



# Nationwide 2017 Business Owners Attitudes & Usage (A&U) Study

**UNDER EMBARGO UNTIL 8/22 AT 10:00 A.M. ET**



**FOR MORE INFORMATION, OR TO  
SET UP AN INTERVIEW ON  
THE RESULTS, CONTACT:**

**ALLISON NAVAL**  
**ALLISON.NAVAL@EDELMAN.COM**  
**(312) 233-1201**

# Background and Research Objectives

This study continues Nationwide's annual business owner research, which serves to identify the opinions, perceptions and needs of business owners in the United States across topics such as cybersecurity awareness, disaster preparedness and business succession planning.

This packet includes an overview of the survey's methodology, demographics and key findings – which highlight three key gaps in business owner awareness.



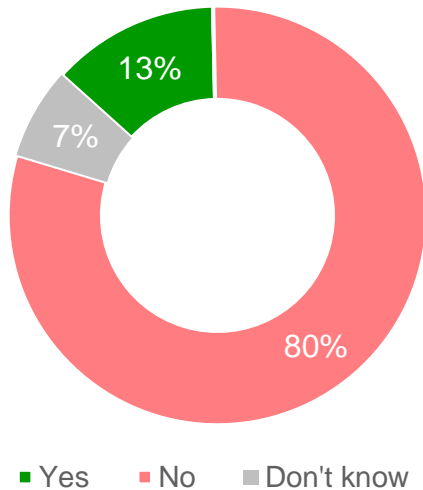


**Key Findings: Business Owner  
Cyberattack Awareness Gap**

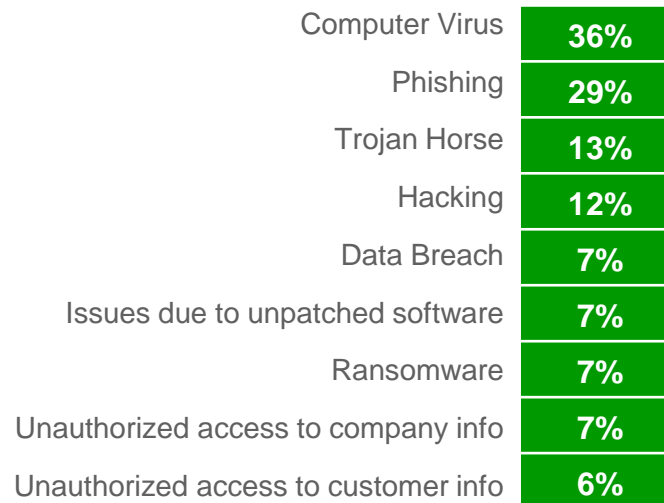
# 45% of business owners have been a victim of a cyberattack without knowing it was an attack.

13% of business owners identified their company as a victim of a cyberattack, yet that number jumps to 58% when business owners were given a list of cyberattacks to choose from – pointing to a 45% awareness gap in what a cyberattack is.

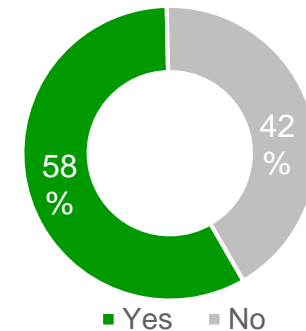
**Victim of Cyberattack**  
(% selected)



**Types of Attack on Company**  
(% selected)



58% of business owners have experienced at least one of these types of cyberattacks



Base: Total (n=1069)

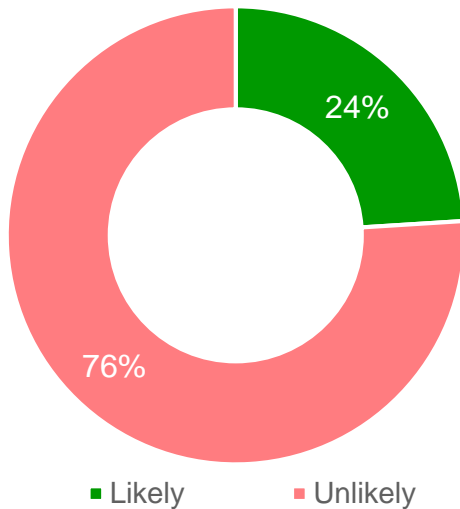
Q21. Has your company been a victim of a cyberattack?

Q20. Have any of the following ever happened to your company? Select all that apply.

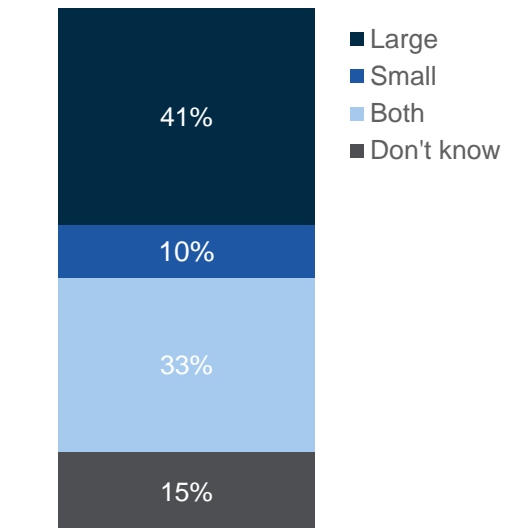
# Three-quarters of business owners think cyberattacks are unlikely to affect their businesses.

*In fact, 41% of business owners believe cyberattacks happen more frequently in large businesses than in small businesses.*

### Likelihood to Be Affected by Cyberattack



### Size of Business Affected More Frequently (% selected)



Base: Total (n=1069), Millennials (n=181), African-Americans (n=105)

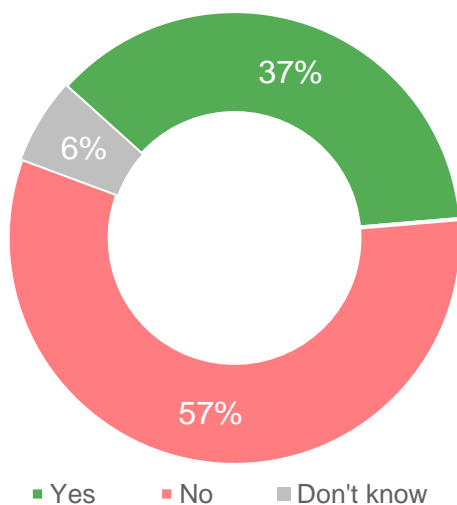
Q17. How likely do you feel your company is to be affected by a future cyberattack?

Q13. In your opinion do cyberattacks happen more frequently in large businesses, small businesses or both?

# 57% of business owners do not have a dedicated employee or vendor monitoring for attacks and could be cyber-victims without even knowing it.

Of those who do not have a dedicated cybersecurity employee or vendor, cost (37%) and thinking the business will not be targeted (34%) are the top two reasons.

### Dedicated Cybersecurity Employees (% Selected)



### Cybersecurity Employee Drawback (% that do not have dedicated employee/vendor)



Base: Total (n=1069)

Q36. Does your business have a dedicated employee or vendor in charge of detecting and combating cyberattacks before they can become an issue?

Base: Total (n=611)

Q37. In your opinion, which of the following prevents your company from having a dedicated employee or vendor in charge of detecting and combating cyberattacks before they can become an issue?

A man with dark hair and a beard, wearing a white long-sleeved shirt, is shown in profile from the chest up. He is leaning his arms on a windowsill and looking out a large window at a dense city skyline under a cloudy sky. The entire image has a blue color overlay.

# Key Findings: Business Owner Disaster Preparedness Gap

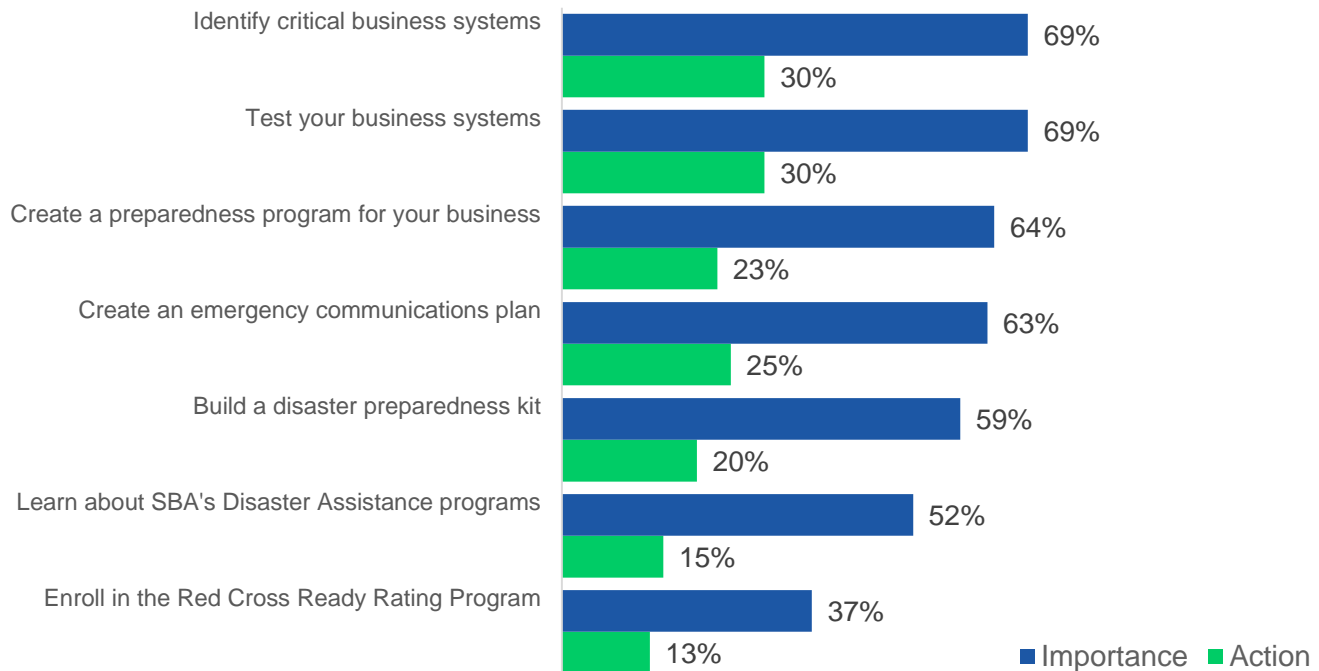


# There is a 25-40% gap among business owners who know the importance of disaster preparedness best practices vs. taking action on them.

Only 20% of business owners have built a disaster preparedness kit for their business. Millennial business owners report being more prepared than Boomer business owners across several disaster preparedness best practice areas.

Significantly more Millennial than Boomer business owners are prepared to enroll in the Red Cross Ready Rating Program (34% vs. 3%) and building disaster preparedness kits (35% vs. 12%).

**Stated Importance and Action –  
Disaster Preparedness Best Practices**



Base: Total (n=1069)

Q38. The U.S. Small Business Administration identified 7 disaster preparedness best practices businesses can implement. How important do you feel these best practices are to your company?

Base: Total (n=1069), Millennials (n=181), Boomers (n=399)

Q39. In reviewing the 7 disaster preparedness best practices, how regularly does your company follow them?

Base: Total (n=260), Boomers (n=399)

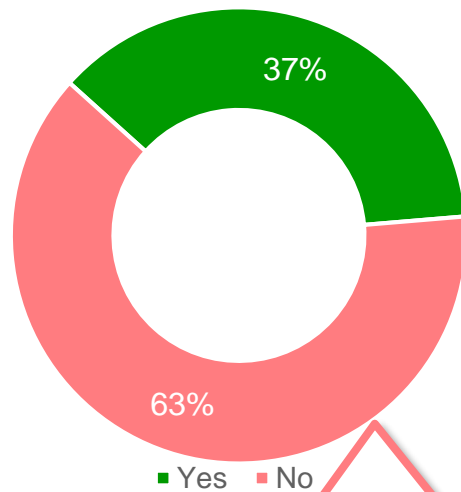
A blue-tinted photograph of two business people shaking hands over a table. On the table, there are documents, a blue pen, and other office supplies. The background is a plain, light blue wall.

# **Key Findings: Business Owner Business Succession Planning Gap**

# 2 in 3 business owners do not have a succession plan in place, with almost 40% indicating they don't think it's necessary.

Twice as many Boomers as Millennials have no business succession plan in place (74% vs 37%).

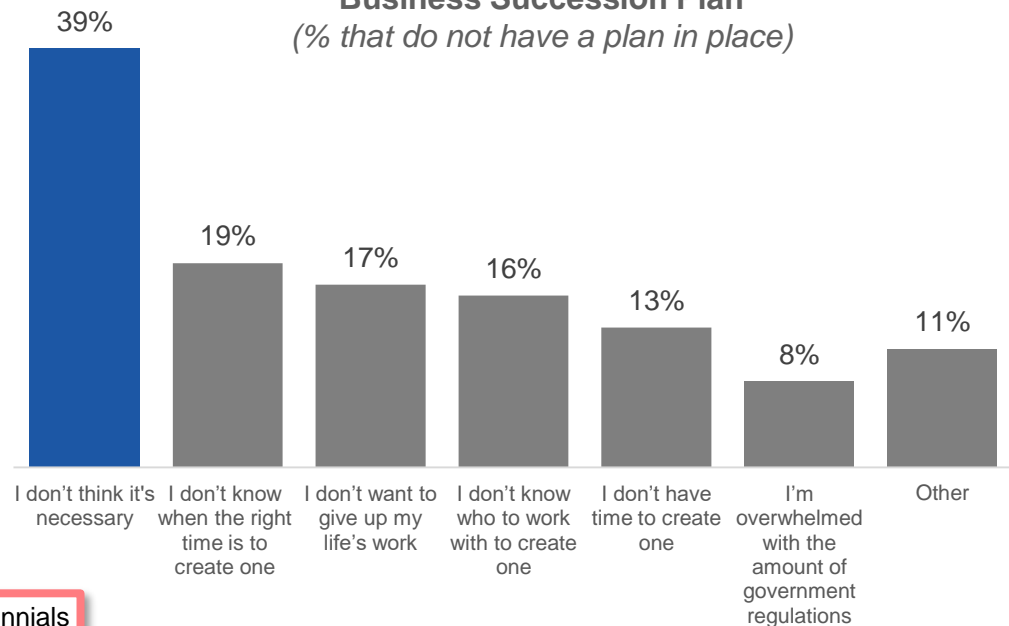
**Has Business Succession Plan in Place**  
(% selected)



Twice as many Boomers as Millennials have no business succession plan in place (74% vs. 37%).

58% of Startups have not set up a business succession plan.

**Reason for Not Having Business Succession Plan**  
(% that do not have a plan in place)



Base: Total (n=1,069), Boomers (n=399), Millennials (n=181), Startups (n=186)

Q45. Do you currently have a business succession plan in place?

Base: Total (n=673), African-Americans (n=40), Hispanics (n=49)

Q46. Why do you not currently have a business succession plan in place?

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# APPENDIX

- METHODOLOGY
- DEMOGRAPHICS

# Methodology

Nationwide commissioned a 20-minute quantitative online survey among a sample of 1,069 U.S. business owners\* ages 18+ who have 1-299 employees and are representative of the general population by age and gender.



Sample Size

Total N=1,069

African Americans N=105

Hispanics, N=102

Startups\*\*, N=186



Margin of Error

±3% at the  
95% confidence  
level



Method

20-minute  
online survey



Timing

Survey fielded from  
May 16 - May 24, 2017

\*Business owners are described as having between 1-299 employee and self-reported being either sole or part owner

\*\*Startups are defined as being in business two years or fewer

# Demographics: Total

GENDER	
Male	55%
Female	45%

GENERATION	
Millennial	17%
Gen X	46%
Boomer	37%

REGION	
Northeast	19%
Midwest	21%
South	34%
West	26%

BENEFITS OFFERED	
Medical insurance	48%
Dental insurance	30%
Vision insurance	24%
Short-term disability	19%
Long-term disability	17%
Life insurance	25%
Retirement benefits (e.g., 401k)	32%
Domestic partner benefits	10%
Paid time off	36%
Workers' compensation	37%
Pet insurance	4%
Other	1%
None	34%

Base: Total (n=1069)

S2. What is your gender?

S1. Please indicate your current age:

S3. In which state do you live?

S11. Which of the following benefits, if any, does your company currently offer to employees?

# Demographics: Businesses

## OWNERSHIP TYPE

Male Owned	46%
Female Owned	33%
Equal Ownership	20%
Public or Other Ownership	1%

## BRICK AND MOTAR LOCATIONS

Yes	61%
No	39%

## BUSINESS HEAD-QUARTER

East Coast	29%
West Coast	16%
South	18%
Southwest	7%
Midwest	22%
West	8%

## INDUSTRY TYPE

Agriculture, Forestry, Fishing	1%
Construction	5%
Manufacturing	6%
Mining	1%
Retail Trade	9%
Transportation, Communication, Electric, Gas, Sanitation	2%
Finance, Insurance, Real Estate	7%
Hospitality	4%
Business Services	14%
Personal Services	8%
Health Services	9%
Engineering, Accounting, Research, Management	4%
Social Services	2%
Membership Organizations	1%
Other Services	6%
Public Administration	1%
Wholesale Trade	2%
Other	17%

Base: Total (n=1069)

D1. Which one of the following best describes the ownership of your company (e.g., having 51% or more of the stock or equity in the business)?

D2. Does your business currently have brick and mortar location(s)?

D3. Where is your business head-quartered?

D4. What type of industry do you currently work in?

# Demographics: Hispanic-Owned Businesses

GENDER	
Male	50%
Female	50%

GENERATION	
Millennial	33%
Gen X	54%
Boomer	13%

REGION	
Northeast	19%
Midwest	10%
South	40%
West	31%

BENEFITS OFFERED	
Medical insurance	57%
Dental insurance	34%
Vision insurance	25%
Short-term disability	27%
Long-term disability	21%
Life insurance	31%
Retirement benefits (e.g., 401k)	37%
Domestic partner benefits	12%
Paid time off	44%
Workers' compensation	42%
Pet insurance	5%
Other	3%
None	19%

Base: Total (n=102)

S2. What is your gender?

S1. Please indicate your current age:

S3. In which state do you live?

S11. Which of the following benefits, if any, does your company currently offer to employees?



# Demographics: Hispanic-Owned Businesses (Cont.)

## OWNERSHIP TYPE

Male Owned	40%
Female Owned	26%
Equal Ownership	33%
Public or Other Ownership	0%

## BRICK AND MOTAR LOCATIONS

Yes	62%
No	38%

## BUSINESS HEAD-QUARTER

East Coast	40%
West Coast	16%
South	16%
Southwest	6%
Midwest	13%
West	10%

## INDUSTRY TYPE

Agriculture, Forestry, Fishing	4%
Construction	7%
Manufacturing	8%
Mining	3%
Retail Trade	11%
Transportation, Communication, Electric, Gas, Sanitation	3%
Finance, Insurance, Real Estate	7%
Hospitality	4%
Business Services	12%
Personal Services	7%
Health Services	10%
Engineering, Accounting, Research, Management	3%
Social Services	2%
Membership Organizations	0%
Other Services	8%
Public Administration	1%
Wholesale Trade	3%
Other	9%

Base: Total (n=102)

D1. Which one of the following best describes the ownership of your company (e.g., having 51% or more of the stock or equity in the business)?

D2. Does your business currently have brick and mortar location(s)?

D3. Where is your business head-quartered?

D4. What type of industry do you currently work in?

# Demographics: African American-Owned Businesses

GENDER	
Male	43%
Female	57%

GENERATION	
Millennial	45%
Gen X	46%
Boomer	10%

REGION	
Northeast	12%
Midwest	15%
South	56%
West	16%

BENEFITS OFFERED	
Medical insurance	55%
Dental insurance	38%
Vision insurance	34%
Short-term disability	25%
Long-term disability	22%
Life insurance	33%
Retirement benefits (e.g., 401k)	35%
Domestic partner benefits	14%
Paid time off	40%
Workers' compensation	31%
Pet insurance	8%
Other	1%
None	20%

Base: Total (n=105)

S2. What is your gender?

S1. Please indicate your current age:

S3. In which state do you live?

S11. Which of the following benefits, if any, does your company currently offer to employees?

# Demographics: African American-Owned Businesses (Cont.)

OWNERSHIP TYPE	
Male Owned	34%
Female Owned	39%
Equal Ownership	25%
Public or Other Ownership	2%

BRICK AND MORTAR LOCATIONS	
Yes	63%
No	37%

BUSINESS HEAD-QUARTER	
East Coast	30%
West Coast	17%
South	27%
Southwest	7%
Midwest	14%
West	6%

INDUSTRY TYPE	
Agriculture, Forestry, Fishing	2%
Construction	10%
Manufacturing	7%
Mining	3%
Retail Trade	10%
Transportation, Communication, Electric, Gas, Sanitation	7%
Finance, Insurance, Real Estate	3%
Hospitality	5%
Business Services	14%
Personal Services	10%
Health Services	10%
Engineering, Accounting, Research, Management	2%
Social Services	4%
Membership Organizations	1%
Other Services	3%
Public Administration	0%
Wholesale Trade	3%
Other	9%

Base: Total (n=105)

D1. Which one of the following best describes the ownership of your company (e.g., having 51% or more of the stock or equity in the business)?

D2. Does your business currently have brick and mortar location(s)?

D3. Where is your business head-quartered?

D4. What type of industry do you currently work in?

# Demographics: Startups

## GENDER

Male	47%
Female	53%

## GENERATION

Millennial	40%
Gen X	49%
Boomer	11%

## REGION

Northeast	22%
Midwest	16%
South	35%
West	27%

## BENEFITS OFFERED

Medical insurance	42%
Dental insurance	28%
Vision insurance	21%
Short-term disability	18%
Long-term disability	13%
Life insurance	23%
Retirement benefits (e.g., 401k)	19%
Domestic partner benefits	11%
Paid time off	32%
Workers' compensation	28%
Pet insurance	8%
Other	1%
None	32%

Base: Total (n=186)

S2. What is your gender?

S1. Please indicate your current age:

S3. In which state do you live?

S11. Which of the following benefits, if any, does your company currently offer to employees?

# Demographics: Startups (Cont.)

## OWNERSHIP TYPE

Male Owned	33%
Female Owned	38%
Equal Ownership	27%
Public or Other Ownership	2%

## BRICK AND MOTAR LOCATIONS

Yes	52%
No	48%

## BUSINESS HEAD-QUARTER

East Coast	32%
West Coast	16%
South	16%
Southwest	10%
Midwest	17%
West	10%

## INDUSTRY TYPE

Agriculture, Forestry, Fishing	2%
Construction	3%
Manufacturing	8%
Mining	4%
Retail Trade	17%
Transportation, Communication, Electric, Gas, Sanitation	3%
Finance, Insurance, Real Estate	5%
Hospitality	4%
Business Services	10%
Personal Services	13%
Health Services	9%
Engineering, Accounting, Research, Management	1%
Social Services	2%
Membership Organizations	2%
Other Services	6%
Public Administration	1%
Wholesale Trade	3%
Other	9%

Base: Total (n=186)

D1. Which one of the following best describes the ownership of your company (e.g., having 51% or more of the stock or equity in the business)?

D2. Does your business currently have brick and mortar location(s)?

D3. Where is your business head-quartered?

D4. What type of industry do you currently work in?