



The Women in Business Report

Shining a spotlight on female entrepreneurs and sharing insight into the challenges of being a woman running a small business.



Launching your own business is a huge risk and for female entrepreneurs there are additional hurdles that can make the journey even more challenging.

To coincide with this year's AXA Startup Angel competition that awards funding to startups and amazing businesses ideas, we've explored the issues faced by women across the UK who head up their own small businesses.

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Introduction

Starting and running a business is a dream for many.

Running your own business can be liberating - escaping the traditional work environment and having the freedom to dictate your own hours and financial benefits. But being your own boss also has risks and associated responsibilities that can be challenging.

For the Women in Business Report, AXA Commercial conducted a study of 500 women in the UK who run a business which they launched, or started with someone else, to explore their views on being their own boss and the challenges they have faced.

We'll also share insight from one of our previous competition winners, as well as gaining expert advice from Sharmadean Reid MBE, one of the AXA Startup Angel mentors.

Highs & lows: female founders share their stories

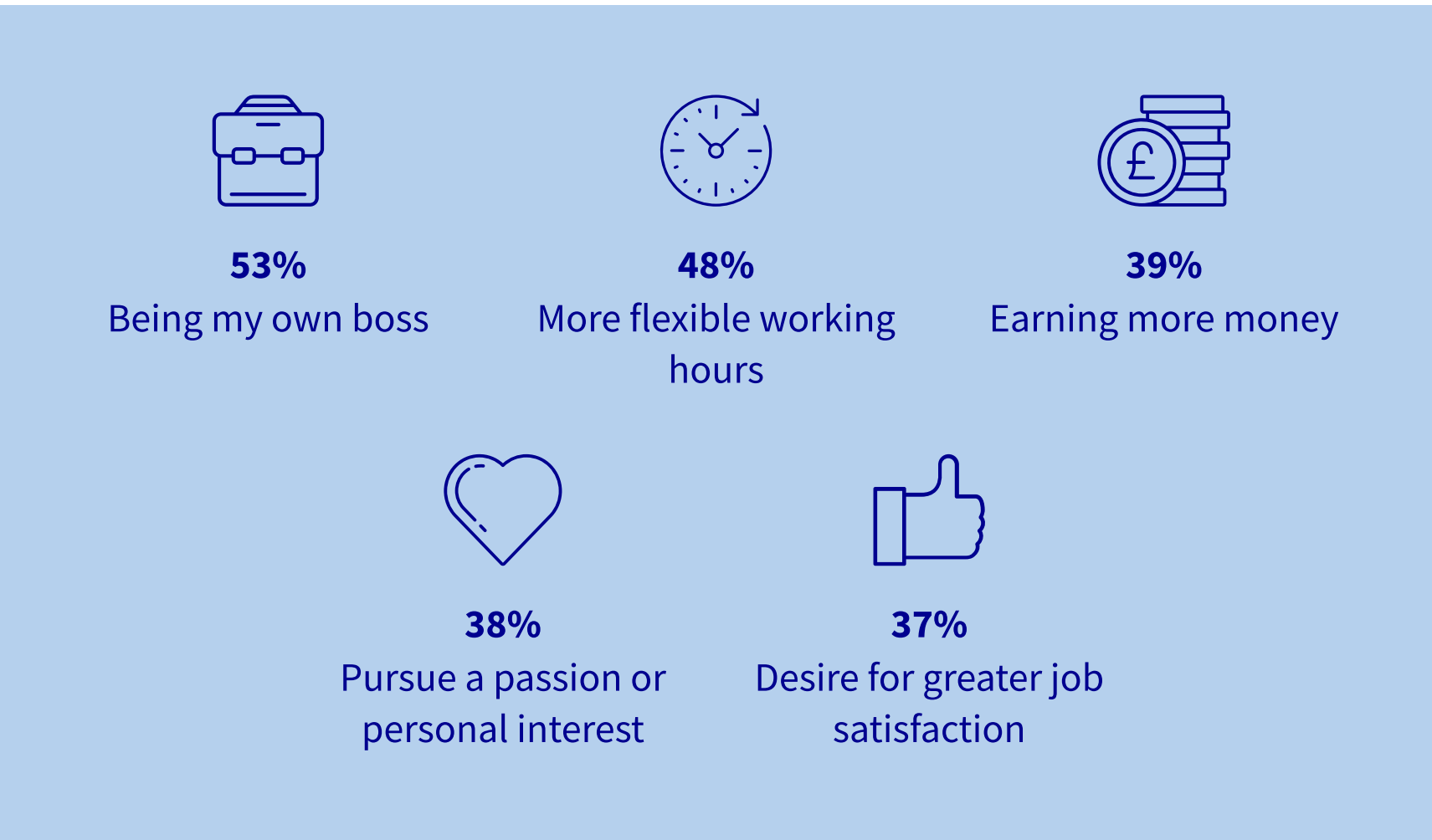
The startup starting line: motivators for starting a business

Every business journey is different, but there are some common threads we can follow through our study to determine female entrepreneurs' major motivators for taking the plunge when starting their own business. More than half (53%) were attracted by the thought of being their own boss, and 48% liked the idea of taking control of their own working hours.

Two in five (39%) saw starting their own business as a way to greater financial freedom and a higher earning potential, while 38% made the leap to bring more passion into their work life and pursue something they truly cared about.

Despite facing challenges, an overwhelming 92% said they would encourage other entrepreneurial women to find the courage to set up their own businesses.

Top motivators for starting a business



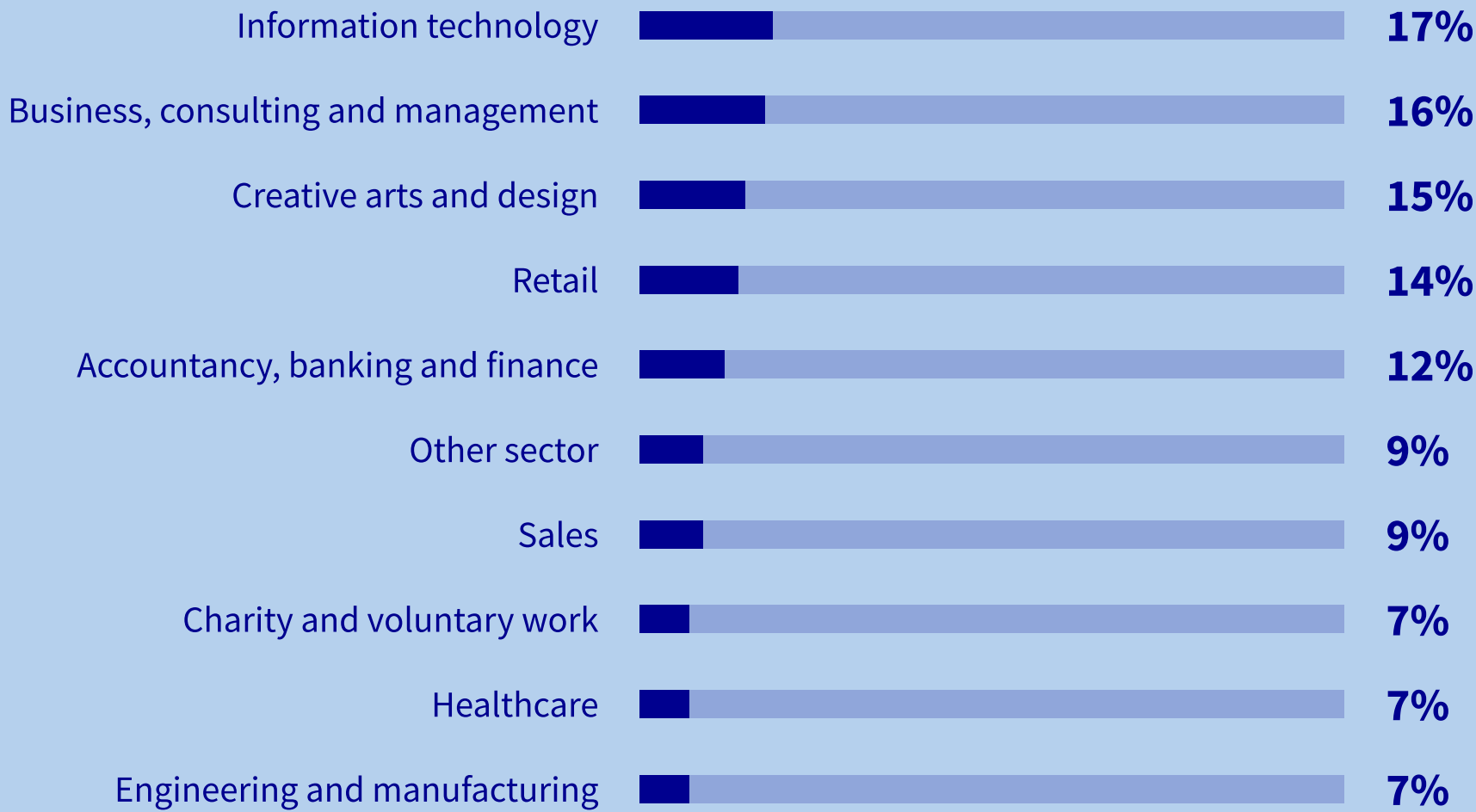


Female-led startups by sector

Women run their own businesses in a wide range of sectors across the UK.

The most common industry for respondents to work in was information technology (17%), followed by business, consulting and management (16%) and creative arts and design (15%).

Start-up entrepreneurs by industry:



Systemic challenges

Startups & stereotyping

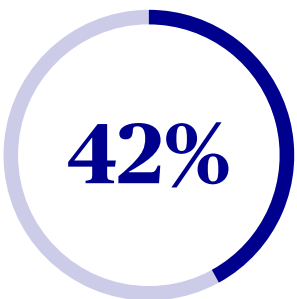
While there are successful female role models such as Deborah Meaden and Tamara Mellon in our society, successful business owners are stereotypically men and women encounter challenges that aren't experienced by their male counterparts.

More than a third (35%) of our sample have personally faced gender discrimination while running their business, and 53% feel pressure to prove themselves more than a man would in their industry. Just under half (47%) believe they are exposed to a higher degree of risk when starting a business because of this discrimination – impacting relationships with investors and clients, for example.

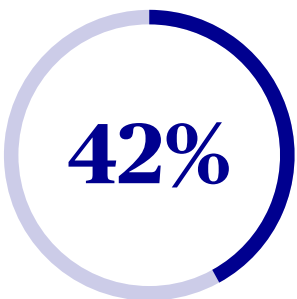
Of those respondents who felt being a woman meant they faced additional challenges, three fifths (59%) believe that gender bias and stereotyping have caused additional friction on the road to success.

Digging into this more deeply, 42% believe expectations around leadership style made it more difficult to succeed in business compared to the opposite sex.

Common gender challenges faced by women in business



Gendered expectations around leadership styles



Stereotypical perceptions of emotional vs rational decision-making



Difficulty in asserting authority without being negatively perceived

And a third (33%) found it more difficult to assert authority as a woman without being negatively perceived.

However, there are some positive take-aways. Two fifths (40%) of those surveyed feel they encountered a level playing-field when starting their business, regardless of gender, and 40% believe being a woman made it easier for them to succeed.



Sharmadean Reid MBE, AXA Startup Angel – judge and business mentor for winners of the competition

Sharmadean Reid MBE is an entrepreneur and small business mentor, best known for her innovative venture, The Stack World. Initially launched as Beautystack, a booking platform for beauty services during the pandemic, Sharmadean pivoted her focus to create a thriving community for women. The Stack World now connects thousands of mission-driven women, providing them with the resources, events, and networks they need to achieve their goals.

My advice would be to actively seek mentorship and build supportive networks to overcome these barriers. Engaging with mentors can provide invaluable insights that help women navi-gate their unique challenges – that’s certainly been my experience.



Sharmadean Reid MBE, AXA Startup Angel – judge and business mentor for winners of the competition

I faced numerous challenges when starting out, many of which are particularly relevant for female entrepreneurs including gender biases within the business environment and not being taken seriously. Women often have to navigate a complex landscape of biases, both external and internal, and societal expectations and stereotypes can create barriers for women seeking to establish their businesses.

The dual pressures of balancing my professional ambitions with personal responsibilities were a challenge that many women will identify with.

This juggling act can lead to feelings of being overwhelmed, particularly when societal norms often expect women to take on a larger share of caregiving and household duties.

Another challenge was securing funding. Women entrepreneurs often struggle to access the same level of investment and resources as their male counterparts, which can hinder their ability to scale their businesses.

My advice would be to actively seek mentorship and build supportive networks to overcome these barriers. Engaging with mentors can provide invaluable insights that help women navigate their unique challenges - that's certainly been my experience.

Early days: customers & cash flow

The first steps can often be the most difficult



For any startup business, the first steps can often be the most difficult, and our female entrepreneurs said they faced several hurdles to get their businesses up-and-running.

Of the 500 women surveyed, a majority pointed to cash flow and early financing as pain points. Three in 10 (28%) faced a challenge getting the startup cash they needed to set their dreams in motion, and 21% felt there was a lack of financial support provided as they pursued their venture.



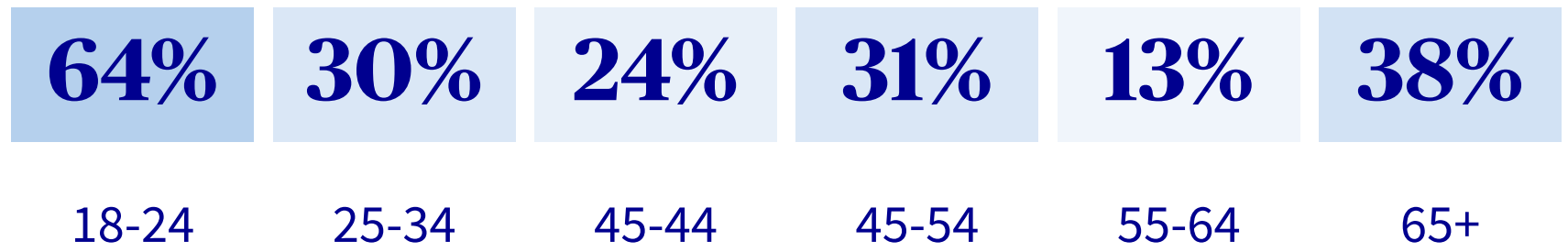
As a result, 37% agree that better access to funding or grants at the outset would have helped to get business booming sooner. And 22% wish they could go back in time to implore their younger selves to secure finances early and plan for the unexpected.

Without access to funding or grants, the majority of those surveyed risked their own money to give their business an early cash boost. Two thirds (65%) used personal savings to get their business off the ground, though one in four (25%) were able to secure a small business loan. And over a third (36%) had the support of family and friends to provide much-needed funding in those early days.

This issue of cash flow goes hand-in-hand with another challenge: building a customer base large enough and consistent enough to sustain a business. More than a third (34%) of our sample initially struggled with building a healthy customer base, which may partially be impacted by the 21% of women who said they have faced a crisis of confidence or self-doubt.

Start up costs were a major challenge for both the youngest and oldest age groups.

The percentage of each age group that cited start up costs as one of their top challenges when starting a business:



This issue could be tackled by providing better access to a support network of like-minded and experienced business professionals - a factor craved by three in 10 (30%) of our sample. And 30% would have loved the opportunity to receive direct mentorship from experienced entrepreneurs to boost their confidence at the start.

It's clear that female entrepreneurs face unique challenges when starting and running their own business, and support is both welcome and needed. This is reflected by the 74% of our sample who believe the amount of resources and support networks for female-focused businesses is lacking and could be improved.



Family matters

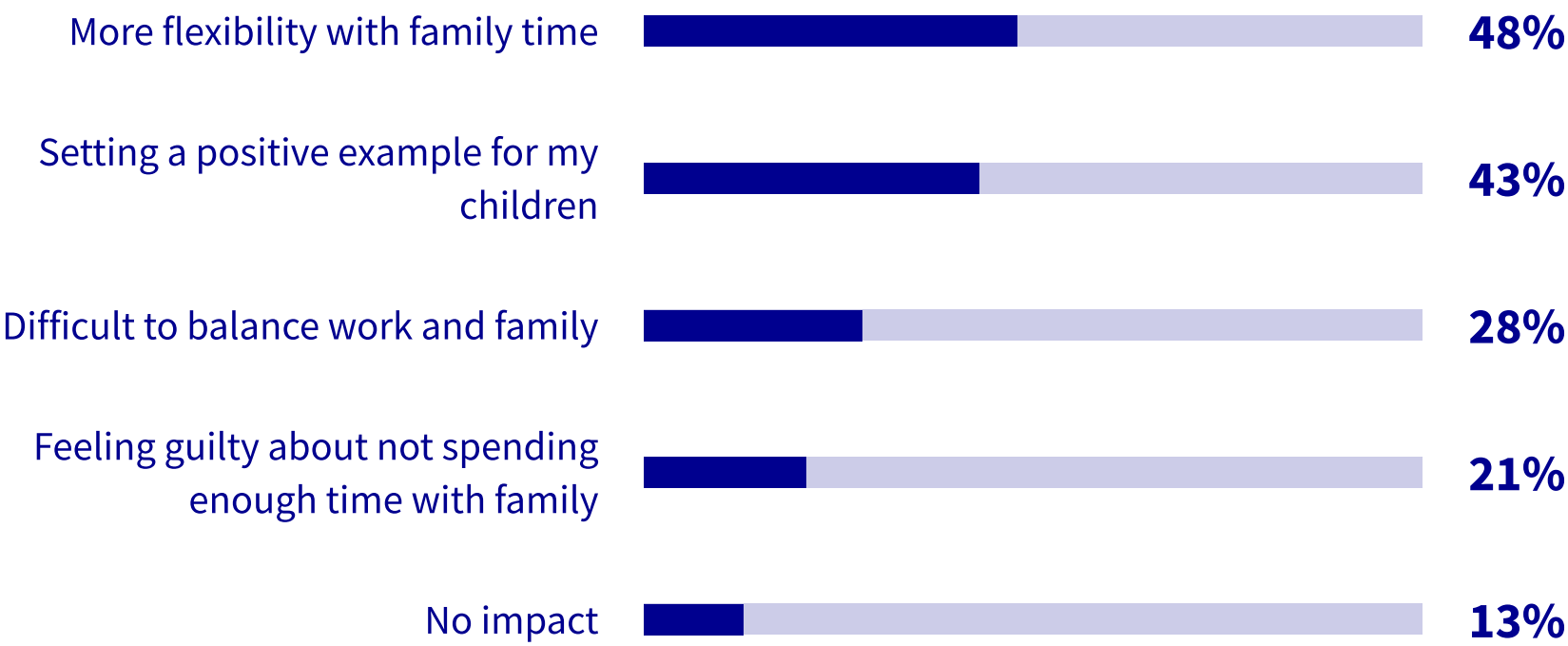
The impact on life at home

Work-life balance is an ongoing concern for many working professionals. Demands on our time are increasing and it can be difficult to ensure work doesn't spill over into home life. Women who run their own businesses face this balancing act on a daily basis, though this can be a benefit too as working for yourself can offer more flexibility

Of those surveyed, 48% said that running their own business has provided greater flexibility in their work life, allowing for more time with their family. And 43% of women with children surveyed value the opportunity to set a positive example for their children by starting their own business.



The impact of running a business on family life



However, more than a quarter (28%) have found it difficult to balance responsibilities at home with the additional stresses that come with running a business, and a fifth (21%) feel guilty when work has to take precedence over spending quality time with loved ones.

Of respondents who live with their children, seven in 10 (69%) feel that motherhood has made them more confident in business. And 75% feel that their partner is a supporting influence. Two fifths (40%) have been inspired by other female business owners, and 30% have received a motivational boost from a mentor or coach.

Imposter to boss

The role of self-confidence

Taking the reins and striking out on your own requires a high level of self-belief - confidence that must be sustained through the rough and smooth of running a business. And despite the empowering aspects of entrepreneurship, self-doubt often looms large in the minds of our businesswomen. Over a third (36%) of the female entrepreneurs responding to this study said they have dealt with feelings of ‘imposter syndrome’, and 30% feel they haven’t been taken seriously by investors, clients or suppliers because they are women.

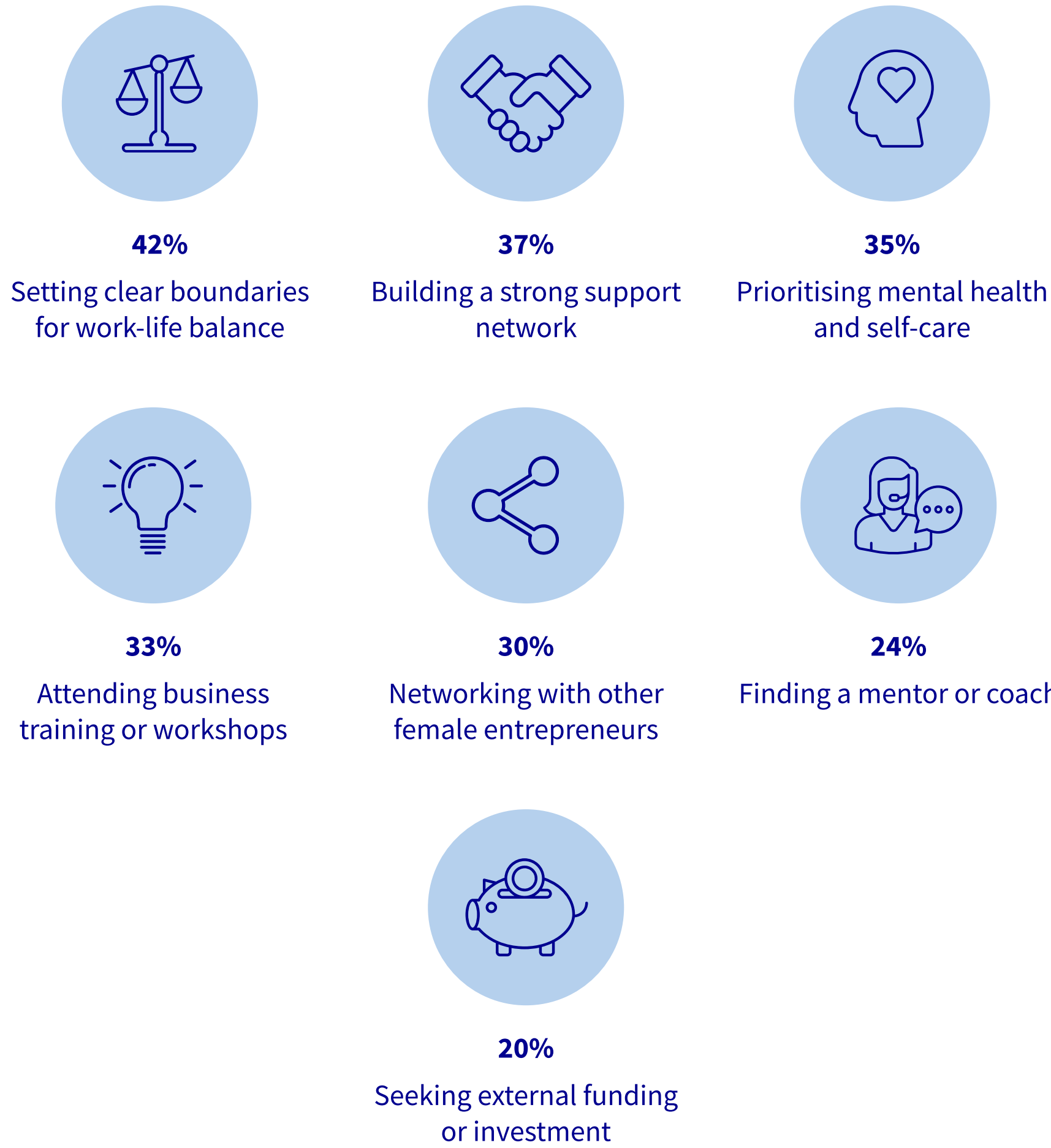
Having the right support network at work and at home can make all the difference, and 30% of our respondents initially found it challenging to find colleagues who supported their vision.

But the women we surveyed were pragmatic about the challenges of running a business and were under no illusion that it would be easy. More than four in 10 (42%) have found it useful to set clearly defined boundaries between work, home and their social life, while 37% see the benefit of a support network which helps when feelings of doubt or unforeseen obstacles rear their head.

Given the chance to turn back the clock and advise their younger selves about their business journey, a quarter (24%) would warn about burnout and to prioritise mental health, and 23% would highlight the importance of knowing your own self-worth and not selling yourself short.



Top strategies for overcoming challenges in business





Hanan Tantush – 2023 winner of the AXA Startup Angel competition for her adaptive clothing range Intotum

Hanan's grandfather was fitted with a stoma and she witnessed how he struggled to find comfortable, stylish clothing so she launched her own range while finishing her fashion degree.

I see being a woman as an opportunity to stand out, break barriers, and bring others in. Building Intotum, my adaptive clothing brand, has been full of challenges, but knowing it makes a real difference keeps me going.



Hanan Tantush – 2023 winner of the AXA Startup Angel competition for her adaptive clothing range Intotum

Setting up Intotum, my adaptive clothing brand, has been one of the most rewarding and challenging things I've ever done. As a female founder, I've often been the only woman in the room – especially in business, design, and investment spaces. But instead of letting that intimidate me, I've chosen to see it as an opportunity: to stand out, to pioneer, and to open the door wider for others to follow.

The challenges are real – from funding gaps to feeling overlooked or underestimated – but I've been fortunate to meet so many incredible women along the way. Female founders are often each other's loudest cheerleaders, and building a network of support has been vital. I now share that network freely, because when one of us wins, we all move forward.



I see being a woman as an opportunity to stand out, break barriers, and bring others in. Building Intotum, my adaptive clothing brand, has been full of challenges, but knowing it makes a real difference keeps me going. I've found strength in a powerful network of women who cheer each other on fiercely. It's a brilliant time to be a female founder – we're rewriting the rules and showing up exactly as we are.

Conclusion

“Starting your own business is a huge challenge and our research has highlighted areas where women feel disadvantaged. More than half of the small business owners we surveyed said gender bias and stereotyping were a problem, while almost a third felt they weren’t taken seriously by investors, clients or suppliers.

At AXA, we believe being a woman shouldn’t be a risk when starting out in business – everyone deserves the same opportunities regardless of gender and we’re committed to supporting all budding entrepreneurs to realise their dreams. The AXA Startup Angel competition provides a springboard to bring incredible ideas to life, offering funding and mentorship that can make a real difference in those early days.

Small businesses are the backbone of the UK economy, and we want to ensure they continue to grow and flourish with our support and encouragement”

Mike Crane, Director of Small Business Insurance at AXA UK

