

Small Business Owner Survey

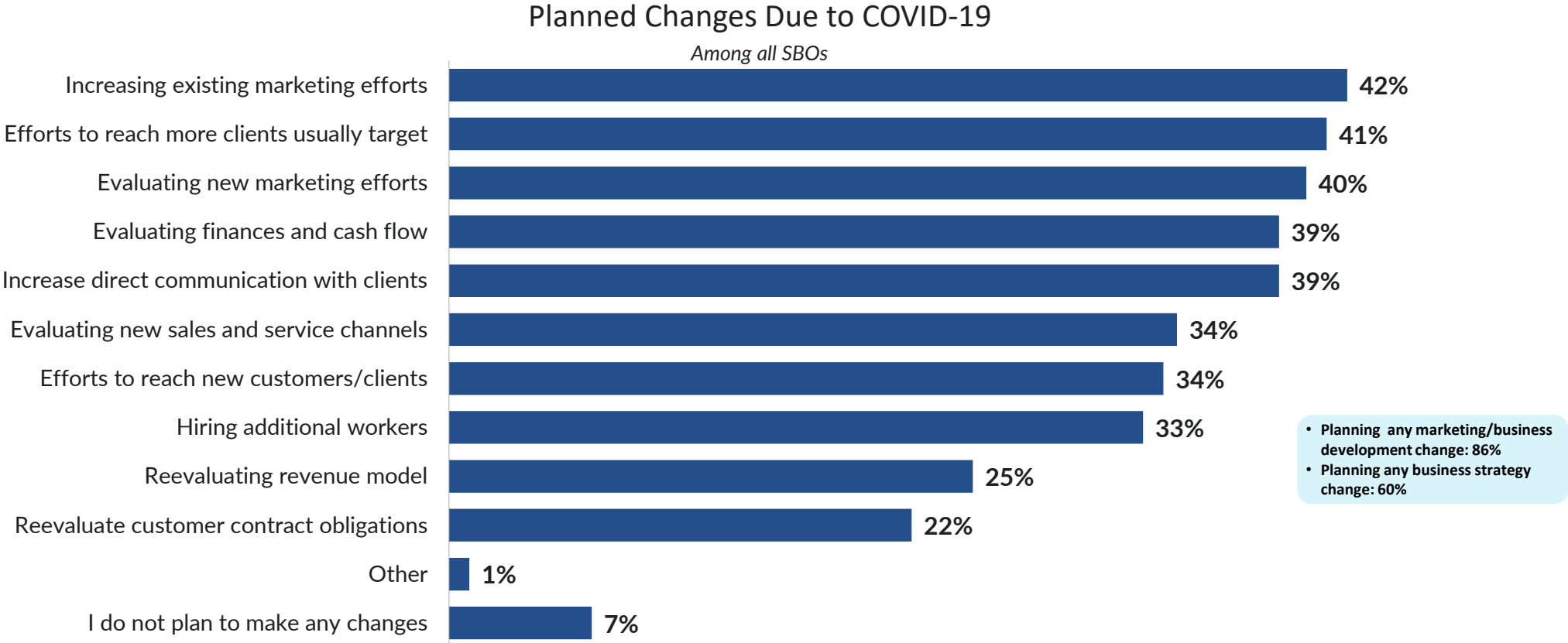
November 2021

Methodology

Lincoln Financial, Small Business Owner Survey, November 2021

The goal of this research is to understand U.S. Small Business Owner perspectives on a variety of topics including top concerns, offering employee benefits, financial advice, and the impact of COVID. Responses were gathered from 11/8/2021 – 11/21/2021 using the Qualtrics survey platform. For the purpose of this study, Small Business Owners were defined as currently owning a business with 10-100 employees and revenue between \$250,000 - \$10 Million. The small business was required to be operational for at least two years and privately owned/non-government. Responses were collected from a total of 313 individuals who own small businesses in the U.S., including 125 women and 120 multicultural small business owners (76 Hispanic, 33 Black/African-American, 12 American Indian/Alaska Native, 8 Asian American, 7 other race). Respondents were sourced from a third-party panel provider targeting individuals owning small businesses in the United States.

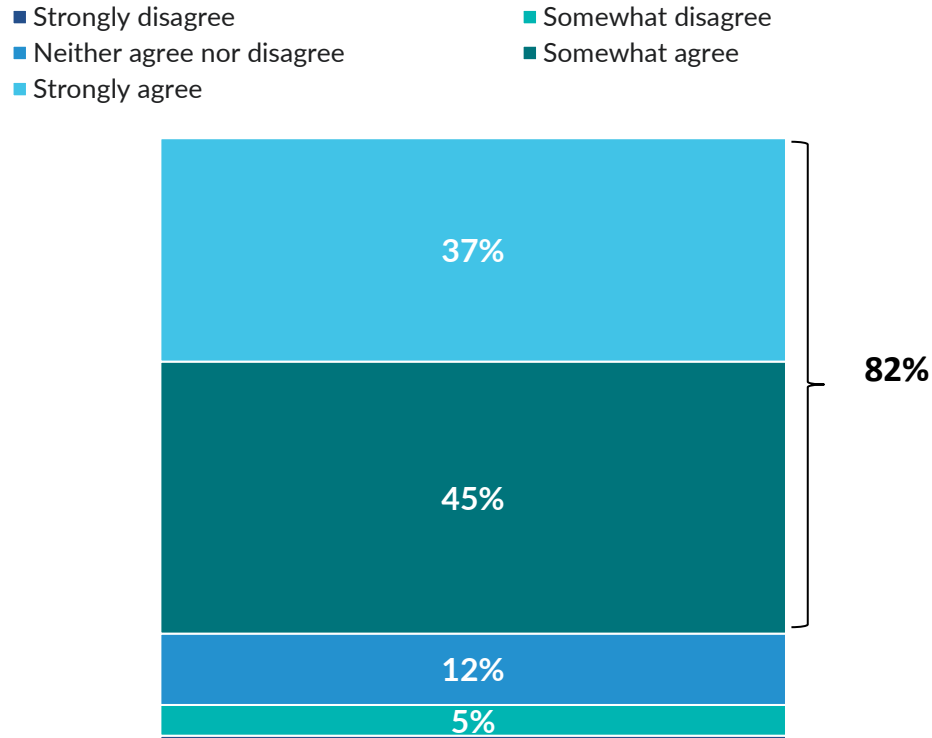
93% of small business owners have reevaluated strategy and plan to make changes to their business



Source: Lincoln Financial, Small Business Owner Survey, November 2021

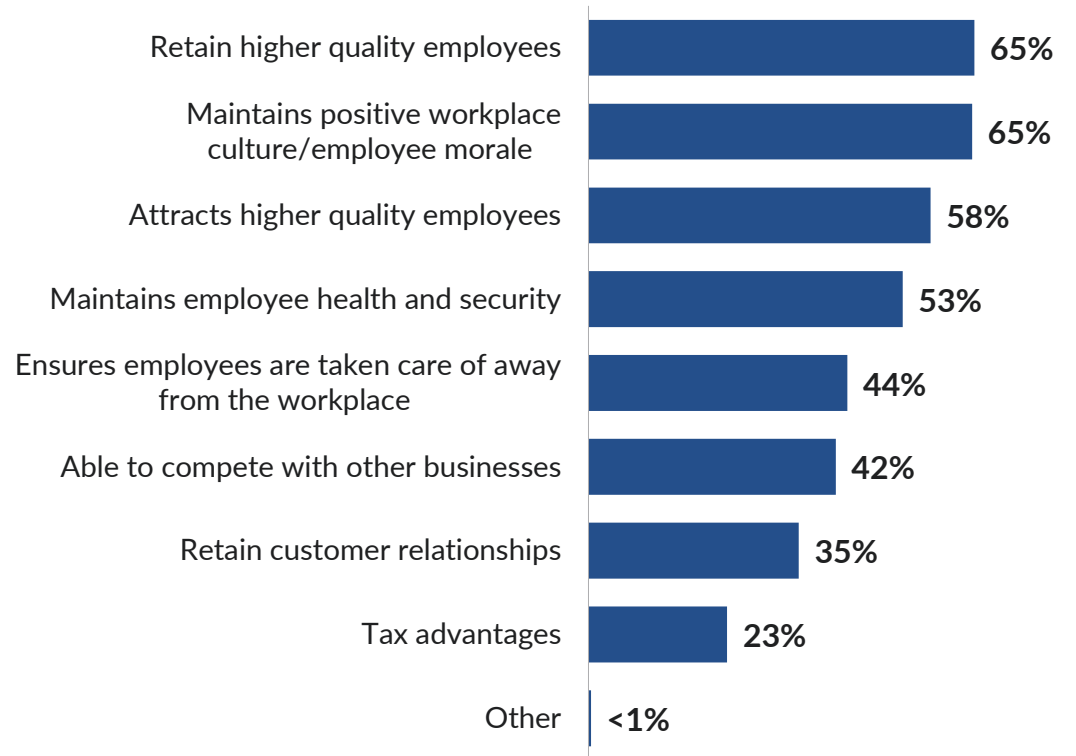
Offering competitive benefits is a top priority for most small business owners

Competitive Benefit Prioritization
Among all SBOs



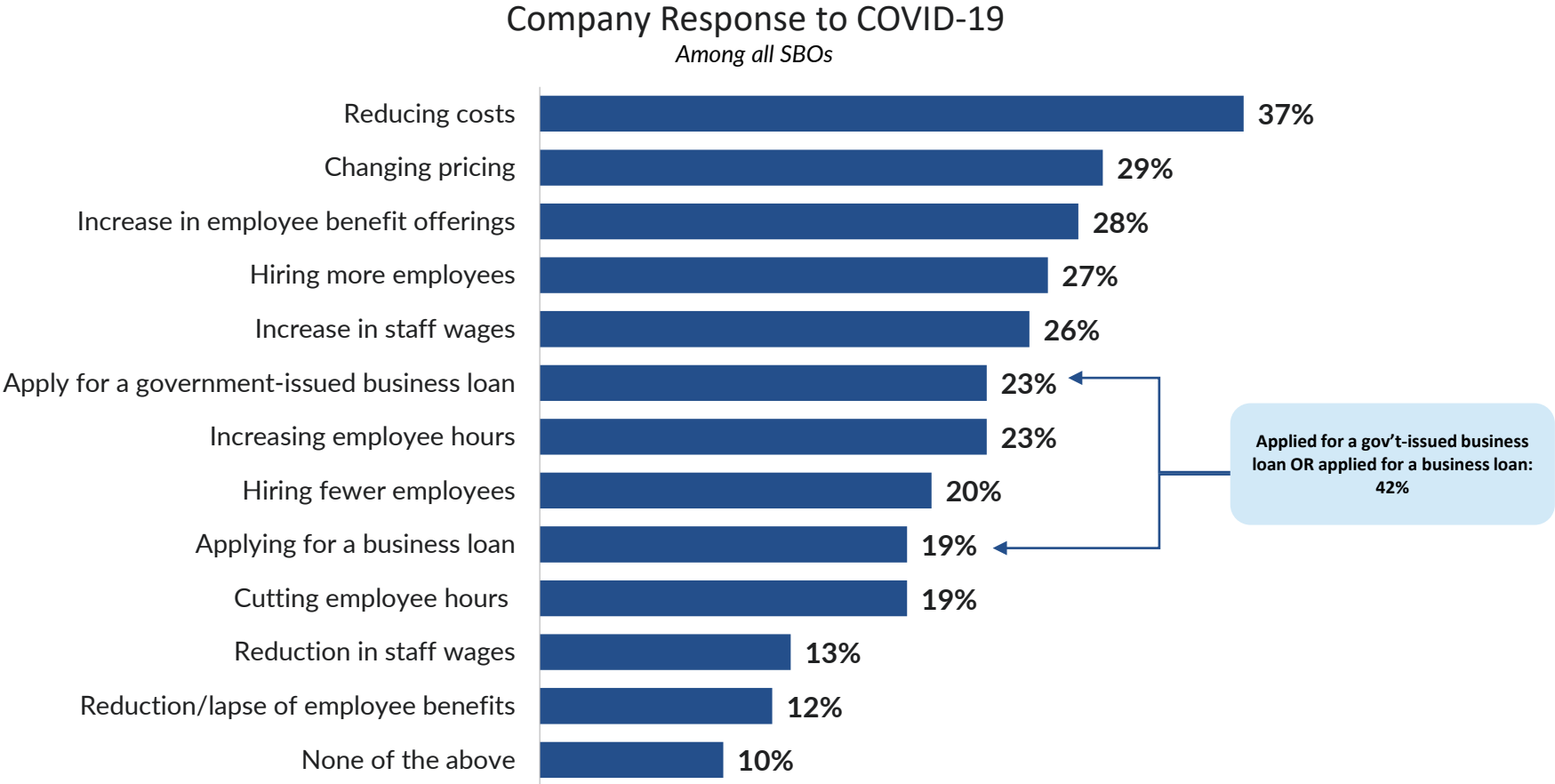
Reason Benefits Top Priority

Among SBOs who somewhat/strongly agree benefits are a top priority



Source: Lincoln Financial, Small Business Owner Survey, November 2021

The most frequent responses to COVID-19 include reducing costs, changing pricing, and increasing employee benefits



Source: Lincoln Financial, Small Business Owner Survey, November 2021

Q3.3 Which of the following best describes how your company is responding to the effects of COVID-19 in terms of business strategy? Please select all actions that you have taken so far. (n=313)

Benefits small business owners added and removed

Life & Leave

	% Added	% Removed
Life Insurance	30%	4%
Short-Term Disability insurance	27%	7%
Paid parental leave	26%	4%
Long-term disability insurance	24%	5%

Retirement & financial wellness

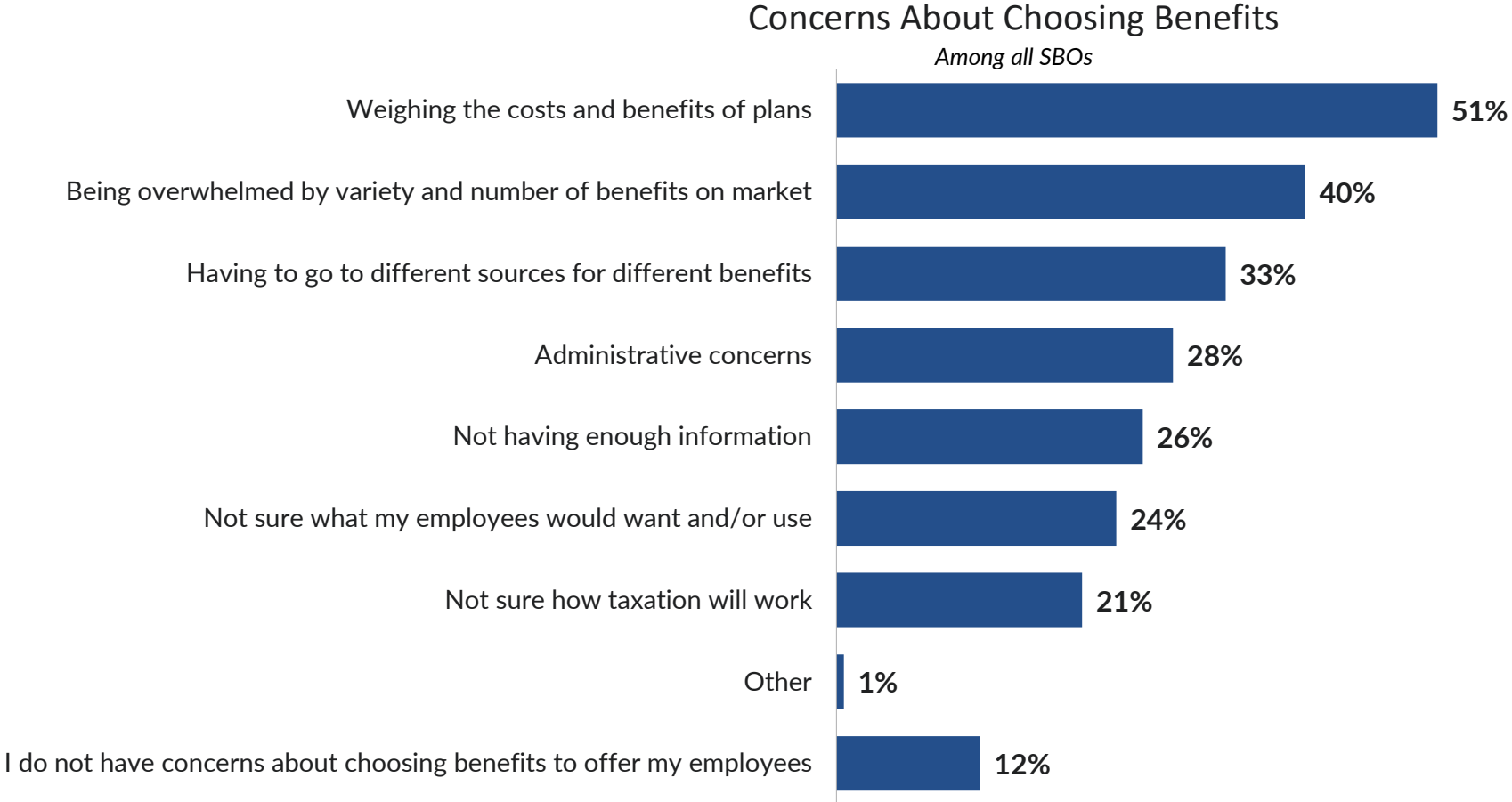
	% Added	% Removed
Retirement matching contrib.	27%	4%
Financial wellness program	27%	4%
Retirement account	27%	6%

Health & health-related

	% Added	% Removed
Health insurance	29%	4%
Accident insurance	27%	4%
Critical Illness insurance	27%	5%
Hospital Indemnity Insurance	26%	4%
Vision Insurance	26%	5%
Dental Insurance	25%	6%
Long-term care insurance	23%	6%

Q10.2 Which of the following benefits have you added or removed due to the COVID-19 pandemic? (n=274-279)
 Source: Lincoln Financial, Small Business Owner Survey, November 2021

Small business owners have various concerns about choosing benefits



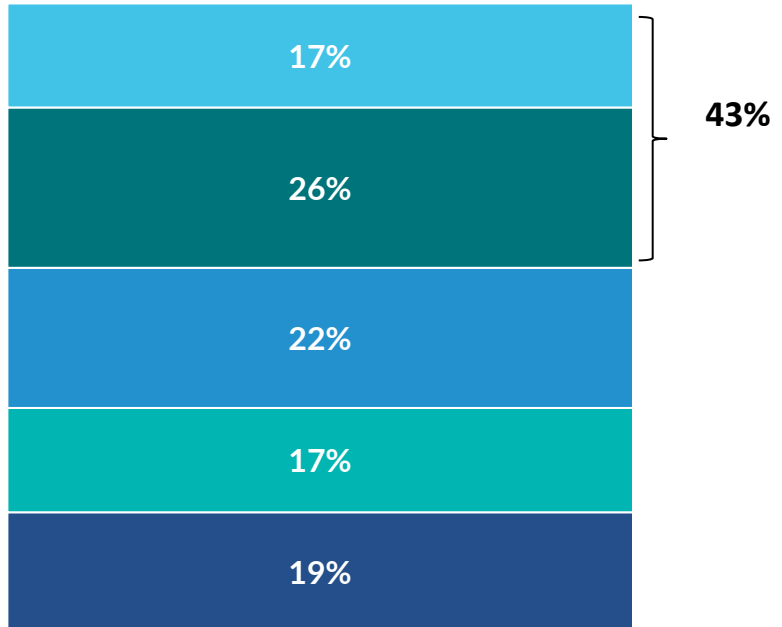
Source: Lincoln Financial, Small Business Owner Survey, November 2021

Most small business owners say multi-employer benefits solutions are appealing, but fewer are familiar

Multi-Employer Benefit Solutions Familiarity

Among all SBOs

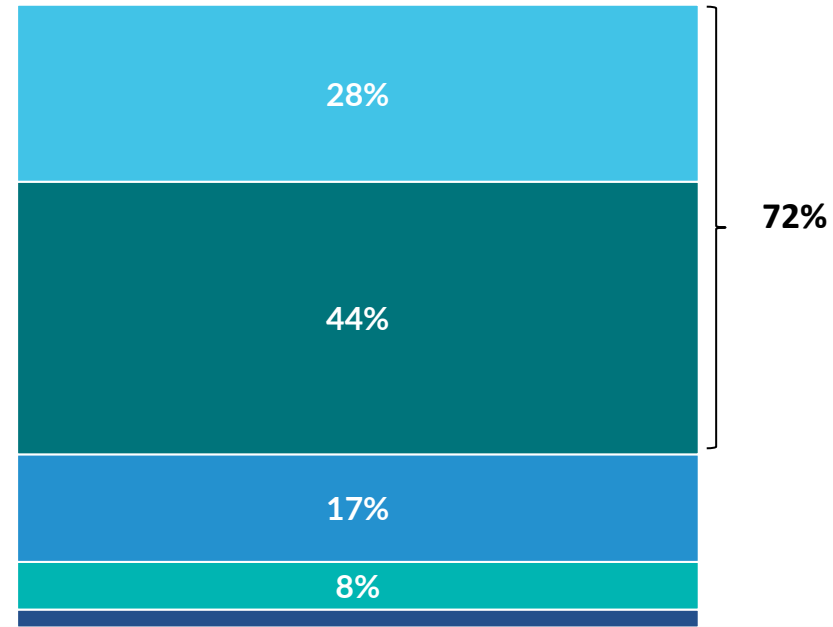
- Not at all familiar
- Slightly familiar
- Moderately familiar
- Very familiar
- Extremely familiar



Multi-Employer Benefit Solutions Appeal

Among all SBOs

- Extremely unappealing
- Somewhat unappealing
- Neither appealing nor unappealing
- Somewhat appealing
- Extremely appealing

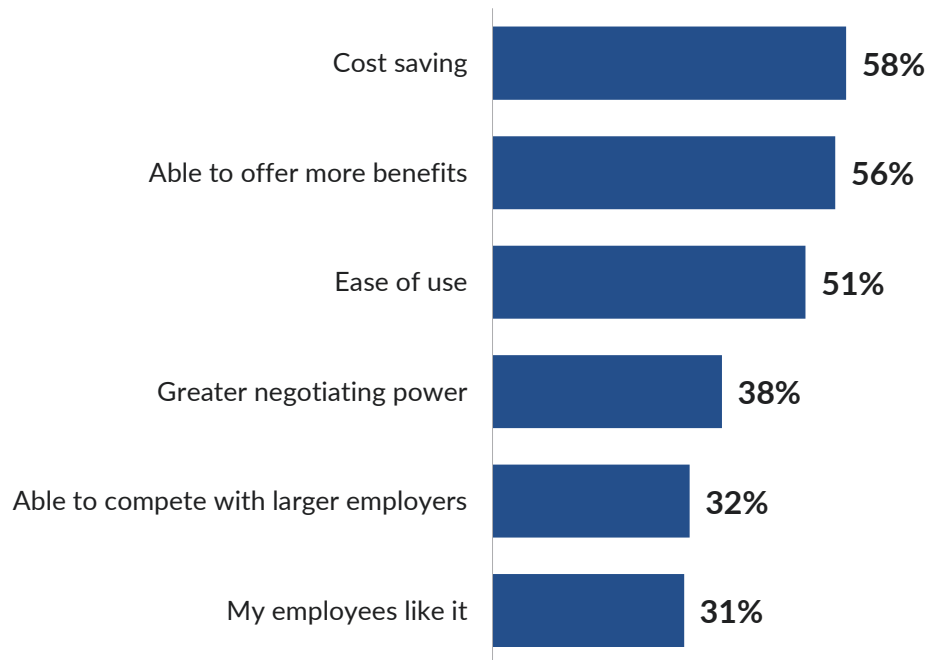


Source: Lincoln Financial, Small Business Owner Survey, November 2021

Multi-employer benefits solutions are appealing for several reasons

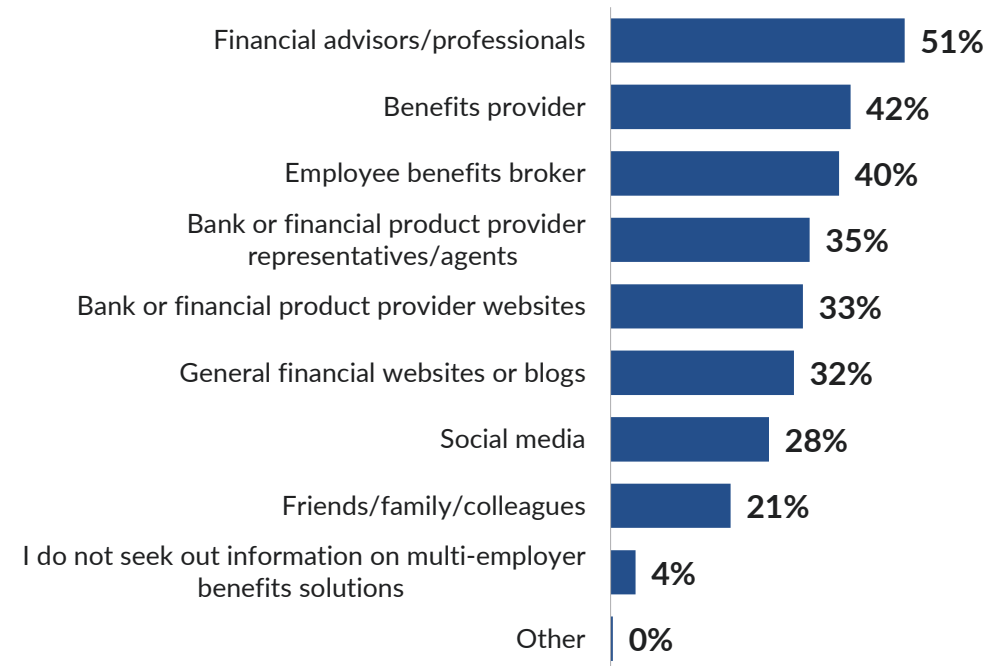
Reason for Multi-Employer Benefits Solutions Appeal

Among SBO's who aren't extremely familiar with Mult.-Emp. Ben. Sol. And find them appealing



Information Sources Used for Multi-Employer Benefits Solutions

Among SBO's somewhat familiar with Mult.-Emp. Ben. Sol.



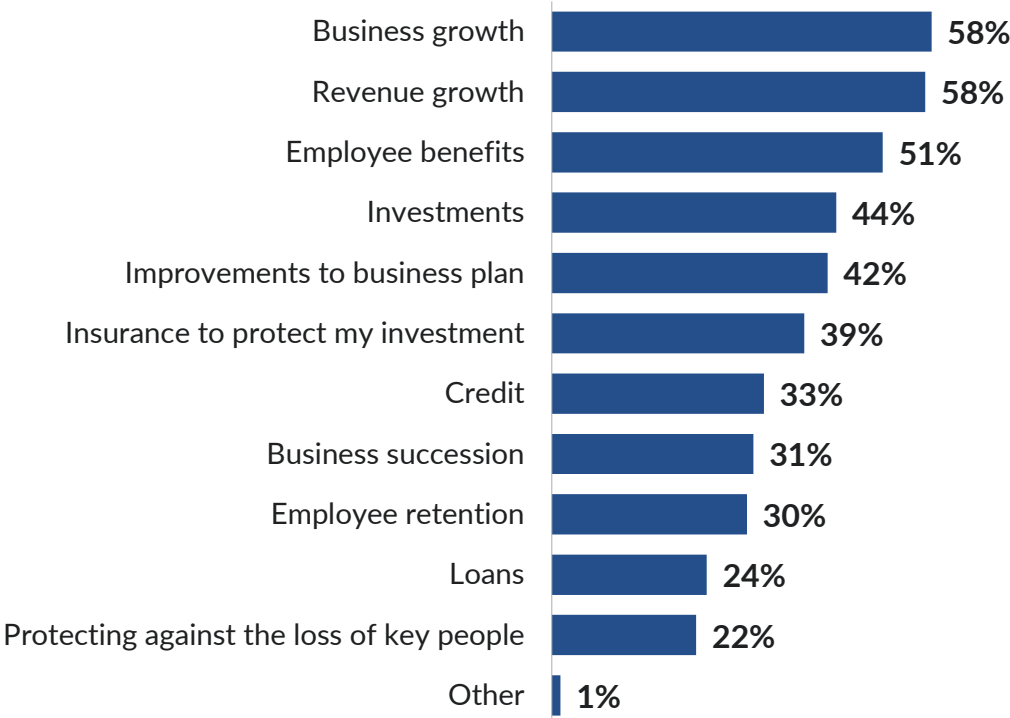
Source: Lincoln Financial, Small Business Owner Survey, November 2021

Q9.3 Why do you find multi-employer benefits solutions appealing? Please select all that apply. (n=226) (n=33) Q9.5 What sources of information do you or would you use to get information on multi-employer benefits solutions? Please select all that apply. (n=254)

Topics small business owners discuss with financial professionals

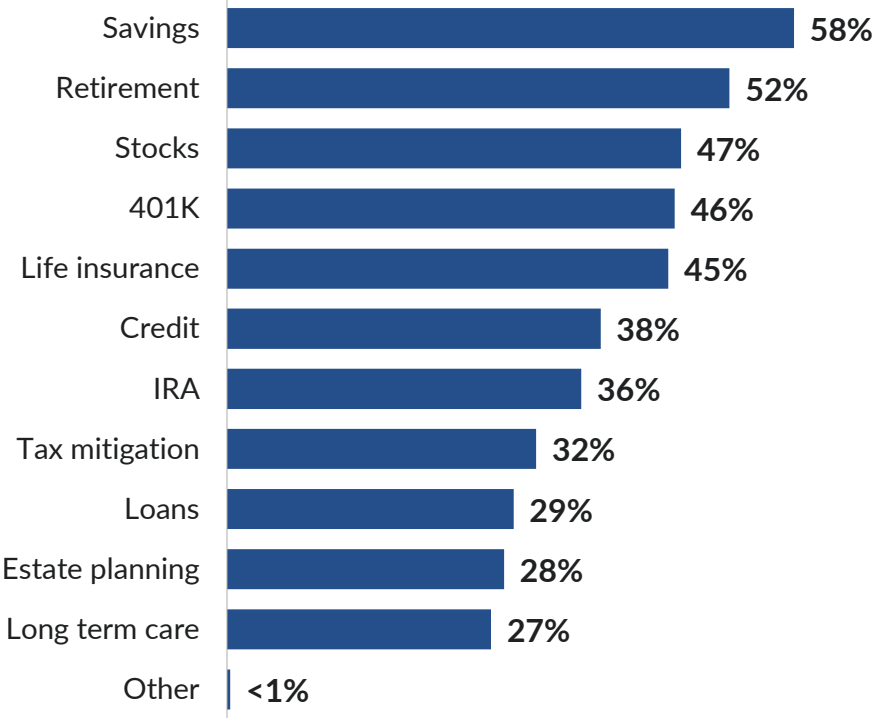
Business Finance Topics Discussed with Financial Professional

Among SBOs meeting with Business Financial Professionals



Personal Finance Topics Discussed with Financial Professional

Among SBOs meeting with Personal Financial Professionals

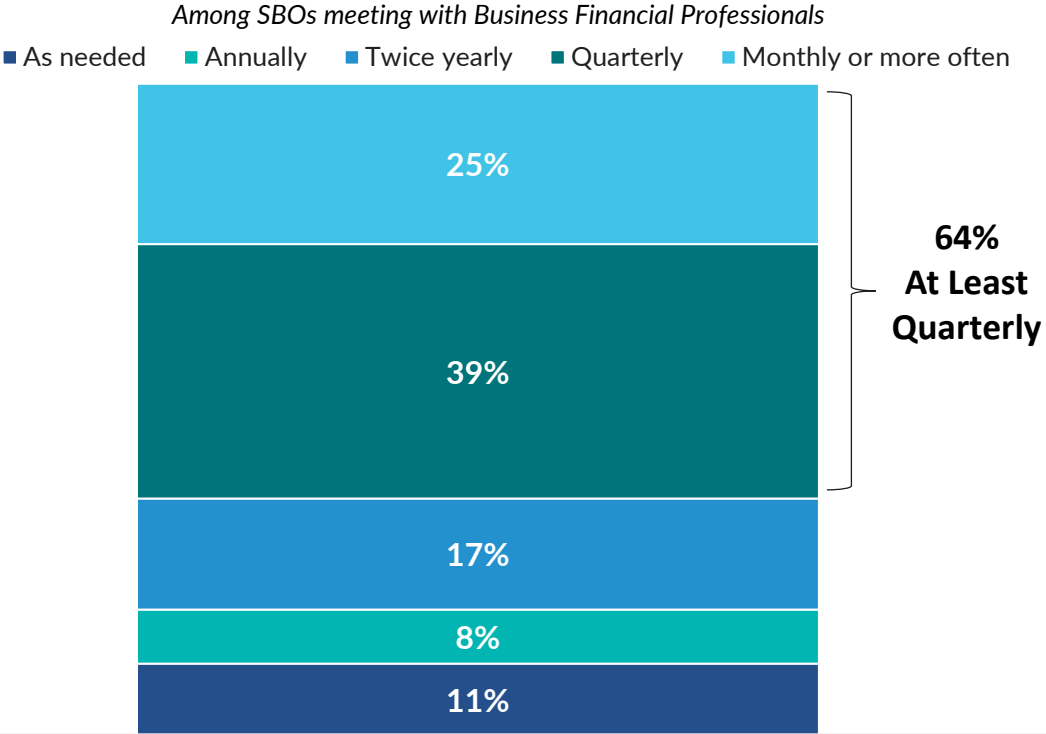


Source: Lincoln Financial, Small Business Owner Survey, November 2021

Q4.6 Which of the following topics about your business do you discuss with your financial professional? Please select all that apply. (n=306) Q4.7 Which of the following topics about your personal finances do you discuss with your financial professional? Please select all that apply. (n=302)

Nearly two-thirds of small business owners meet with financial professionals quarterly or more often

Frequency of Engagement With Financial Professional - Business



Source: Lincoln Financial, Small Business Owner Survey, November 2021

For more information

Media Contact

Vanessa Colley

Lincoln Financial Group

Vanessa.Colley@lfg.com

484-583-8757

Lincoln Financial Group is the marketing name for Lincoln National Corporation and its affiliates.

Affiliates are separately responsible for their own financial and contractual obligations.