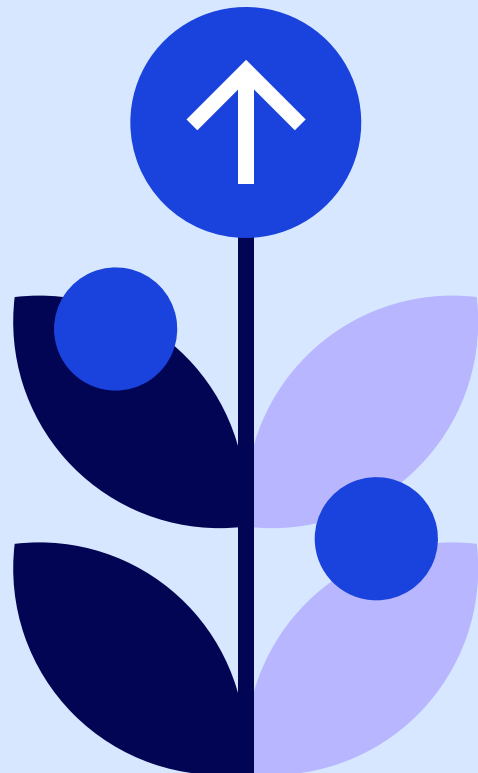


bluevine

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About Bluevine



Who is Bluevine?

Bluevine is the banking platform that serves as the “financial operating system” for startups and small businesses, nationwide.

A financial technology company, Bluevine was founded in 2013 by Eyal Lifshitz and Nir Klar. Coming from a long line of business owners, Eyal saw first-hand the challenges small businesses routinely faced and, with his inherited entrepreneurial spirit, created a solution that would give them the accessible and modern financial services they deserve.

For 10 years, Bluevine’s vision has been to enable a better financial future for company founders and owners, and to serve as an ally and trusted financial partner for small businesses across the U.S. Since launching, Bluevine has grown responsibly, serving over 500,000 customers across all 50 states, facilitating more than \$14 billion in financing to small businesses¹, and is currently trusted with over \$1 billion in managed customer deposits. This puts Bluevine on par with the top 20% of FDIC-insured banks and savings institutions ranked by deposit volume, according to the FDIC quarterly report.²

What makes Bluevine unique

We believe big banking benefits shouldn’t be reserved for only large corporations, which command the highest APYs and lowest fees. So our mission is to bring the same commercial banking access and benefits to SMBs. Big banks claim it isn’t possible, but really, it’s more a case that it isn’t profitable in their business model.

Purpose-built for small business success and accessible through a single dashboard, Bluevine’s product suite integrates high-yield business checking, accounts payable, debit and credit cards, loans, and lines of credit.

Bluevine metrics of success

\$14B+

facilitated to
small businesses¹

575K+

banking and
lending customers¹

\$1B+

in managed
deposits

Through a single Bluevine account, companies can earn more, save more, borrow, and manage their money whenever and wherever they do business - without ever stepping into a branch.



Business Checking

Fewer fees, unlimited transactions³, up to 4.25% Annual Percentage Yield (APY), and transparent pricing so businesses can earn and save more—with multiple plans available to fit their specific needs.



Accounts Payable

Payment solutions that improve cash flow by allowing small businesses the flexibility to choose how they’d like to make payments to vendors, suppliers, or other payees.⁴



Loans & Line of Credit

Facilitates fast and flexible business loans and lines of credit up to \$250,000, with applications that have no impact on personal credit scores.⁵



Credit Card

Unlimited 1.5% cash back on every business purchase and no annual fee with the Bluevine Business Cashback Mastercard®.⁶

Bluevine at a glance

- Founded in **2013** by Eyal Lifshitz and Nir Klar
- Home to **500+ employees in 3 countries** including the U.S. (NJ, CA, UT, TX), Israel and India.
- Partner with **established, regulated banks** to offer holistic digital banking products and services.
- **Bank-grade controls**, including KYC/KYB program, ongoing testing and monitoring, third-party audit, robust corporate governance structure, and more.
- Exceeds **industry benchmarks** consistently in facilitating credit and business checking to historically underserved populations.

Who Bluevine serves

- Main street small businesses such as your **local hardware store, construction contractor, healthcare facility, restaurant, consulting business, etc.**
- Bluevine Business Checking customers residing in **all 50 states**.
- Approximately half of Bluevine’s Business Checking customer respondents **identify as minority small business owners**, according to a recent survey.



I decided to go with Bluevine instead of a brick and mortar, large name bank, because as a small business owner, the no fees and support they offer is really helpful.”

Nick
via Trustpilot

Bluevine’s ratings



Awards



Bluevine is a financial technology company, not a bank. Banking Services provided by Coastal Community Bank, Member FDIC. Bluevine accounts are FDIC insured up to \$3,000,000 per depositor through Coastal Community Bank, Member FDIC and our program banks. \$3,000,000 in FDIC insurance is offered by multiplying the standard \$250,000 FDIC coverage across multiple banks.

1. Customer and lending statistics include Paycheck Protection Program participants.
2. FDIC-insured banks and savings institutions include commercial banks or savings institutions that are state or federally chartered.
3. No limit on number of transactions. However, checking accounts are subject to the deposit and withdrawal amount limits as set forth in the Bluevine Business Checking Account Agreement.
4. Banking Services for payments made via ACH or wire from the Bluevine Business Checking Account are provided by Coastal Community Bank, Member FDIC.
5. The Bluevine Line of Credit is issued by Celtic Bank and is serviced by Bluevine. Other commercial credit products are offered by a variety of Bluevine’s third party partners. Bluevine is not involved in the issuance or servicing of these products. Offerings and eligibility requirements vary by partner. While applying and reviewing an offer will not impact personal credit scores, accepting an offer may result in a hard inquiry.
6. The Bluevine Business Debit Mastercard® and Bluevine Business Cashback Mastercard® are issued by Coastal Community Bank, Member FDIC pursuant to a license from Mastercard International Incorporated and may be used everywhere Mastercard is accepted. Mastercard is a registered trademark, and the circles design is a trademark of Mastercard International Incorporated.

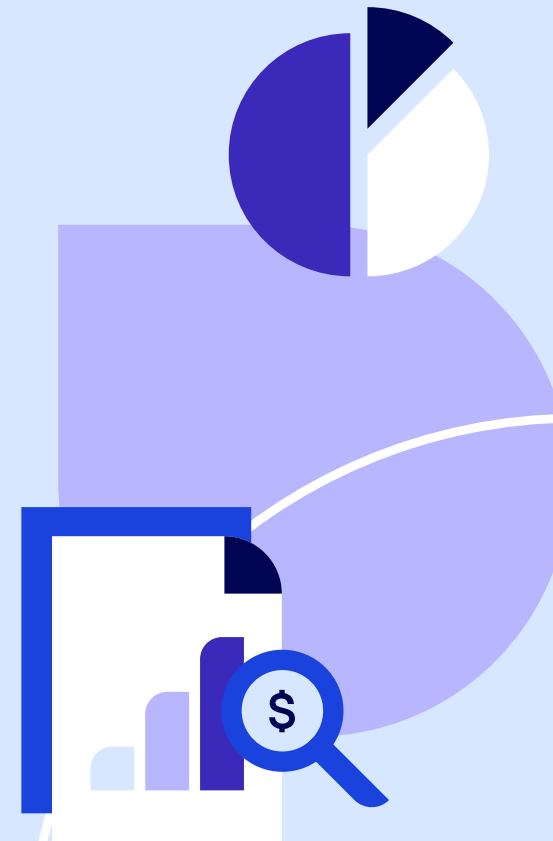


THE 2024 BOSS

BUSINESS OWNER SUCCESS SURVEY

Welcome to the first annual
Bluevine BOSS Report.

This analysis of our nationwide survey is meant to inform business owners about what is working for their peers, so they can better plan, budget, and perform to achieve the success they want for their own companies in the year ahead.



Methodology

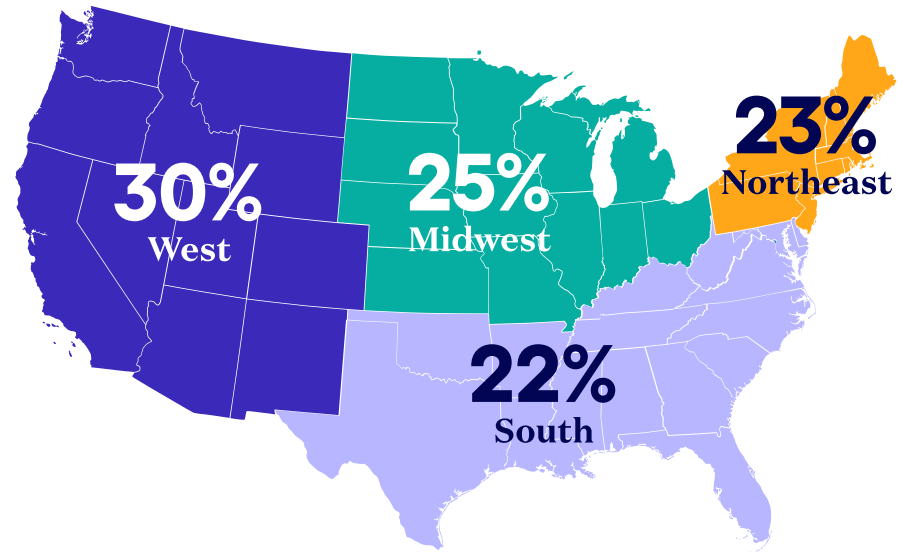
Research Objective

This survey was conducted to measure small business owners' sentiments on a variety of topics including, business performance and goals, financial and organizational planning, as well public policy impact, in order to benchmark current trends in the small business sector across the U.S.

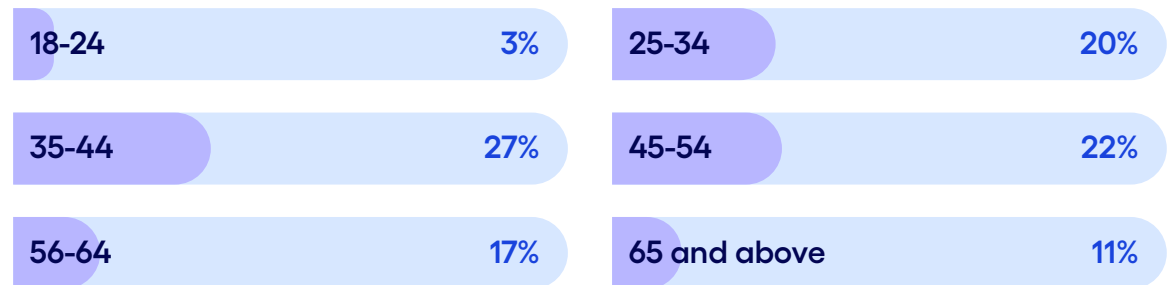
Survey Methodology

Propeller Insights, an independent market research firm, conducted a survey of 1,197 respondents across the U.S. between December 11th, 2023 and January 25th, 2024. At the time of data collection, all respondents were required to be (a) business owners, (b) with up to 50 full-time and/or part-time employees, and (c) have companies with an annual revenue between \$100,000 and \$5,000,000. Respondents represented a broad cross-section of demographics, including, age, gender, industry, and geographical location across the U.S. Based on the population being surveyed, the results have a margin of error of +/- 3% with a 95 % level of confidence.

Regional Representation



Age



Gender



Report Highlights

Introduction

Being the “boss” has its rewards, but it can also be hard. Often, it is not the founding idea or business plan that determines if a company succeeds or fails, but the execution of that plan – cash flow management, investments in growth, controlling overhead, hiring decisions, marketing and sales strategies, etc.

We surveyed over 1,100 small businesses nationwide - with annual revenue between \$100,000 and \$5 million – about the strategies and tactics that contributed most to their success in 2023, along with the decisions and investments they expect to make in 2024 to reach their goals.

Dive into the BOSS Report to uncover key data insights to inform your 2024 decision-making, including:

67% of US small businesses plan on making new hires in 2024.

22% anticipate 50%+ revenue growth in 2024.

45% More SMBs will seek access to capital this year (45%) compared to 2023 (38%).

What was the single best thing you did in 2023 to ensure the success of your company?

29%

sharpened business strategy

22%

invested in marketing and sales

17%

managed finances with more purpose

Business Strategy and Investments

29%

Operational Changes

16%

Marketing and Sales

22%

Employee Management and Development

12%

Financial Management

17%

Community and Social Responsibility

8%

Definitions

Business Strategy and Investments

Statements related to business strategy, investments, and development. It includes statements about improving websites, incorporating AI, hiring competent staff, and implementing marketing strategies.

Marketing and Sales

Statements about marketing strategies, advertising, and sales efforts, including the use of social media, online lead generation, and promotional activities.

Financial Management

Statements related to financial management, such as paying off debt, raising prices, injecting funds, and avoiding credit, fall under this category.

Operational Changes

Statements related to operational improvements, standards, and changes in business practices, such as website improvements, face-to-face interactions, and maintaining high standards.

Employee Management and Development

Statements about hiring, training, and retaining employees, as well as creating a positive work culture, are grouped under this category.

Community and Social Responsibility

Statements about community engagement, donations, and social responsibility, demonstrating a commitment beyond business success.

Small Business Landscape

Profiles of these companies vary – from where they operate, to where they sell, to how long they’ve been in business. But when it comes to Ownership, Employee Headcount, and Number of Businesses Owned the majority rules with over 70% of SMBs sharing similar characteristics in each category.

Number of Businesses Owned

Nearly three-quarters (72%) have just one business, but almost one-fifth (19%) own two companies today.

Employee Headcount

74% operate their business with 2-10 full time employees.

77% employ between 1-5 part time employees.

Business Location

More than one-third (39%) sell via combo online/brick-and-mortar.

Slightly more sell at a brick-and-mortar location only (28%) compared to online only (26%).

72% of Business Owners are First-Time Entrepreneurs.

More than half (63%) of SMBs have been operating for 10 years or less

20% have been in business for **less than 5 years.**

16% have been in business for **21 years or more.**



Locals Rule

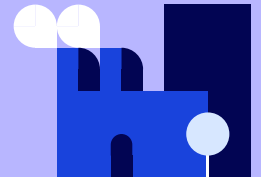
More than half (54%) of SMBs sell local/regional, compared to only about one-third (31%) who sell nationwide and 14% that sell globally.

34% of SMBs are home-based businesses, followed by 20% that sell from a retail location.

12%
Mobile

17%
Office

12%
Industrial



Only 2% of Business Owners Consider Their Companies to be “Main Street” Businesses.

Today, the majority of business owners in the US identify themselves as “small businesses,” well above any other label.

How do companies with revenues of \$5 million or less choose to describe their business?

63% Small Business **21%** Independent Business **12%** Family Business **3%** Mid-sized Business **2%** Main Street

Top 3 Most Represented Industries by Small Businesses Across the US

11%
Business / Professional Services or Consulting

11%
Retail and Ecommerce

8%
Construction/Home Improvement

Growth

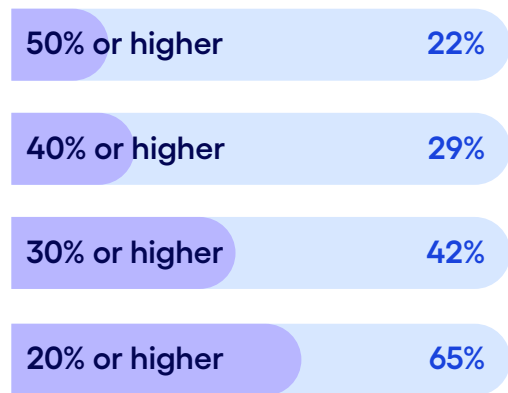
In the face of economic uncertainty in 2023, business owners leaned into efficiencies and posted impressive profitability while revenue growth remained modest.

Those operational decisions are poised to pay off considerably in 2024. With a shared sentiment of optimism for the year ahead, nearly double the amount of business owners are projecting revenue gains of 50% or more compared to 2023.

89%

of business owners have a growth goal of 10% or more in 2024.

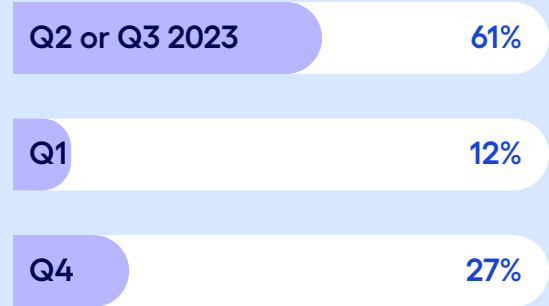
2024 GROWTH GOALS



93%

The overwhelming majority of SMBs reported profits in 2023.

BEST PERFORMING QUARTER FOR SMBs



While only 12% grew revenue by 50% or more in 2023, nearly one-in-four (22%) anticipate 50% or higher revenue growth in 2024.



2024 EXPECTED REVENUE GROWTH



Financial Management

Business owners consider financial management as a major factor contributing to their company's success – whether that is gaining access to capital to invest in growth efforts, or reducing time and fees to manage banking needs.

Many small businesses admit they lose more than a **FULL WORK WEEK** worth of time per year at their local branch dealing with banking activities.

Roughly one-third (32%) of SMBs shared that they previously switched their primary business bank. In 2024, the metrics indicate business owners will be actively looking for banks, lenders, and credit cards to meet their specific needs.

More SMBs will seek access to capital this year (45%) compared to 2023 (38%).

53%

2023

Over half (53%) via line of credit and via business loan (54%), and nearly half (45%) via credit card.

Of those who borrowed via business loan, 73% did so via Bank and 39% via SBA.

23%

2023

Nearly a quarter (23%) borrowed from friends and family and (24%) applied for grants from the city, state, associations, etc.

55%

2024

Of those seeking access to capital in the year ahead, 55% are looking for a new credit card and 55% are seeking a new lender.

55%

Of those business owners seeking access to capital in 2024, a new credit card tops the list.

TOP FACTORS

- Interest rate on new purchases
- Cash back offering
- Perks / rewards / discounts
- Card partner: Visa, Mastercard, Amex, Discover
- Promotional rate on new purchases
- Fee for transferring balances
- Balance transfer rate
- Employee spend control settings

More than 1-in-5 SMBs

spend 3-4 hrs per month on branch banking activities, equivalent to upwards of 6 eight-hour work days per year.

34%

spend at least 5 hours per month on banking activities at their branch, including wasted travel time – equivalent to 60 hours or 7.5 working days per year.

Main attributes business owners prioritize for selecting a business bank

No monthly fees **49%**

24/7 customer support **23%**

Unlimited transactions **28%**

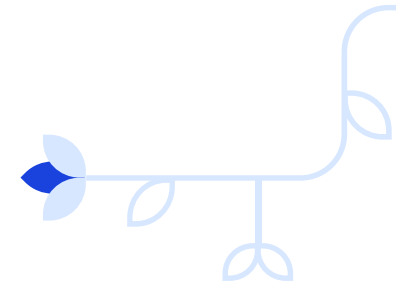
Free ACH **21%**

No overdraft fees **26%**

Bill pay/AP features **21%**

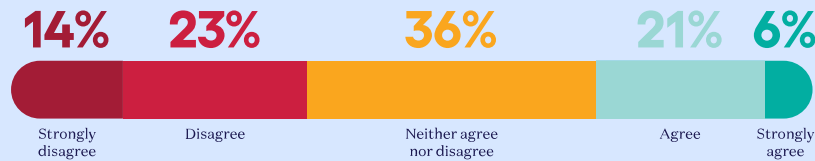
Impact of Public Policy

2024 is an election year, and clearly the candidates have some ground to make up with small business owners. Over one-third of business owners admitted they felt that both state and federal programs and policies could offer more support to small businesses.

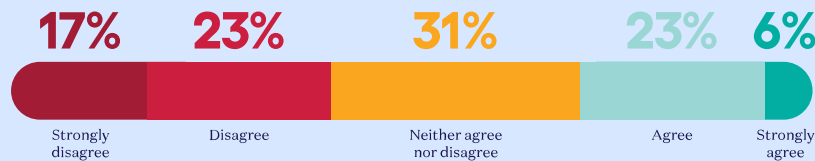


2023 STATE GOVERNMENT POLICY

37% of respondents don't believe their State government provides helpful policies or programs that support the success of their small business.

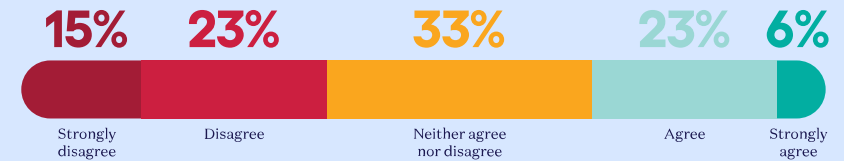


29% of respondents credit their State government programs and policies with the success of their small business.

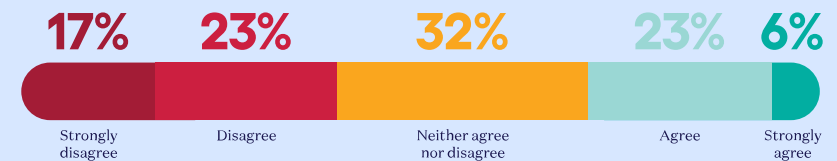


2023 FEDERAL GOVERNMENT POLICY

38% don't believe their Federal government provides helpful policies or programs that support their small business succeed.



29% of small business owners credit some Federal government programs and policies for aiding in their company's success in 2023.



Workforce/ Hiring

The economy kept workforce expansion and hiring in check. While roughly half (56%) were involved in hiring activity in 2023, the size of the US Small Business workforce remained relatively unchanged.

But we are poised to see an uptick in overall headcount growth in 2024 – a clear sign that business owners intend to grow their companies this year.

67% of US small businesses plan on making new hires in 2024.

How much hiring are you planning for 2024?

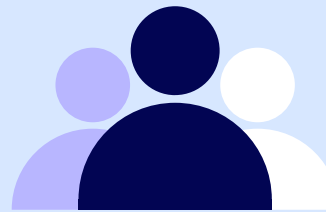
33% No new hires

63% 10 to 50% increase

4% 60 to 100% increase

75%

of SMBs finished the year with the same or fewer employees than they started with.



74% operate their business with 2-10 full time employees.

FULL TIME EMPLOYEES

2-5 49%

6-10 25%

11-20 17%

21-30 7%

31-40 2%

77%

employ between 1-5 part time employees.

PART TIME EMPLOYEES

1-5 77%

11-20 7%

6-10 14%

21-30 2%

Marketing

100% of SMBs managed more marketing programs in-house than they outsourced, across the board.

Business owners clearly value community, with more than half relying on peers for the best advice on running and growing their companies.

While social media, digital marketing, and email held top spots for investment in 2023, local advertising and in-person events will each play a bigger part in the small businesses marketing mix in 2024.

66%

of SMBs say they seek and receive the best advice for growing their business from other business owners.

80%

find the most helpful advice from those who operate in the same industry.

Most outsourced was
digital marketing at

27%

More than 20%
outsourced:
SEO/SEM, email
marketing, social,
and print.

DIY Marketing

100% of SMBs managed more marketing programs **in-house** than outsourced, across the board.

68%

manage social media internally, and only 10% don't use this marketing channel at all.

50%

> 50% manage these internally: SEO/SEM, digital marketing, email marketing, local advertising, in-person events, and discounts.

How SMBs' Top Marketing Priorities in 2024 Compare to Their Top Investments in 2023

Social media

47%

(51% in 2023)

Digital advertising

30%

(36% in 2023)

Email marketing

30%

(30% in 2023)

In-person events

27%

(26% in 2023)

Operational Savings & Spending

Learning how SMBs save is just as telling as understanding where they are investing to help grow and operate their companies efficiently.

Reducing costs of materials topped the priority list for business owners in 2023, and remains their highest priority for 2024.

Banking and finance categories SMBs hope to save time in 2024

34% Bookkeeping / Accounting

25% Online Bill Pay

16% Bank Statement / Accounting Reconciliation

Top 5 categories SMBs reported highest cost savings in 2023

Cost of materials 35%

Reduced travel 33%

Software/app subscriptions 26%

IT costs 25%

Marketing & advertising 24%

followed by rent (24%) and bank fees (23%)

Top 5 categories SMBs hope to reduce costs further in 2024

Cost of materials 34%

Marketing & advertising 27%

Rent 26%

IT costs 26%

Bank fees 26%

followed by travel (25%) and software/app subscriptions (23%)

Business owners ranked their top 3 most used business software in 2023

55%

Accounting

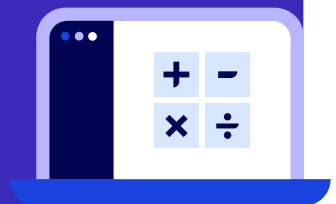
48%

Payroll

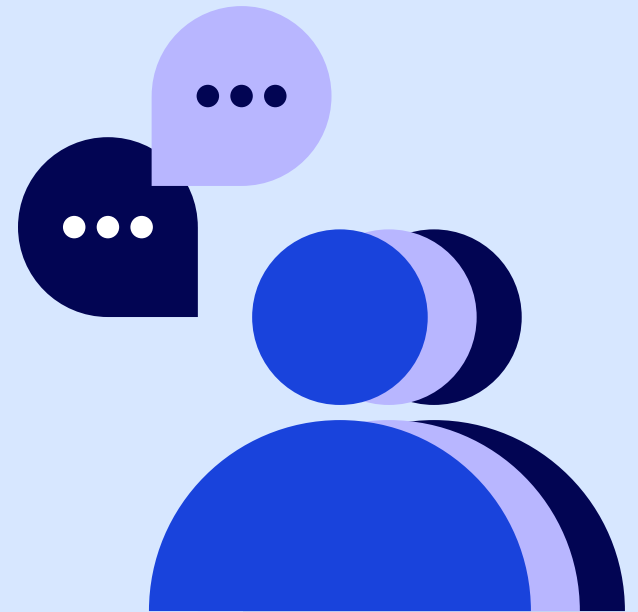
35%

Bill Pay

Of all the software and applications business owners used in 2023, they listed accounting and industry-specific applications as the biggest contributors to their success during the year.



Customer Stories



How Tech Leaf uses Bluevine to fuel growth.



In 2014, Cayden Young turned down a new job and opted to build his own business, Tech Leaf. Since then, Cayden estimates that Tech Leaf has renewed 50,000 units of equipment across the country—keeping more than 1.2 million pounds of electronic waste out of landfills.

Being able to manage his business checking account, line of credit, and accounts payable from one dashboard has given Cayden the ability to focus on expansion—and the ongoing access to the capital he needs to grow his business.

Bluevine empowers the Tech Leaf team to:

- Manage their line of credit and business checking account from the same dashboard
- Save time on accounts payable
- Add payees, schedule bills, and view payment histories in just a few clicks
- Track money in and out with Bluevine's two-way QuickBooks Online sync



12 days

saved per year using Bluevine's convenient two-way sync with Quickbooks Online

Increased Tech Leaf's warehousing space by

2x/year

with the Bluevine Line of Credit



The connectivity made [Bluevine] worth it—the ability to quickly draw straight to my business checking account and make repayments directly from there. It's seamless and I can see everything... all in one place."

Cayden Young | Founder, Tech Leaf

How FoodDays saves time on bill pay and business checking.



When Michael and Pamela Thwaite realized they were spending too much time managing business bills, they sought out a simple solution to boost efficiency.

Bluevine lets them automate their accounts payable and sync with QuickBooks® Online and payment processing tools—so they can focus less on managing bills and more on building client relationships.

FoodDays is growing with confidence, thanks to Bluevine.

- Convenient automation and software integrations for streamlined AP processes
- Sub-accounts for more strategic budgeting
- Additional user roles with controlled permissions for team collaboration on bill payment setup



With how much time I save now, I don't know if I could ever go back to a traditional, brick-and-mortar bank.

Michael Thwaite
Co-Founder and 'Chief Technology Human'
FoodDays

Bluevine's dashboard is clean and simple, with all the features I need. And I can manage my checking accounts and bills from one place."

Michael Thwaite
Co-Founder and 'Chief Technology Human', FoodDays

bluevine

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