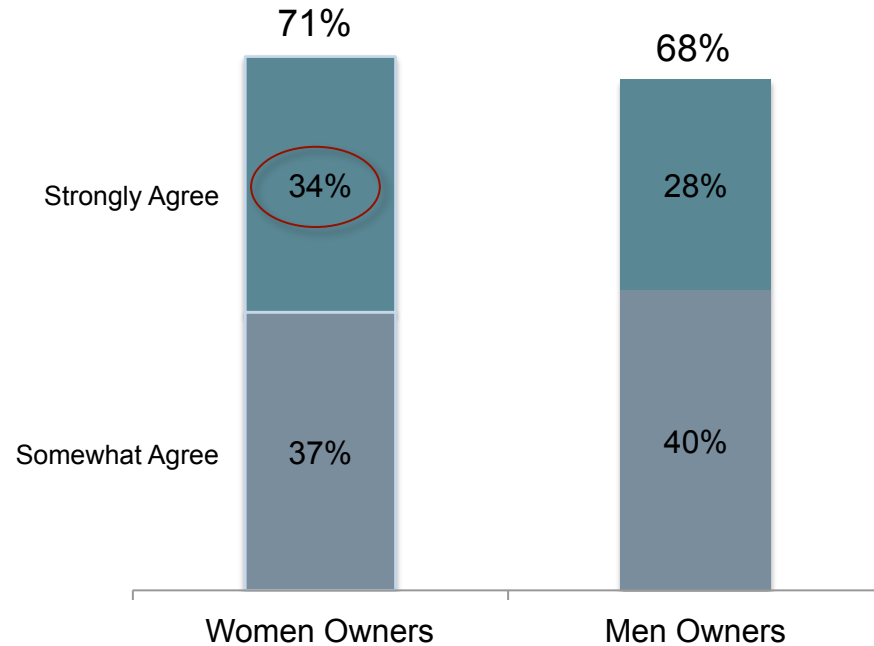
“The following are a series of statements which may/may not reflect how you think about business or life in general. By entering a number, please indicate whether you agree or disagree with each one, using a 0-to-10 scale.”

Women owners are also highly confident in the future success of their businesses

CONFIDENCE IN COMPANY'S SUCCESS

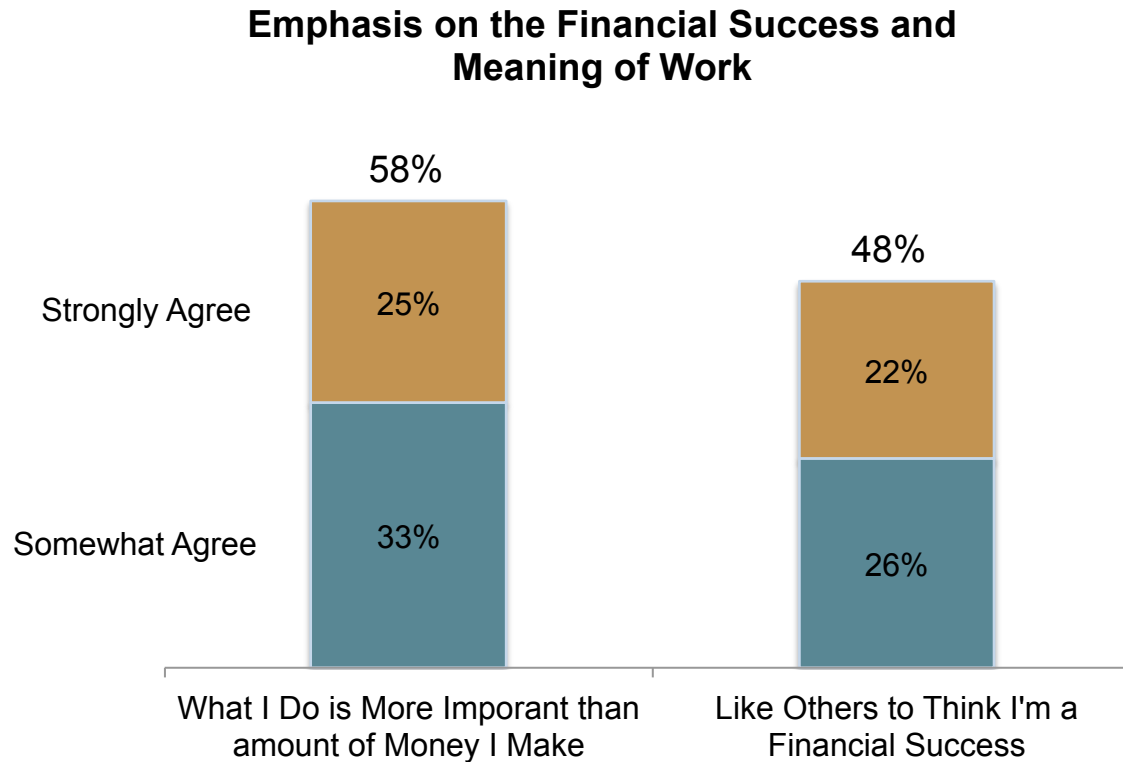


"I Expect the Company to Grow a Good Deal Over the Next Few Years"



"What is your level of confidence in the success of your company (based on revenue, profitability & growth) over the next 24 months?" "The following statements which may/may not reflect how you think about business or life in general. How much do you agree/disagree with each one using a 0-to-10 scale?"

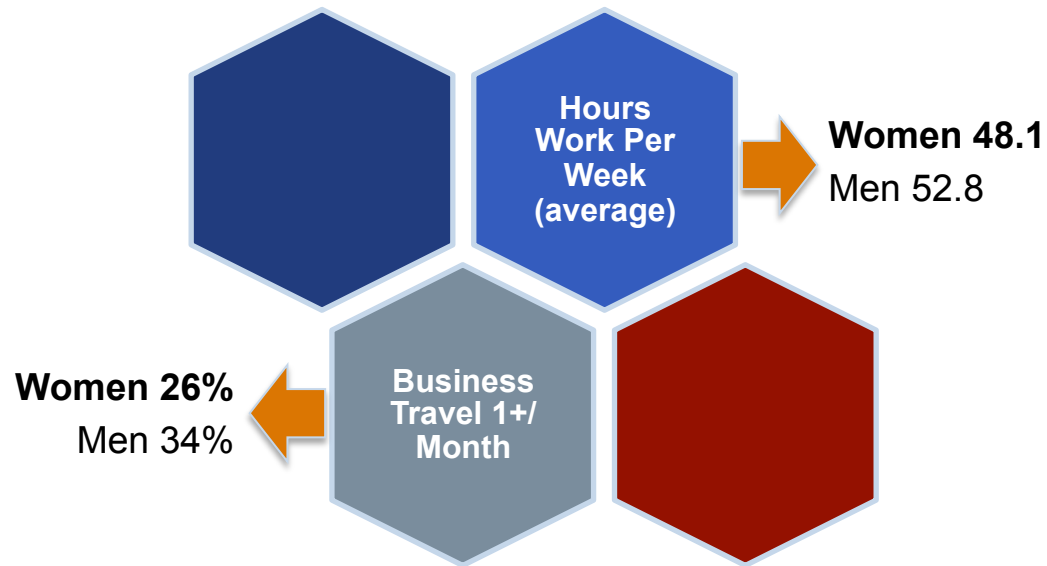
Although many want to be seen as financially successful, the meaning of their work is a higher priority



“The following statements which may/may not reflect how you think about business or life in general. How much do you agree/disagree with each one using a 0-to-10 scale?”

Women owners' optimism, drive and resulting financial success have occurred even though they work and travel less than men

WORK HOURS & FREQUENCY OF BUSINESS TRAVEL



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CASHING IN ON A LOCAL, RELATIONSHIP- ORIENTED APPROACH

Women-owned companies are highly engaged with the local community; almost all source sales locally

LOCAL BUSINESS ATTITUDES



PERCENTAGE WHO GENERATE SALES ...

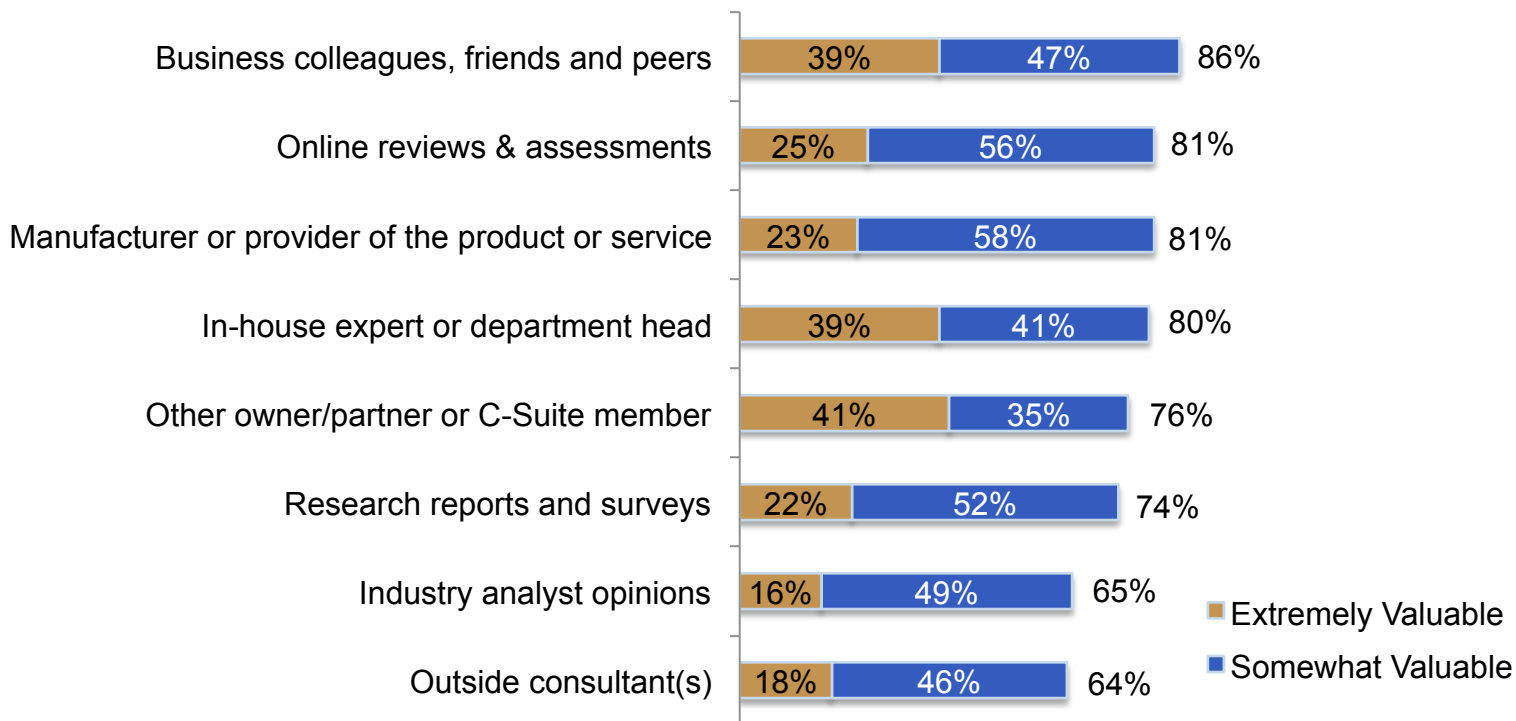
	Women-Owned Businesses
Locally (Within your local area)	93%
Nationally (The rest of the U.S.)	59
Internationally (Outside the U.S.)	25

78% Volunteer Locally
(Regularly/Occasionally)

“The following are a series of statements which may/may not reflect how you think about business or life in general. By entering a number, please indicate whether you agree or disagree with each one, using a 0-to-10 scale.” “Next, using 100 %points, how would you break down your company’s 2013 sales among the following 3 categories: within you local area, the rest of the US, outside of the US.” “How frequently do you engage in each of the activities listed below?”

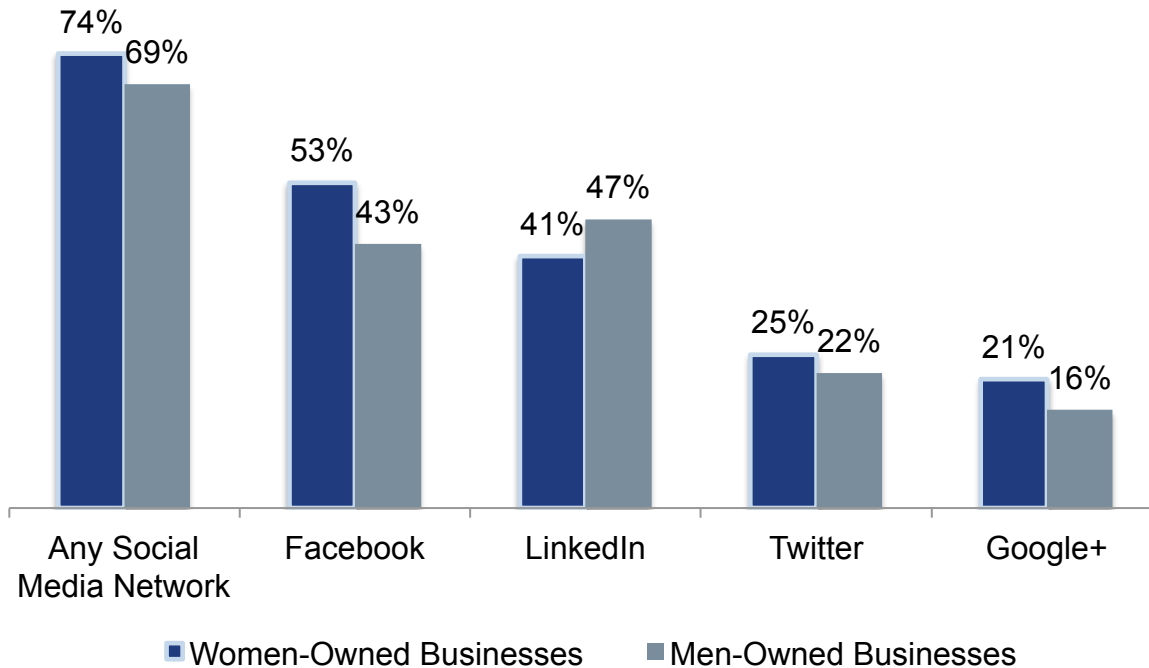
Women owners highly value networking when they need guidance about products & services for their companies

PERCEIVED VALUE OF ADVICE SOURCES



Three-fourths employ social media for business; over one-third generate revenue from it

USE SOCIAL NETWORKS FOR BUSINESS



GENERATED REVENUE FROM SOCIAL MEDIA

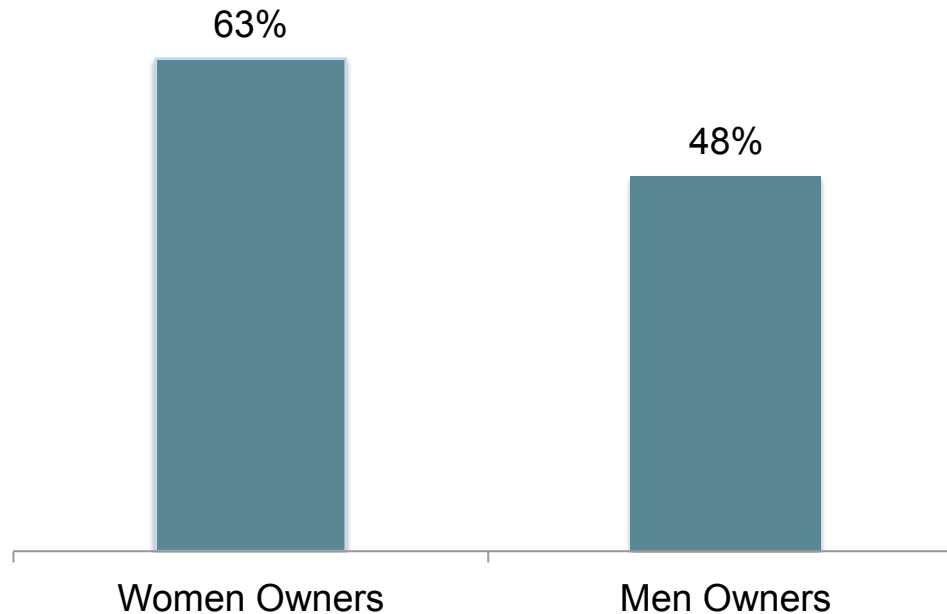
Women-Owned Businesses **35%**
Men-Owned Businesses 23

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RESPECT & ETHICS CRITICAL BRAND CHOICE DIMENSIONS

Women owners want to do business with companies they respect; this view is held significantly higher among women than men

“I Want to do Business with Companies that I Respect”
% Strongly Agree (9-10 Point Rating)



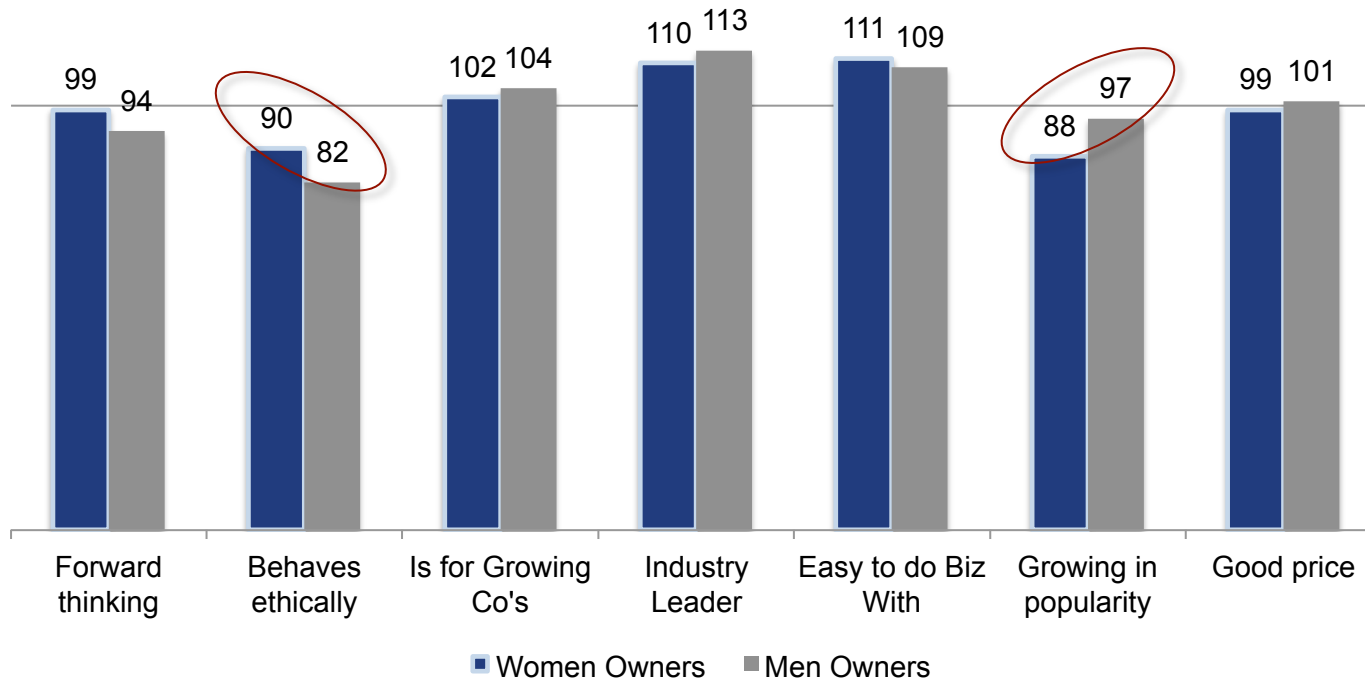
“The following statements which may/may not reflect how you think about business or life in general. How much do you agree/disagree with each one using a 0-to-10 scale?”

In terms of brand preference, women owners place more weight on ethics than men, and less on brand popularity

DRIVERS OF BRAND PREFERENCE BY GENDER

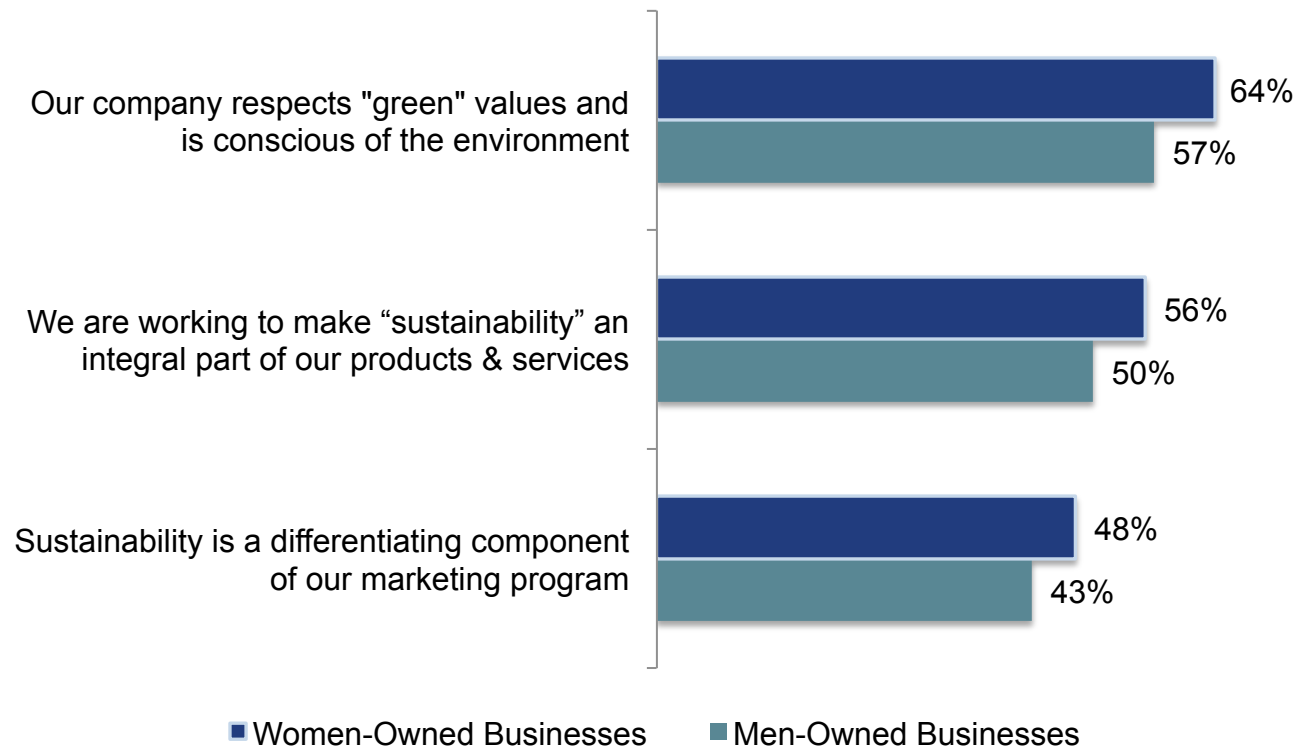
Derived Importance Via Regression Modeling

100 Index =
Average Beta
Score across all
Attributes in
Driving Brand
Preference



ATTITUDES ABOUT SUSTAINABILITY & THE ENVIRONMENT

% AGREE



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AN EXACTING PRICE ...

Women owners are more stressed, time pressured and concerned about spending enough time with their families

VERY CONCERNED ABOUT ...

	Women- Owners	Men- Owners
Spending enough time with your family	42%	38%
Keeping up with demands on your time	41	35
Your own daily stress level	38	30

“Let’s face it, you’re one of the people in your business who has to be concerned with ALL of the issues related to running the business. So what are the issues you’re most concerned about? For each of the following, please click on the rating that indicates whether you are very concerned, somewhat concerned ...”

Businesses owned and run by women provide marketers with a substantial opportunity for two major reasons:



They are one of the largest and fastest growing sub-segments of the U.S. business market



Women owners show markedly different beliefs and attitudes about business relative to their male peers. Thus, they need to be both addressed and spoken to differently.



Key messaging themes/considerations:

- Recognize and respect women as business leaders
- Acknowledge their role as catalysts for cutting edge change, e.g., work-value balance, environment/sustainability
- A crucial aspect of Success is how you get there
- Relationships are key
- No handicaps when it comes to being personally driven, technologically astute
- Stress release in high demand

Research:

Jessie Shaw

212-500-0611

jessieshaw@bizjournals.com

Local Advertising:

Alex Orfinger, EVP

703-258-0888

aorfinger@bizjournals.com

National Advertising:

Tina Carusillo, SVP

704-973-1227

tcarusillo@bizjournals.com

Mike Olivieri, EVP

704-973-1005

molivieri@bizjournals.com

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