



Woman-owned Micro Businesses Trend Report

With insights from Vistaprint



Introduction

Across the globe, 2016 has been an exciting and noteworthy year for women in leadership. Taiwan, Myanmar, Nepal, Croatia, Mauritius, and Lithuania have elected or reelected female leaders to office, the United Kingdom now has a woman presiding over 10 Downing Street, and the U.S. has made history by nominating its first female presidential candidate.

As these women leaders work to win the hearts and minds of their countries' citizens, thousands of women micro business owners will also be working at the heart of communities around the world. And while many distinctions can be made between running a country and running a micro business, some commonalities do exist: they'll want to tell their stories, create visions, generate revenue, form connections, deal with challenges and make a difference every day.

Micro businesses are, by definition, micro in size and focus. With fewer than 10 employees, they include plumbers, estate lawyers, beauticians, dentists, and even your neighborhood dog walker. In many cases, they are sole proprietors working for themselves and by themselves. **They are the business.**

Vistaprint empowers millions of business owners worldwide to professionally and affordably market their businesses with pride. We appreciate that each one of these businesses is individual, representing an extension of the owner. Collectively, their power is enormous. We believe that these businesses hold the key to improving and sustaining a healthy overall economy. It personally makes me immensely proud to be able to support these amazing business owners every day.

With this in mind, we recently surveyed more than 1,200 women micro business owners and general business professionals in both the United States and the United Kingdom. We then conducted several follow-up, in-depth interviews with survey respondents to better understand the challenges, opportunities, influencers and impact of women-owned micro businesses today. The results of our research are outlined in this trend report along with our conclusions and recommendations to support the continued growth and influence of this important market.

A handwritten signature in black ink, reading 'Trynka Shineman'.

Trynka Shineman, Vistaprint President

Respondents

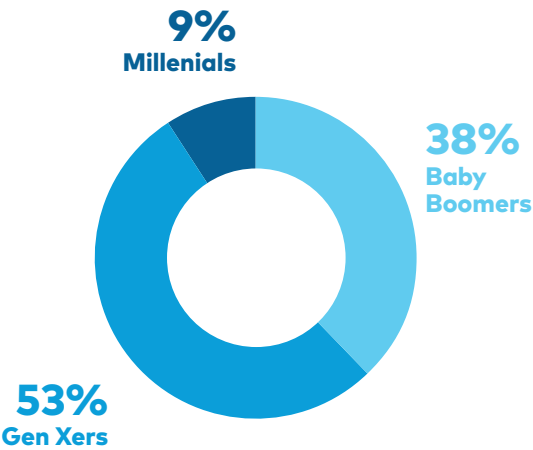


57%
Women Micro Business Owners

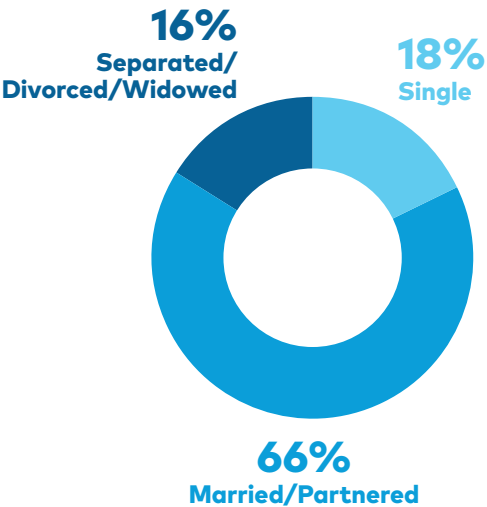
19%
Female Professionals

24%
Male Professionals

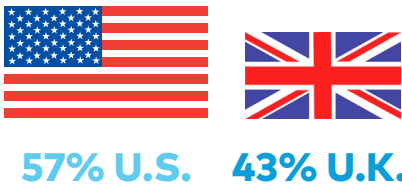
AGE



MARITAL STATUS



GEOGRAPHY



What is a micro business?

A micro business is defined as a small business with less than 10 employees.

Trends

During the course of our research of both women micro business owners and general business professionals, **five common trends** began to emerge within the areas of business growth, challenges, personal satisfaction, networking and their prospects for the future.

In terms of **business growth**, women-owned micro businesses appear to be an increasing part of both the U.K. and U.S. economies.

Yet, despite this growth, our research suggests that women micro business owners still face certain **professional** and **societal challenges**, especially when it comes to achieving balance, whether in work/life, in the company checkbook, or with their male counterparts.

In addition, women who excel at owning their own business also tend to excel in their **personal lives**. The importance of **networking**, specifically related

to mentors and professional networks mainly comprised of other micro business owners, were revealed as important sources of support and advice for women who own micro businesses.

All in all, there seems to be a **bright future** for women-owned micro businesses, as the current environment appears stronger than that of past generations and, according to related research, this trend is expected to continue into the foreseeable future.

Read on for additional insights and statistics related to each of the trends uncovered during our research.

FAST FACTS



The number of women-owned micro businesses has outpaced men-owned firms for more than two decades. According to research released by the U.S. Department of Commerce in 2010, the growth of women-owned small businesses more than doubled that of men-owned firms between 1997-2007.

More recently, the U.S. Census Survey of Business Owners reported that the number of women-owned businesses increased by 26.8% between 2007-2012.



In the U.K., there are almost 1.5 million women who are self-employed, and between 2008-2011 they accounted for 80% of the newly self-employed population within the country.



Business Growth

"Like any kind of business, [when you are] on your own, it's risky. You never know what is going to happen from week to week."

-Health and wellness therapist

62% of women micro business owners in the U.S. and U.K. expect their businesses to do better financially in 2016, with approximately 60% of respondents from both countries expecting to grow their business over the next five years. Women micro business owners in the U.S. (69%) have higher expectations for their business in general than their U.K. counterparts (54%).

While only one in five respondents indicated that they receive all of their household income from their micro business, nearly half of the respondents from the U.S. (47%) and the U.K. (44%) claimed that income generated from their micro business was enough to support themselves financially.

Women micro business owners have a rosy outlook for 2016, with 77% of Millennials expecting growth as compared to 67% of Gen Xers and 52% of Baby Boomers. The lower expectations for Baby Boomers is driven by their business strategy of maintaining their business at its current size over the next five years (32%), and 11% indicating that they are preparing to sell the business or close it down (compared to 0% of Millennials and 3% of Gen Xers).

"Sometimes I have good months, sometimes I have bad months. It's not predictable."

-Jeweler

FAST FACT



61 percent of small businesses that applied for financing in 2015 were borrowing to expand their business or pursue a new opportunity, according to the [Federal Reserve](#).

WOMEN-OWNED MICRO BUSINESSES: MONEY MATTERS

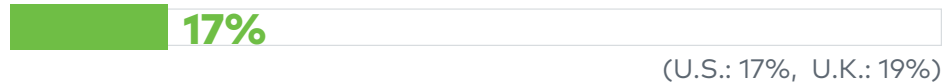
Annual Revenue

< \$25,000 / £15,000



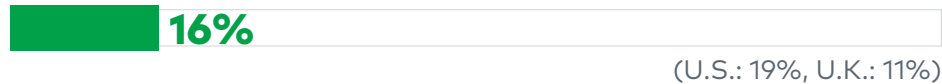
(U.S.: 38%, U.K.: 48%)

\$25,000 - \$49,000 / £15,000 - £34,999



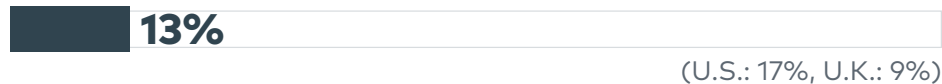
(U.S.: 17%, U.K.: 19%)

\$50,000 - \$99,000 / £35,000 - £74,999



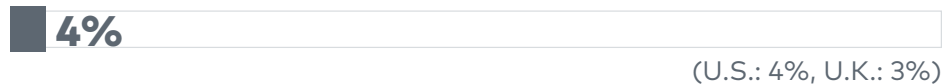
(U.S.: 19%, U.K.: 11%)

\$100,000 - \$499,999 / £75,000 - £299,999



(U.S.: 17%, U.K.: 9%)

\$500,000 / £300,000 or more



(U.S.: 4%, U.K.: 3%)

Annual Income

< \$10,000 / £7,000



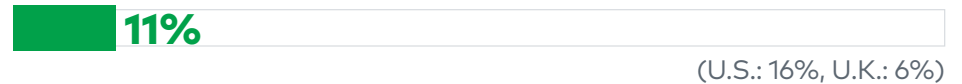
(U.S.: 31%, U.K.: 38%)

\$10,000 - \$49,000 / £7,000 - £35,999



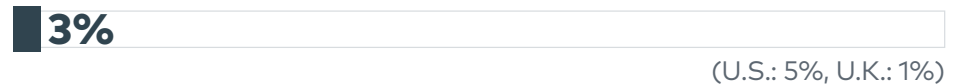
(U.S.: 34%, U.K.: 35%)

\$50,000 - \$100,000 / £35,000 - £70,000



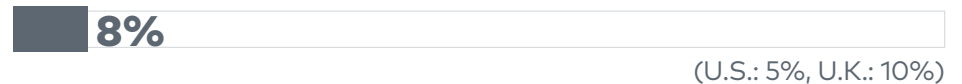
(U.S.: 16%, U.K.: 6%)

\$100,000 / £71,000 or more



(U.S.: 5%, U.K.: 1%)

Did not generate any personal income



(U.S.: 5%, U.K.: 10%)

Challenges



FAST FACTS



According to data from [Biz2Credit](#), U.S. women-owned small businesses in 2014 were approved for credit at a lower rate than men-owned businesses (21.5% men, 15.3% women).



According to a State of Micro Business report from [business.com](#), women-owned firms have been trending towards alternative lending sources for access to capital (crowd sourcing, reward-based funding, etc.).

While the overall prospects of growth for women-owned micro businesses are strong, they still face financial challenges. Nearly one in five respondents from both the U.S. and U.K. say they have a second job to provide supplementary income.

44% of women micro business owners in the U.S. and 31% in the U.K. indicated that securing financial capital for current business needs or long-term goals is important. In both countries, finding and developing new

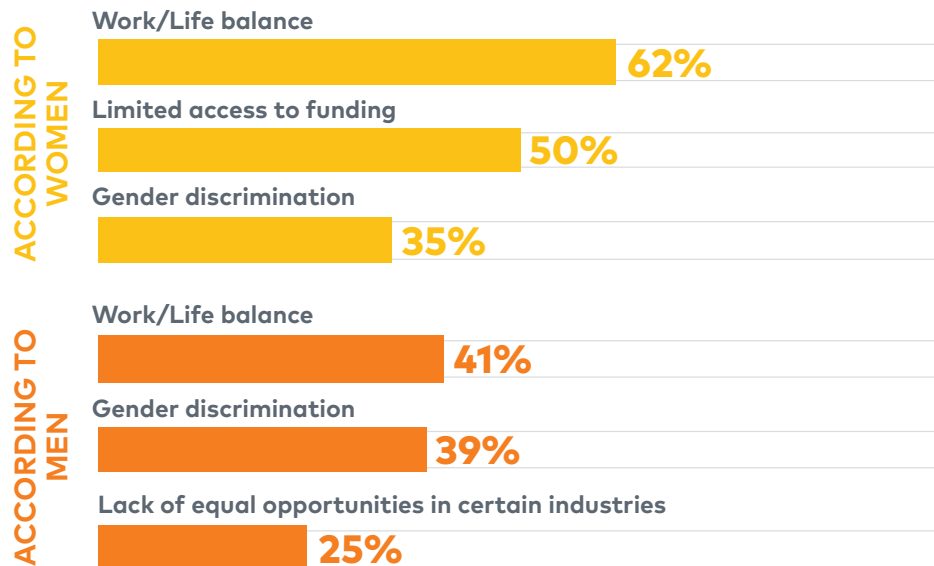
business and sales opportunities was important to more than 72% of respondents (U.S. 75% and U.K. 70%).

When asked about the level of importance of a variety of business functions, promoting their business and managing day-to-day operations ranked high amongst both U.S. and U.K. respondents. 77% of U.K. respondents indicated that marketing and promoting their business was either important or very important (83% U.S.),

and 81% of U.K. respondents indicated that managing day-to-day operations was either important or very important (86% U.S.).

35% of women micro business owners indicated that they have encountered some level of gender discrimination and stereotyping in business (U.S. 38%, U.K. 32%). When men were asked about the biggest challenges faced specifically by women owners of small business, 39% said gender discrimination.

TOP THREE ISSUES FACED BY WOMEN MICRO BUSINESS OWNERS GLOBALLY



TOP FIVE CITED AREAS OF ADDITIONAL SUPPORT GLOBALLY



73% of women micro business owners indicated that they would like additional support to tackle the issues they have to deal with as a business owner (77% U.S., 67% U.K.).

"Why would you want [men and women] to be equal? The strengths and weaknesses of men are unique to men. Similarly, the strengths and weaknesses of women are unique to women."

—Male healthcare business owner

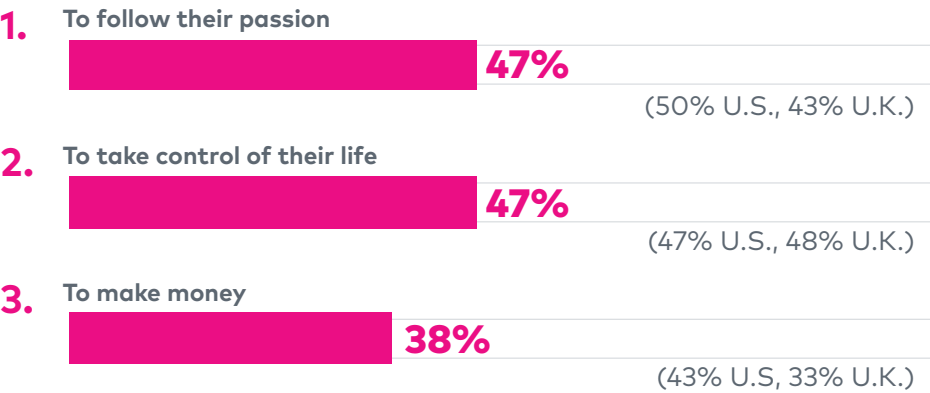
Personal Satisfaction

66% of the micro business owners who participated in the survey are married or living with a partner, and 48% have at least one child under the age of 18. Nevertheless, a vast majority reported that running a business has had a very positive effect on family life. While acknowledging the time-related challenges that can come from running a business, 79% of U.S. and 72% of U.K. female entrepreneurs believe running their own business is good for work-family balance, especially when the right support systems are in place.

"Running my own business has absolutely helped me fulfill the goals I set out to accomplish. I have control over my schedule, I choose the work I want to do, the types of clients I'd like to work with, and I never miss my children's events. That's very important to me."

-Marketing agency owner

TOP THREE REASONS WOMEN START THEIR OWN BUSINESS



Women with larger families (3 or more children) in both the U.S. (68%) and U.K. (64%) expect their business to grow over the next five years.

WOMEN BUSINESS OWNERS WHO WOULD RECOMMEND STARTING A BUSINESS



80% of women business owners would recommend starting their own business to someone else (78% U.S., 83% U.K.).

A photograph of a hairdresser with blonde hair and a patterned headband, wearing a teal shirt and a black apron, smiling as she cuts the long dark hair of a client seated in a black salon chair. The client is a woman with long dark hair, wearing a light blue cardigan, and is also smiling. The salon has a polished wooden floor, a large ornate chandelier, and a window with grey curtains in the background. A purple diagonal overlay covers the right side of the image, containing a quote.

"I do get much more satisfaction from being able to do what I want to do than I ever would from having loads of money."

—Hairdresser

Importance of Networking

"I think women are strong enough, when pulled together, to help out one another's businesses."

-Health and wellness therapist

57% of women micro business owners look to their peers in the micro business community for inspiration (63% U.S., 49% U.K.) rather than well-known business owners or celebrities.

U.S. women micro business owners are nearly twice as likely to look to highly successful business women and men for inspiration than their counterparts in the U.K. (56% U.S., 30% U.K.).

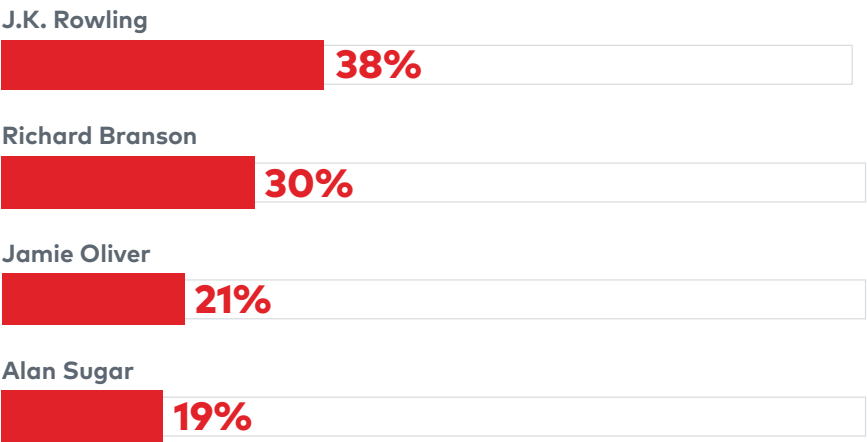
MOST ADMIRED BUSINESS LEADERS



UNITED STATES



UNITED KINGDOM



Even though 57% of women micro business owners said they admire certain well-known business leaders, 40% agreed that they don't aspire to achieve their level of business success and prefer to get advice from other business owners like themselves.

Overall, 27% of women micro business owners indicated that they would be more likely to purchase products and services from a company if they knew the business was owned by a woman (35% U.S., 17% U.K.). Only 9% of male respondents said they would be more likely to buy from a business knowing that it was woman-owned.

"I think that my presence [in the local community] could provide encouragement for people who have always wanted to start their own business but just didn't know how to do it."

-Business coach



Bright Future

"Women, I think, are making more of the decisions about what happens with family money [and are] more economically powerful than they were even just one generation ago."

-Business coach

Overall, 54% of women micro business owners believe that women currently have the same or more opportunities as men to be successful at running a micro business (50% U.S., 59% U.K.).

Women micro business owners believe that they have more opportunities in 2016 to become business owners than women of prior generations (72% U.S., 63% U.K.). Overall, only 3% of women currently think they have less opportunities to become a small business owner than previous generations, suggesting that times have changed for the better.

FAST FACTS



35%



According to the [Womenable.com 2016 State of Women-Owned Businesses Executive Report](#), revenues for women-owned firms of all sizes across the globe increased 35% overall since 2007, compared to 27% for all U.S. firms.



RBS calculates that boosting entrepreneurship amongst women in the U.K. could add an additional £60 billion to the U.K. economy.



Conclusions

The results of this research study have reaffirmed the many benefits achieved by women-owned micro businesses today, and paint an optimistic picture for the future of entrepreneurship across both the U.S. and U.K. At the same time, however, this data also underscores the importance of having the proper tools and business support needed to help keep these female entrepreneurs ahead of the competition.

Utilizing Technology for Long-term Success

At Vistaprint, we believe the general feeling of optimism communicated from our respondents in part stems from the fact that business owners are more empowered than ever before. General trends like open source technology and online access to information, as well as specific solutions geared to small businesses – like [Square](#) for payments; Vistaprint for design, printing and website creation; marketing platforms like Marketo and Pardot; and even online marketplaces like [Etsy](#), [Poshmark](#), and [Amazon](#) – allow business owners to move faster and get more done.

While this access to information and solutions can be overwhelming, it is less overwhelming than figuring this all out on their own, and, as the data shows, many female entrepreneurs take advantage of their internal contact networks to help them navigate these unfamiliar waters and use these tools to their competitive advantage.

Balance is a Big Deal

Micro business owners wear many hats: they are the Human Resource, Finance, Marketing and IT departments all rolled into one. Yet many do not have any real experience running a business; their expertise lies in their chosen industry or the service they provide. This limited knowledge can be stressful at times, especially when compounded by the feeling that micro business owners are stretched for time, alone in their decision-making process or working with a limited budget.

Beyond taking advantage of the technologies and networking opportunities mentioned above, we believe it is equally important for new micro business owners to start simply – not only to maintain some semblance of work/life balance, but also to ensure a healthy balance sheet. We encourage business owners to look at how others in their industry are marketing themselves and then pick one thing to do – maybe it's a search listing, or a flyer posted at local stores, or attendance at an industry event – and then expand efforts from there. Speak with those networking contacts, take advantage of the many tools listed above, and utilize the information learned to create a business plan that works for those individual goals.

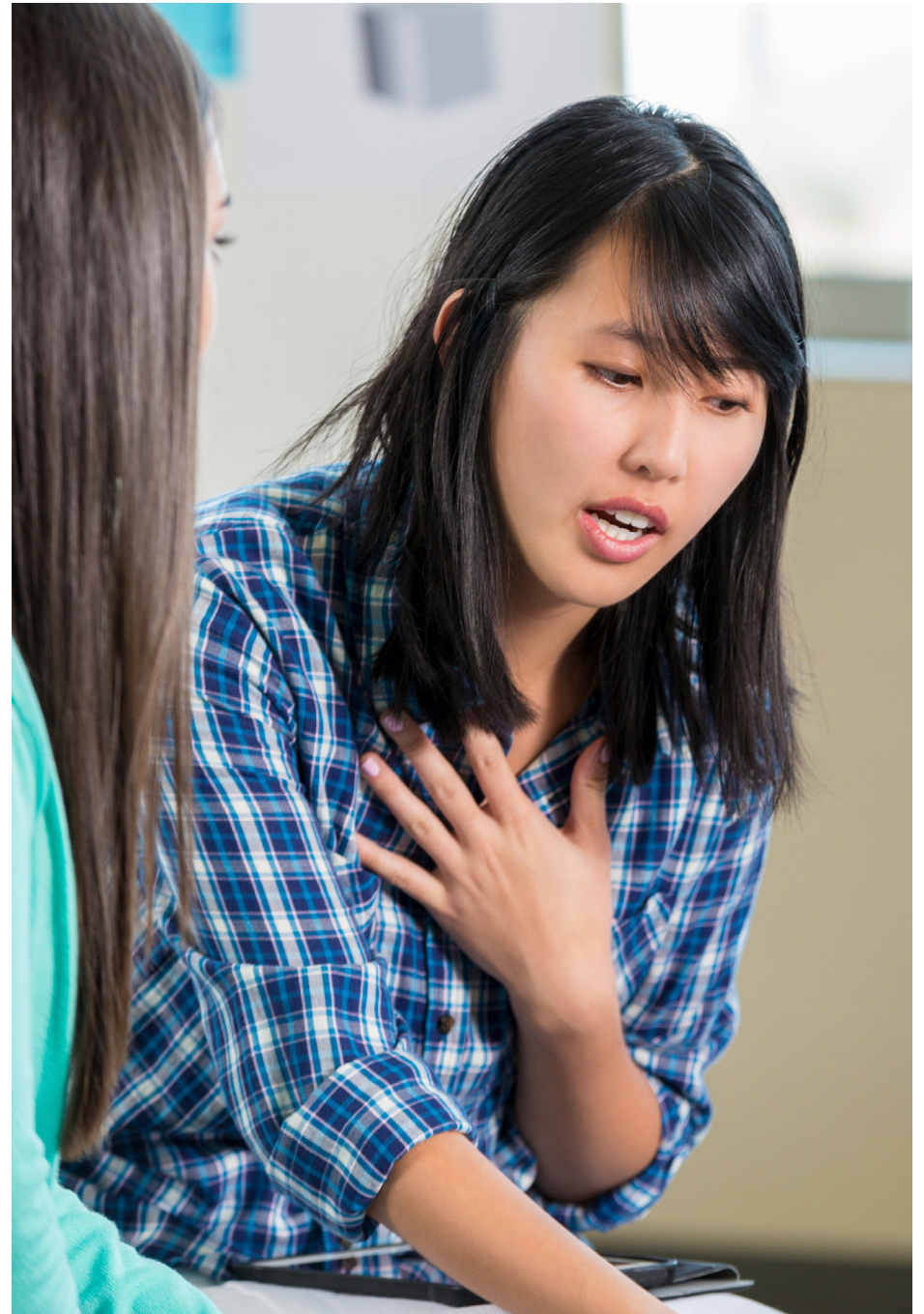
The Future Looks Bright

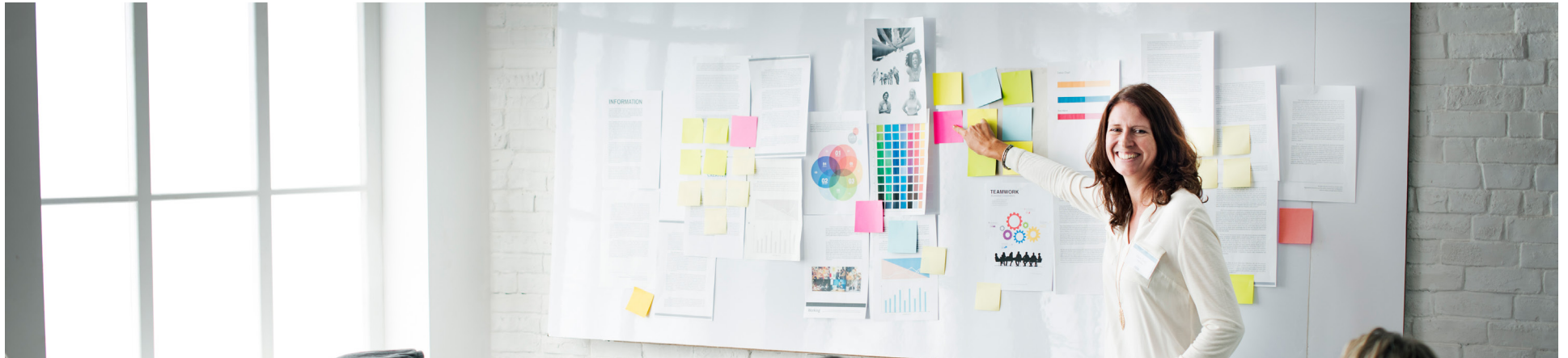
The outlook for women in business has never looked better. There are more females in government, business, sports and entertainment leadership positions than ever before, as well as more role models to emulate than in previous generations. There are also many more communities of women seeking to help other women, from professional associations to social organizations.

The economy is also stronger than it has been in past generations, allowing for more capital to start and support small businesses. Micro-lending and crowdfunding through sites like [Kickstarter](#) and [gofundme](#) have helped to inspire and give more people the ability to start a business, and efforts to increase supplier diversity have also encouraged corporations and government to support more female and minority-led businesses. With this wealth of available resources, there truly has never been a better time to start a micro business.

Let's Get to Work!

People start a business for many reasons – to find independence, ensure financial security, out of necessity, or to follow a passion. And as with any job or profession, there will be good days and bad days. Starting a business is demanding. There are many facets that would challenge even the most prepared of owners. From the idea that sparked the business to the planning and implementation that brought that dream to reality, there are many key success drivers.





Through our experience of working closely with micro businesses, we have found that passion is one of the biggest predictors of success. It isn't just about the functional aspects of funding the new business, finding retail space, or developing the business plan. How committed and passionate an owner is about his or her business will absolutely make or break that business. There is also no "one way" to do things – the markers for success vary from person to person, which is what makes running a micro business so exciting and unique for both the owner and our economy as a whole.

At Vistaprint, our goal is to continue innovating our solutions to equip these micro businesses – which are the heart and soul of our local economy – with what they need to be successful so they can then encourage other female entrepreneurs to follow their dreams and start businesses of their own. We wouldn't be where we are today without each and every one of them, and we look forward to following their continued success.

About Vistaprint

Vistaprint is a global e-commerce brand empowering more than 16 million micro business owners to professionally promote their business with quality printed and digital marketing products at an affordable price. Our world-class online design studio allows customers to easily customize their products including business cards, marketing materials, signage, promotional products, apparel, websites, digital marketing, cards and stationery at www.vistaprint.com. Our patented printing technique allows us to maximize efficiency and consistently deliver quality and value to customers. This innovative process is supported by 22 localized websites serving various global markets; world-class manufacturing facilities around the globe, including North America, Western Europe, Australia and India; and thousands of employees in offices worldwide. Vistaprint is a Cimpres (Nasdaq: CMPR) brand.

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Additional Resources

For more information about Vistaprint, including all our latest news, visit <http://news.vistaprint.com>

Supplemental Content

Tips from the Trenches

While Vistaprint prides itself on supporting micro businesses, no one knows better than the business owners themselves what it takes to be successful. That's why we asked them for their advice! For anyone considering starting their own business, consider the following guidance from our research respondents.

"If it is your passion...follow through with what drives you to do what it is that you do. It's not easy, but it can be very rewarding."

–Female fashion show producer

"Don't be afraid to ask for what you want; try new things and take risks within reason, because if you never do that, you will never get your dream."

–Female business coach

"Get educated, network, and do good work. Continue to be a lifelong learner, develop new skills, and move forward."

–Female marketing firm owner

"Try to be objective about your concept and really try to get advice from people you trust. You don't have to like them. You just have to trust their business instincts because sometimes you need somebody to say, 'No, that's a dumb idea.'"

–Male TV producer

"Have confidence in yourself. Every day is a new chance to succeed and a positive attitude will carry you through anything."

–Female non-profit director

"If you hate numbers, hire an accountant."

–Female non-profit director



"Figure out what it is that you want your life to look like - that's the most important thing. Design your life first and then pick the work that supports that."

-Female business coach

"Financing is critical. It's important to have the finances not just for the first month but for the first year or two, because that is how long it usually takes to be successful."

-Male TV producer

