

5 Reasons to Support Women-Owned Businesses in 2021

The country has spent the last month celebrating National Women's Month, but now is not the time to stop supporting female entrepreneurs and women-owned businesses.

Women-run businesses make up 40 percent of all businesses in the U.S. and they generated \$1 trillion in revenue in 2019 alone. But despite these achievements, women-owned businesses also experience deep inequities when it comes to financing, COVID-19 recovery and more.

For example, only about 5% of all businesses who received PPP loans in 2020 were women-owned. And despite a more positive outlook on the pandemic in our country, women business owners aren't feeling as optimistic.

A recent report by the U.S. Chamber of Commerce found that female small business owners are more pessimistic about their future business growth than their male counterparts. In fact, the number of female business owners who ranked their business' overall health as "somewhat or very good" fell 13 points during the pandemic, compared to just 5 points for men.

Need even more reasons to support more women-owned businesses in 2021? Here are five powerful ones.

1. They're out to change the world.

According to the [Global Entrepreneurship Monitor 2019/2020 Report](#), most female business owners reported starting a business to make a difference, not just make money. And this is not a new phenomenon. A [2013 whitepaper](#) shared that more than half of female entrepreneurs invested in causes that mattered to them.

2. They're helping to boost the economy.

Female owned businesses are the fastest growing in the country, which means they're an important part of our overall economic health. According to the [2019 State of](#)

[Women-Owned Businesses Report](#) from American Express, the number of women-owned businesses increased 21% over the past five years, compared to just 9% for all businesses. Total employment by women-owned businesses rose 8% over the same time period vs 1.8% for all businesses.

3. They are less likely to receive funding.

Despite their growth in recent years, women-run businesses have less access to business financing than male-owned businesses. According to a [2020 report from Fundera](#), men entrepreneurs were 20% more likely than women to receive a business loan.

4. They will help with post-COVID economic recovery.

The past year has been hard for businesses and workers around the world, and particularly hard on female workers. Many faced unprecedented work and childcare responsibilities, with kids home from daycare or doing remote learning. Despite these challenges, the pandemic also saw a surge in women launching their first business.

According to an [analysis by printing company Print-Print](#), between April and September 2020, there was a 78 percent increase in women-led startup businesses printing promotional materials. As these companies grow, they'll provide new jobs and new revenue for recovering communities.

5. They build a more diverse workforce.

According to the [State of Women-Owned Businesses Report](#), a significant portion of new women-owned businesses in recent years have started by women of color. In fact, women of color are starting businesses at 4.5 times the rate of all businesses, growing 43 percent from 2014 to 2019. As of 2019, women of color accounted for 50 percent of all women-owned businesses, employed 2.4 million people and generated \$422.5 billion in revenue.

Want to learn more about female entrepreneurship? Be sure to follow along on the [SCORE blog](#) for small business resources like these.