

## Credit Scores of Women-Owned Businesses Rose, Revenue Dropped in 2017; Digital Boom Leaves Women Behind

Analysis of 27,000 Companies Finds Average Annual Revenues Dipped Slightly and Loan Amounts Trail Those of Their Male Counterparts



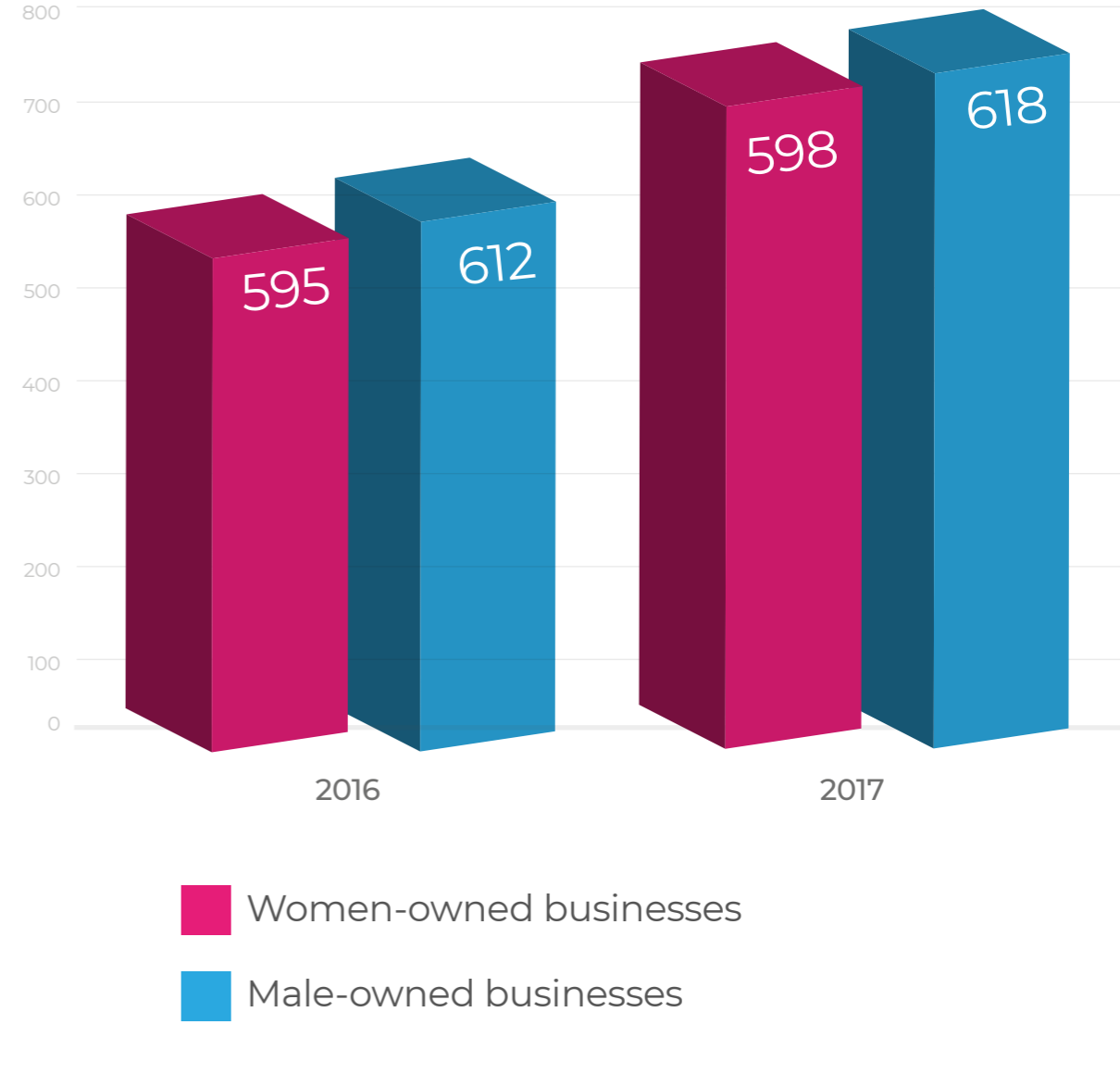
Average credit scores of women-owned businesses that applied for funding in 2017 increased among companies that applied for funding through [www.Biz2Credit.com](http://www.Biz2Credit.com), a leading online credit marketplace.

### AVERAGE CREDIT SCORE

Average credit score for women-owned businesses rose from 595 in 2016 to 598 in 2017. At the same time, credit scores, on average, climbed for businesses owned by men to 618 in 2017, up from 612 in 2016.

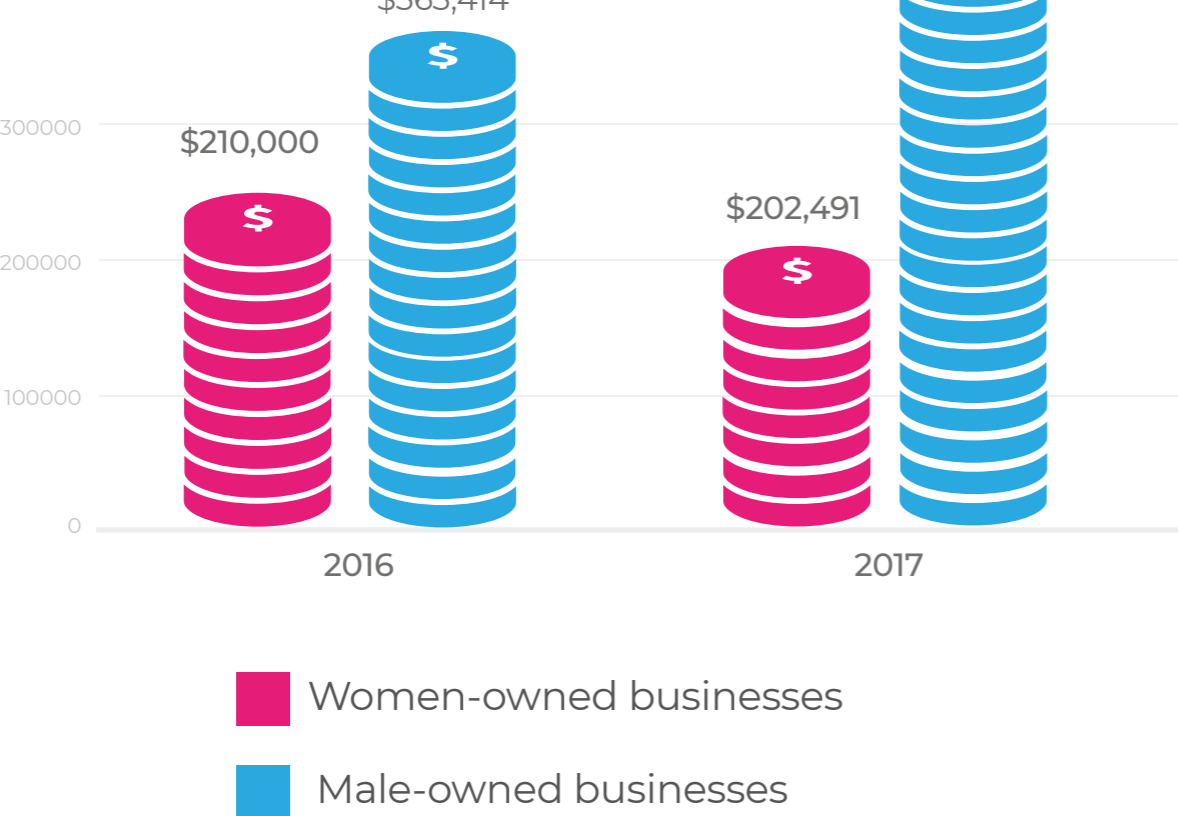
*The rise in credit scores is a positive sign for small businesses, which are the driving engine of economic growth in America. Higher quality borrowers, who seemed to have refrained from borrowing money for expansion or capital improvements in previous years, re-entered the credit markets.*

- Rohit Arora, CEO of Biz2Credit



### AVERAGE ANNUAL REVENUE

Average annual revenues of women-owned business fell from \$210,000 in 2016, to \$202,491 in 2017.



*The lower annual revenue figure is an indication that more and more women-owned firms are applying for capital. Naturally, because these businesses are younger, their annual revenue figures would not be as high as those of older, more established firms.*

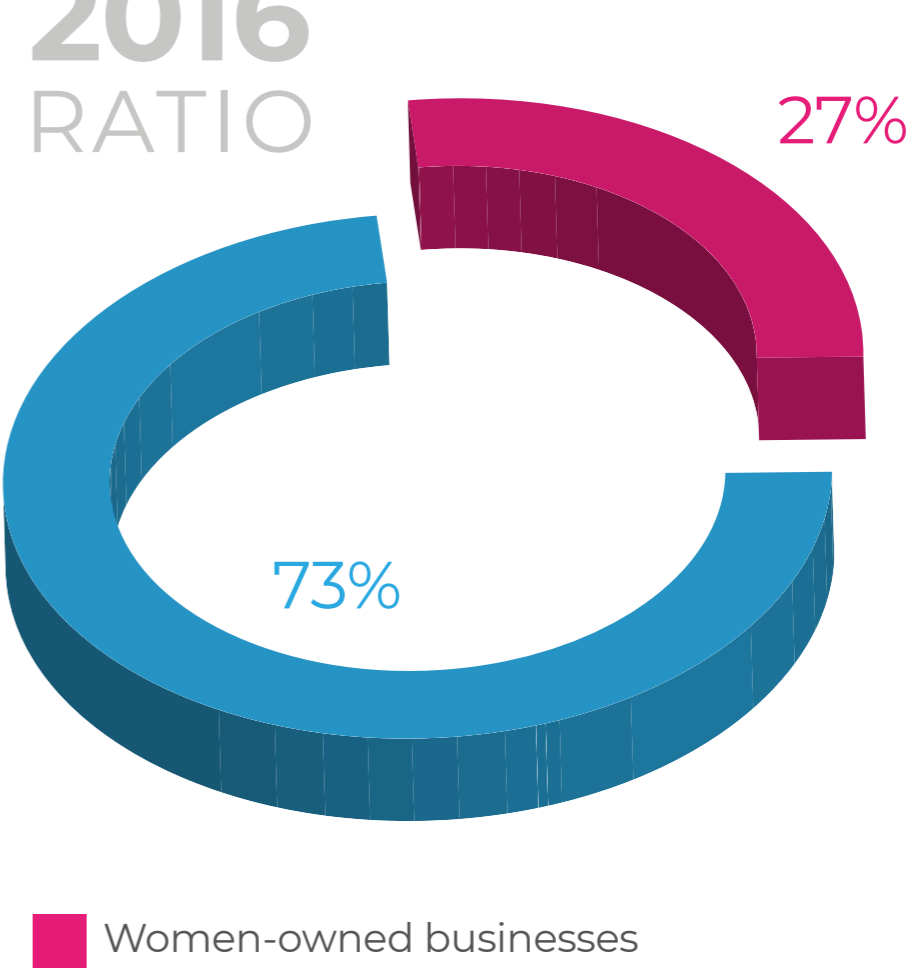
- Rohit Arora, CEO of Biz2Credit

### WOMEN-TO MEN BORROWING RATIO

Biz2Credit has arranged more than \$2 billion in financing for small business owners in the past decade.

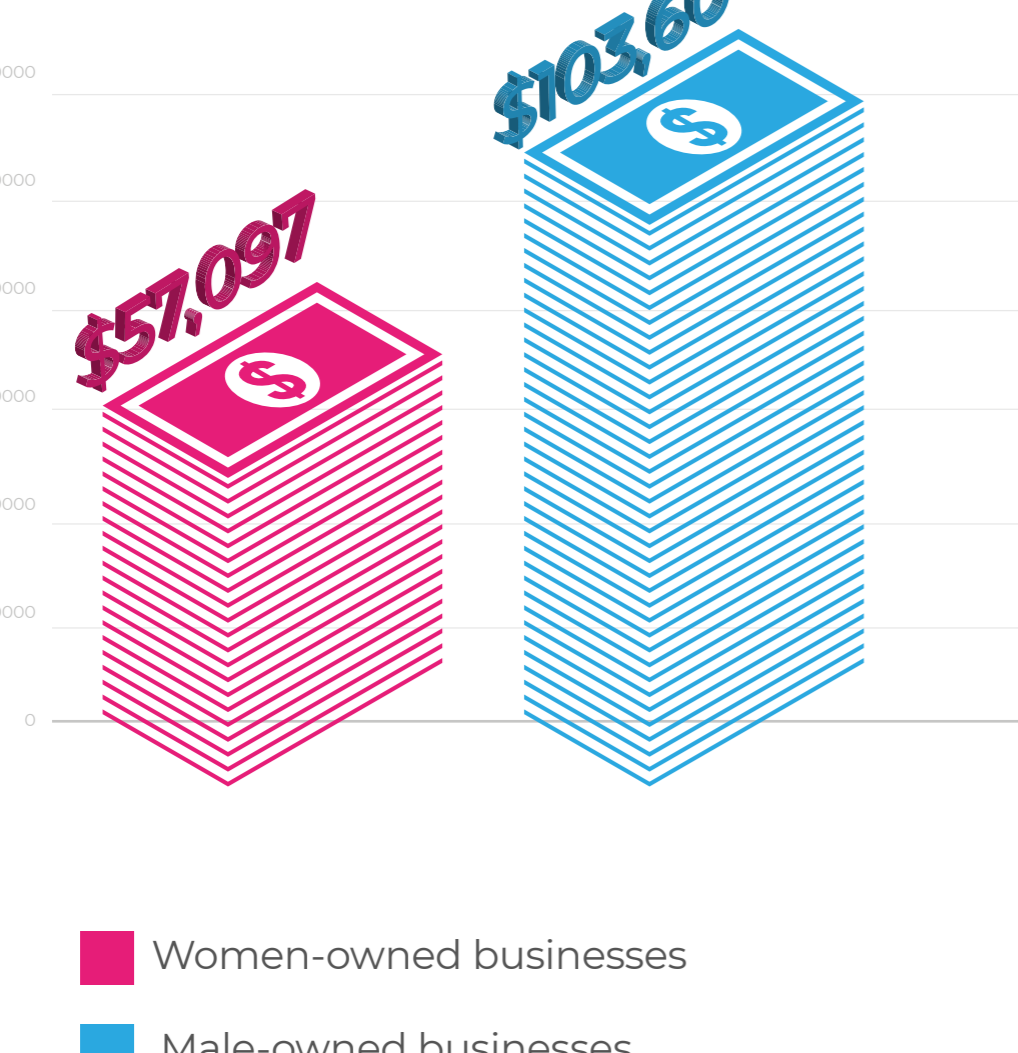
*Because the economy was strong and interest rates are still relatively low, women business owners were willing to borrow for their companies.*

- Rohit Arora, CEO of Biz2Credit



### AVERAGE LOAN SIZE

Average funded amount for women-owned businesses (\$57,097) was 45% lower than that of men-owned businesses (\$103,604) in 2017.



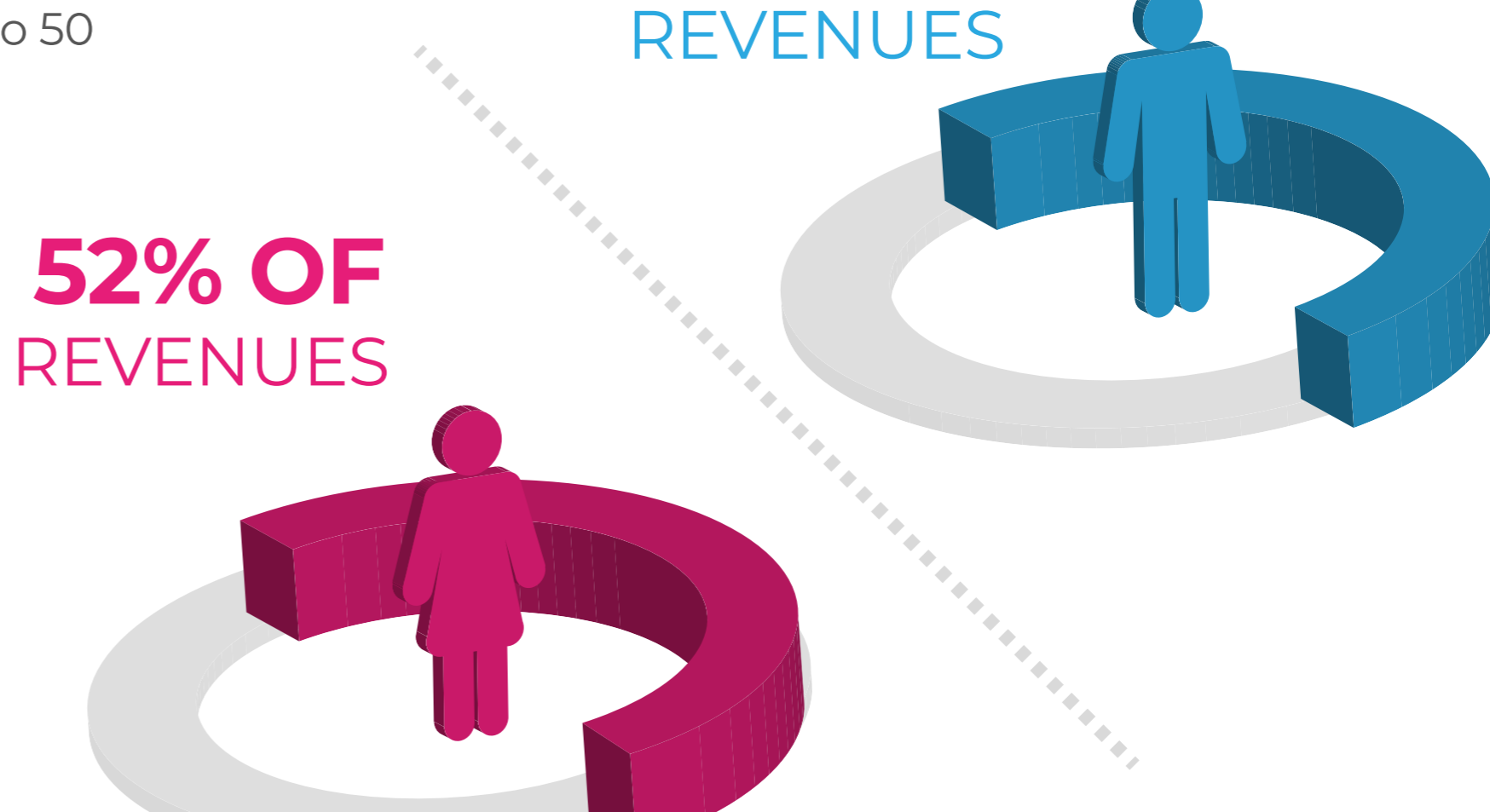
*One thing is certain: although women are becoming increasingly strong in small business, a large gap exists between the funded amounts of male-owned and female-owned companies. It is important to note that newer businesses might be more conservative in asking for money and are carefully managing their growth.*

- Rohit Arora, CEO of Biz2Credit

### AVERAGE OPERATING EXPENSES

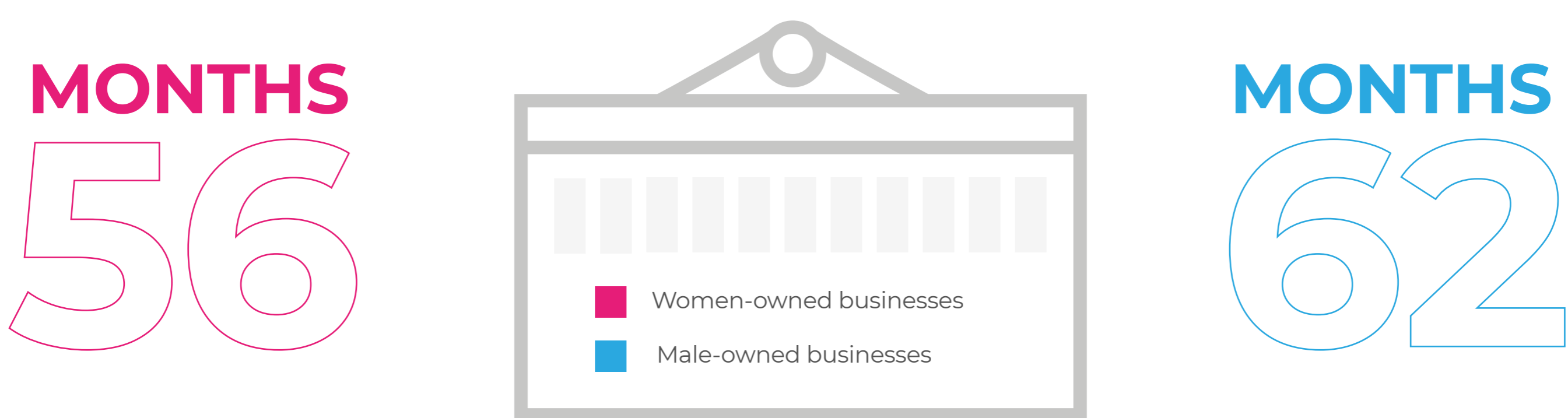
The operating costs were 52 percent of revenues for women-owned businesses, compared to 50 percent for male-owned firms.

■ Women-owned businesses  
■ Male-owned businesses

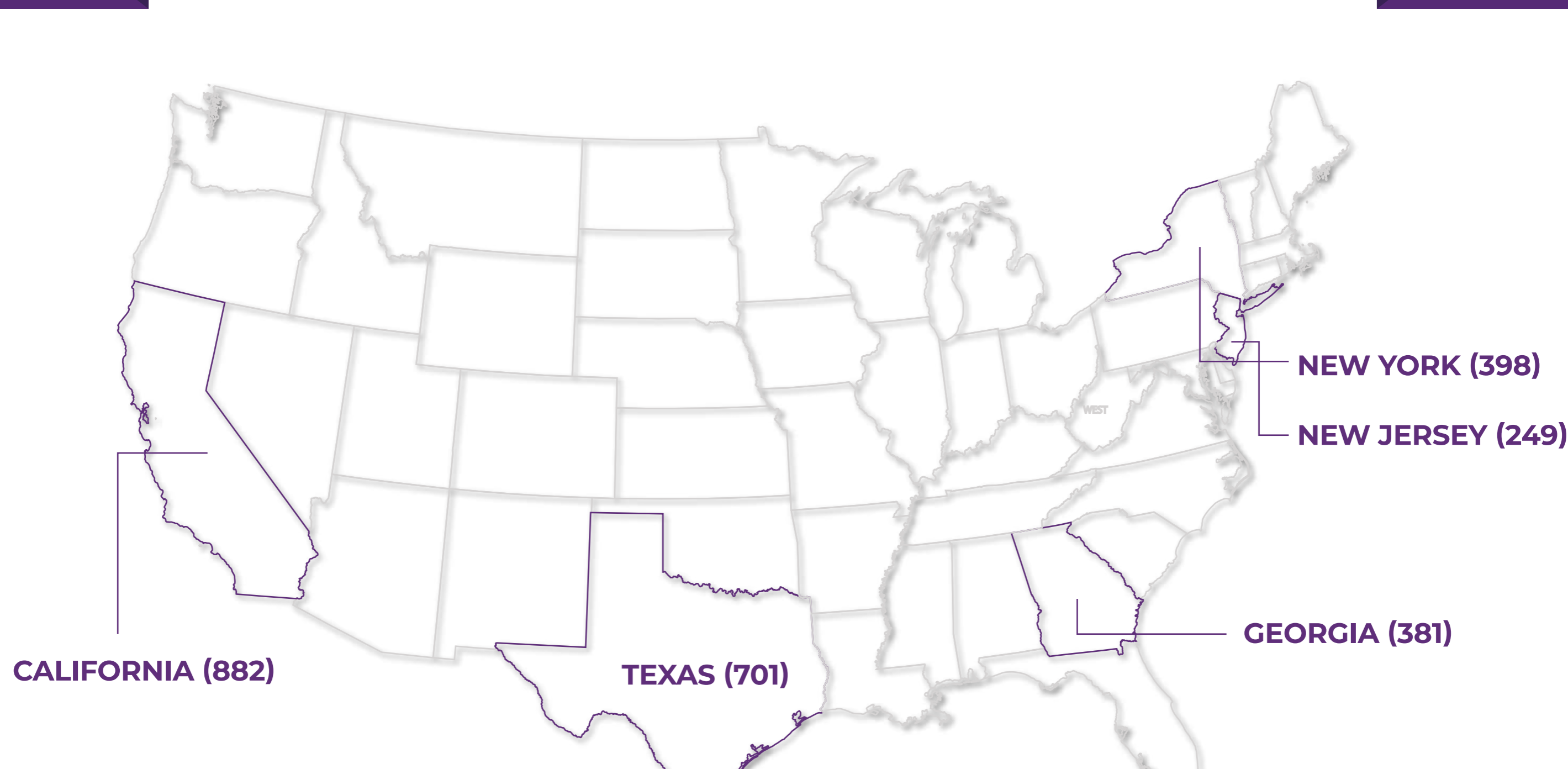


### AVERAGE AGE OF BUSINESS

Average Age of Business for women-owned businesses was slightly more than four years (56 months), while male-owned businesses averaged 62 months (a little over 5 years) in business.



### FIVE STATES FOR APPLICATIONS FROM WOMEN-OWNED BUSINESSES



*The states where we have seen the most funding requests are areas that have rebounded best from the Great Recession. States like California, New York and New Jersey have seen the real estate markets come back in a big way. Wherever there is construction and growth, small businesses will thrive. We see it in the figures.*

- Rohit Arora, CEO of Biz2Credit



### KEY FINDINGS

- The Average Credit Score for women-owned companies jumped 595 in 2016 to 598 in 2017, while the score for male-owned companies rose from 612 in 2016 to 618 in 2017.
- Average Annual Revenues of women-owned business dipped from \$210,000 in 2016 to \$202,491 in 2017.
- Services (except public administration) represented 21.9 percent of the women-owned companies in the study, followed by retail (18.4 percent) and food/hospitality (12.4 percent), and healthcare (8.3 percent).
- The states which had the most applications from women-owned businesses were California (882), Texas (701), New York (398), Georgia (381), and New Jersey (249).



### QUOTES FROM BIZ2CREDIT CEO ROHIT ARORA ON THE IMPROVEMENT OF THE FORTUNES OF WOMEN ENTREPRENEURS:

- The rise in credit scores is a positive sign for small businesses, which are the driving engine of economic growth in America. Higher quality borrowers, who refrained from requesting small business loans for expansion or capital improvements in previous years, re-entered the credit markets.
- Revenues and earnings dipped for women-owned businesses last year. Part of the reason was that younger companies, encouraged by the strong U.S. economy, began to enter the credit markets.
- Industries that are booming right now – IT, logistics, warehousing, construction – have long been dominated by men.
- Women-owned businesses reported higher credit scores (598) in 2017 than in the year prior (595).
- Loan applications from women business owners were highest in states where construction and tech sectors are on the rise, such as California, Texas, New York, Georgia, and New Jersey.

About Biz2Credit

Founded in 2007, Biz2Credit has arranged more than \$2 billion in small business financing and has several times been named to Crain's New York's Fast 50 and was ranked among the top 200 fast-growing companies on Deloitte's 2017 Technology Fast 500. Biz2Credit is expanding its industry-leading technology in custom digital platform solutions for leading banks and other financial institutions, investors and service providers in the U.S.

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