

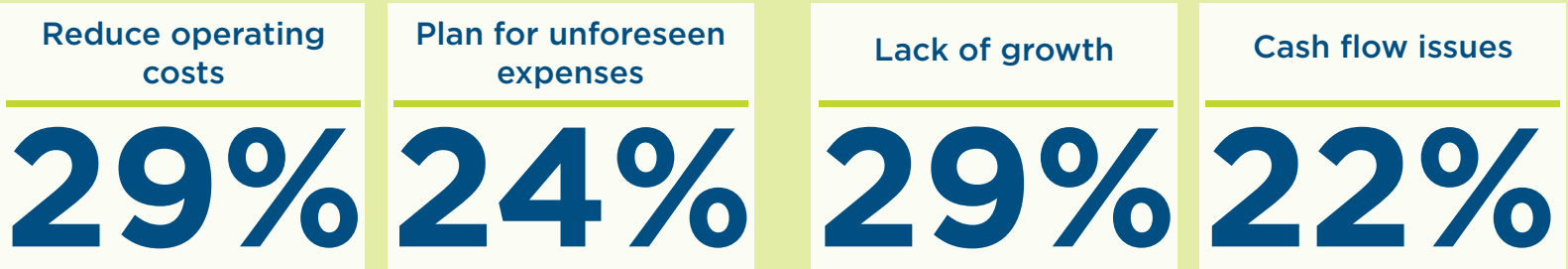
Small businesses are imperative to a thriving economy. And even with an increase in the number of avenues, like online lenders, through which small business owners can pursue financing, many are still being turned down and/or can't access the affordable capital needed to run a sustainable business. The dream and the reality don't add up, and small business owners are left wondering why. Creditera set out to ask small business owners nationwide about their experiences pursuing loans, growing their business and the roadblocks to resources. What did it uncover?

Where Small Businesses Struggle

Compared to 12 months ago, small businesses say it's now harder to:

Within the last year, 20% of small businesses have considered closing their doors.

Two leading factors:



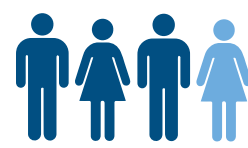
The Truth About Small Business Loans

Small businesses are pursuing financing.



53%

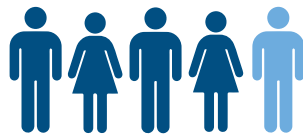
have applied for business funding or credit lines in the last 5 years



1 out of 4

has applied more than once

Many are being denied - and they don't know why.



1 out of 5

respondents who has applied for business funding in the past 5 years was turned down



45%

were turned down more than once



23%

don't know why they were denied

It's impacting their ability to grow and thrive.



26%

avoided hiring and expansion because they're frustrated with trying to access funds

Even with a growing number of alternative funding sources, small businesses are still stretching personal finances - and putting them at unnecessary risk - to support business dreams.

Top resources accessed the last time small businesses needed funds:

- Personal savings (62%)
- Bank loans (36%)
- Business credit cards (22%)
- Personal credit cards (24%)
- Family and friends (10%)



Top resources for funding among respondents who are planning to expand in the next 1-2 years:

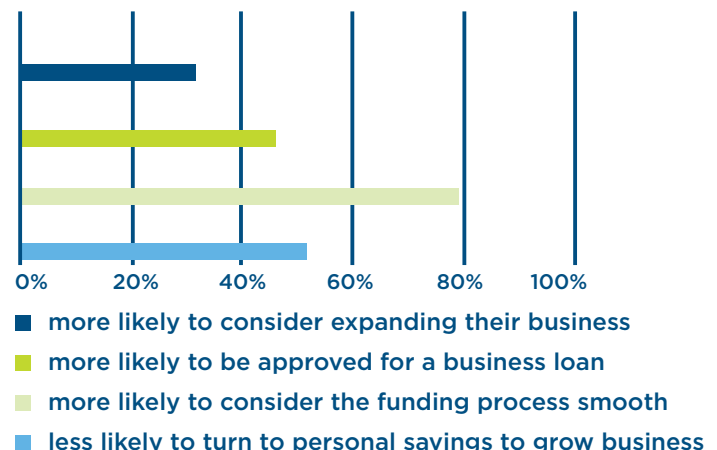
- Personal savings (44%)
- Bank loans (40%)
- Business credit cards (19%)
- Personal credit cards (10%)

Relying on personal assets and credit shouldn't be the answer.

Understanding Business Credit: An Underutilized Tipping Point for SMB Success

There is a significant gap in understanding surrounding the existence - and power - of business credit.

Those who understand business credit are better positioned to succeed versus those who don't:



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