

A Trillion Dollar Opportunity: Small Business Financial Education

Small businesses are a growing force in the economy



1 in 5 Americans
currently own a small business.



More than 33 million Small Businesses
in the United States



46% of the American workforce
are employed by small businesses.



\$7.2 Trillion in Small Business Loans
loans expected by 2032.

Small businesses remain underserved by banks and credit unions, with outreach and resources focused on consumers and large companies.

Why? A common misperception is that small businesses:

1

Require fewer services

2

Incur higher costs to serve

3

Are a low profit demographic

Small Business Challenges

Many small business challenges are related to a lack of financial literacy and knowledge. Nearly 25% of all small businesses fail in their first year, while 50% will fail within five years. Only 33% will make it 10 years.

85% of small businesses

report using a credit card to make purchases for their business or as a source of quick funding. Nearly 6 in 10 say they've used a credit card for emergency funding.

39% manage their financial matters

themselves. 15% use an accountant or financial advisor.

Poor financial literacy

costs small business owners an average of \$118,121 in lost profit. 45% have lost at least \$10,000 in earnings due to low financial literacy. 12% believe they've missed out on \$500,000 or more.

Three Opportunities For Banks

64% of small businesses reported they would be more likely to use a bank that offers financial education and resources.

Grow Long-term Relationships & Revenues

Enhance Customer Retention & Trust

Engagement in Cross-Selling & Upselling

“

The small business that starts with the bank can be the one that stays with the bank. If you help them in those early days when they're just figuring things out, they will remember that. Their loyalty and trust are incredibly powerful over the long term.”

Scott Beck, Director of Product Management,
Financial Education at EVERFI

The Impact of Financial Education



Financially literate business owners

have higher survival rates and better loan repayment behaviors.



Companies with access to financial education

grew revenues by 15% more than those without.



33% of small business owners

say better financial literacy would help them improve budgeting and cash flow.



Make Your Impact

Looking to introduce your brand to small business owners? Bring financial education to your community through a strategic partnership with EVERFI. See it in action—book your personalized demo of our Small Business Pathway today.

Book demo