



# Report on **Women-Led Business in Hawai'i**

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# Executive Summary

The following report was generated based on hundreds of applications for Purple Mai'a's FoundHer startup accelerator from women entrepreneurs throughout Hawai'i.

Applicants represented a wide range of sectors including: Technology, Fashion, Health & Wellness, Food System/Restaurants, and Keiki/Education. They are cooperative and looking to help and learn from one another.

The program offered funding, mentorship, business development curriculum, and dependent care for those business-owners who needed child care or elder care. Funding received interest from almost all applicants, while dependent care was only of interest to one-third of the applicants.

The majority of companies explicitly mentioned values, such as Eco-Friendly & Sustainable, Hawaiian Culture, Empowerment & Inclusivity, and General local community engagement, in their short two-sentence description.

Lastly, the challenges facing these women entrepreneurs could largely be remedied through increased funding, improved sales and marketing, and business support and expertise.

We hope that raising awareness of these women, their companies, and challenges will increase the support that our community provides to help them bolster our local economy.

## Intro To Hawai'i Foundher

This report was created by Purple Mai'a Foundation, a Hawai'i nonprofit on a mission to educate and empower the next generation of culturally grounded, community serving technology makers and problem solvers.

Purple Mai'a has run the Hawai'i FoundHer women's accelerator program since 2021. Tailored specifically to the needs of Native Hawaiian, Asian-American, and/or Pacific Islander (NHAAPI) women entrepreneurs, FoundHer aims to help women-led businesses achieve 100 to 300 percent growth within one year of starting the 6-month program. FoundHer serves businesses in five core markets of Hawai'i's economy: Technology, Fashion, Health & Wellness, Food System/Restaurants, and Keiki/Education. Participating

companies are early-stage businesses who have demonstrated a proof of concept, are owned at least 50% by women, and are based in Hawai'i. Hawai'i FoundHer cohorts receive training, non-dilutive capital, dependent care stipends, workspace, and mentorship.

Operating with a commitment to investing in NHAAPI women founders, Hawai'i FoundHer invests non-dilutive capital into cohort companies, capping each cohort at 5 participants. In our pilot year we were surprised to receive a flood of nearly 200 applications from women-owned businesses and in our second year, 150. While we could only accept a small percentage of that pool, we felt compelled to produce a report from this sampling of women-owned businesses in Hawai'i in order to identify and share any insights that may contribute to more and better support for women entrepreneurs. While this sample of women was not random and cannot be taken as representative of the state's population, we do think this report offers insights to anyone seeking to serve Hawai'i's NHAAPI women-owned small businesses.

This report combines the applicants for both cohort 1 from summer of 2021 and cohort 2 from summer of 2022.

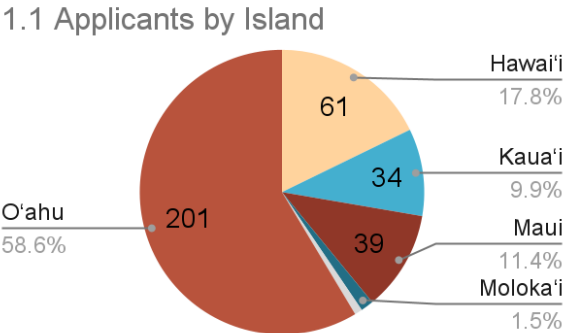
## Methods

Combined, the applicants from both cohorts consisted of 343 women from five different islands, including five from Moloka'i. They all completed a 36-question online survey from which the data was gathered and the following analysis made possible.

Over one-fourth of applicants heard about the program through Purple Mai'a's social media. Another fourth came from a combination of referrals and word of mouth.

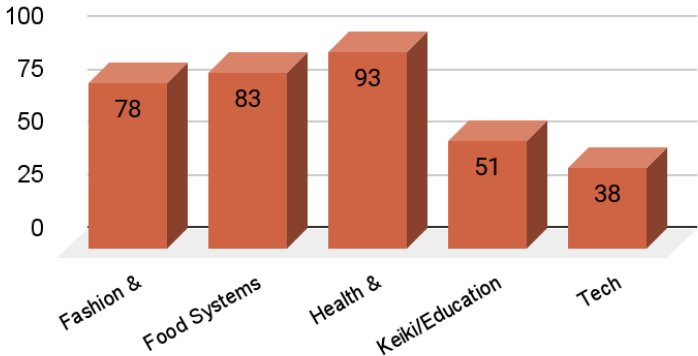
## Applicants

Cohort 1 had 194 applicants, and Cohort 2 had 149. While three applicants were from the continent, Hawai'i FoundHer and this report are focused on Hawai'i-based businesses, so those responses will be excluded from further analysis. This brings the new total to 340. Figure 1.1 shows the applicants per island.



# BY INDUSTRY

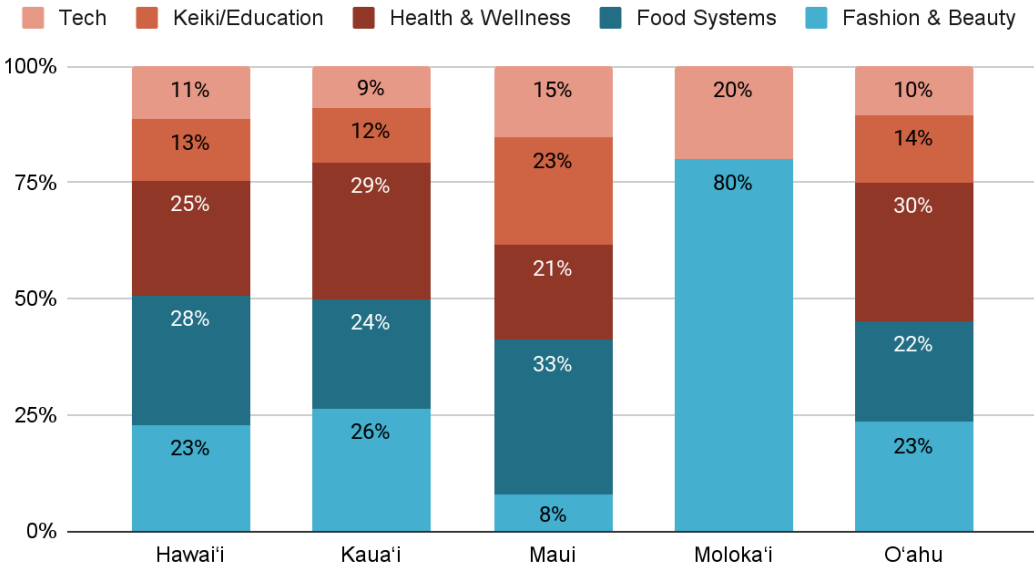
2.1 Applicants by Industry



Applicants selected which of the five industries best described their business: Tech, Keiki/Education, Fashion, Food Systems, and Health & Wellness. Each industry was represented, with the highest percentage of applicants in the Health & Wellness industry (27%) and the lowest in Tech (11%). See **Figure 2.1** for illustration. Other than Moloka'i, which only had five total applicants, all islands had at least one applicant from each industry.

Below, **Figure 2.2** shows the percentage that the industries represented on each island. Maui had more interest in Food Systems than the other islands, and the largest representation from the Keiki/Education industry with 23% (or 9) applicants.

2.2 Industry by Island



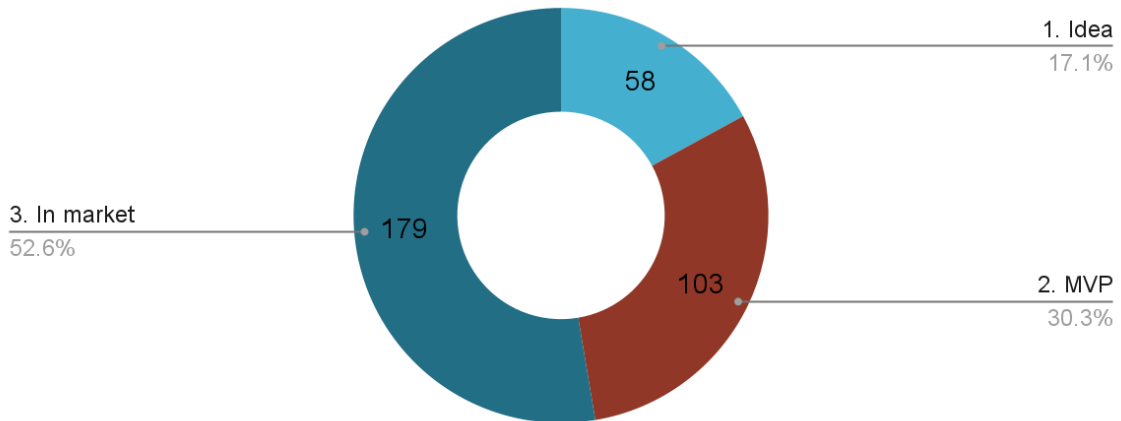
We further broke down the three most popular industries. See **Chart 2.3** below.

2.3 Sub-Industries	Count
<b>Fashion &amp; Beauty</b>	<b>77</b>
Art	6
Clothing & Accessories (jewelry, lei, bags, etc.)	55
Skin, Hair, Nails, and Makeup	11
Swimwear	5
<b>Food Systems</b>	<b>82</b>
Agriculture	24
Distributor	6
Restaurants & Bars	4
Value added food products	48
<b>Health &amp; Wellness</b>	<b>93</b>
Clinical care	2
Healing & Wellness products	24
Life coaching / Mental health	17
Massage & healing services	24
Physical activity	7
Support (journal, books, Gather Co.)	8
Other	11
<b>Keiki/Education</b>	<b>50</b>
<b>Tech</b>	<b>38</b>
<b>GRAND TOTAL</b>	<b>340</b>

## BY STAGES

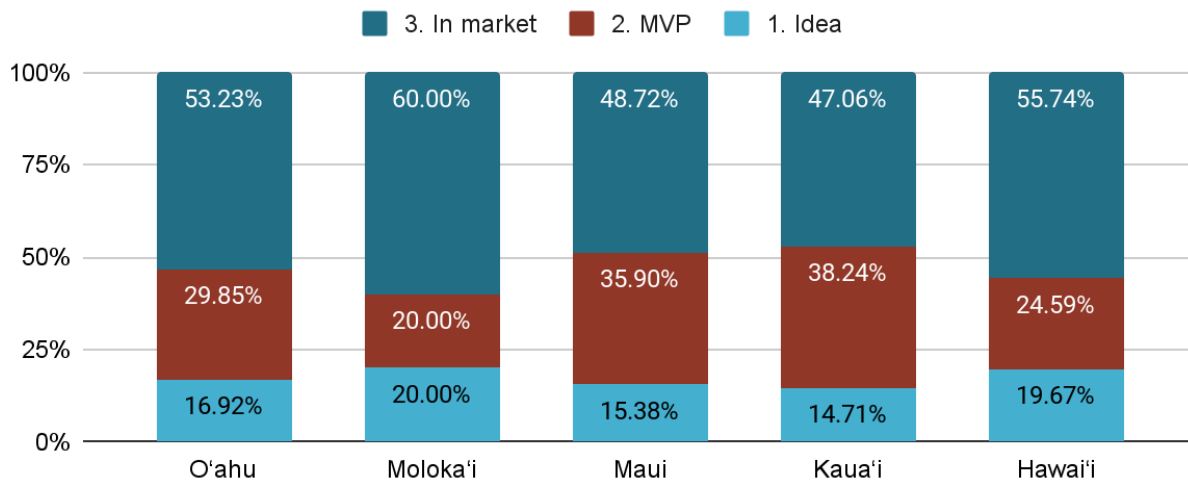
Applicants were asked to self-select the stage of their company: Idea, Minimum viable product (MVP), or In market. As Hawai'i FoundHer was looking for companies that had already demonstrated proof of concept, the preferred stage for candidates was In Market. In **Figure 3.1**, we see that In market was the majority of applicants.

### 3.1 Stage of Company



Each island seemed to have a similar representation of stages, with Kaua'i having the most MVP stage companies and fewest Idea stages who applied. See **Figure 3.2**.

### 3.2 Stages by Island



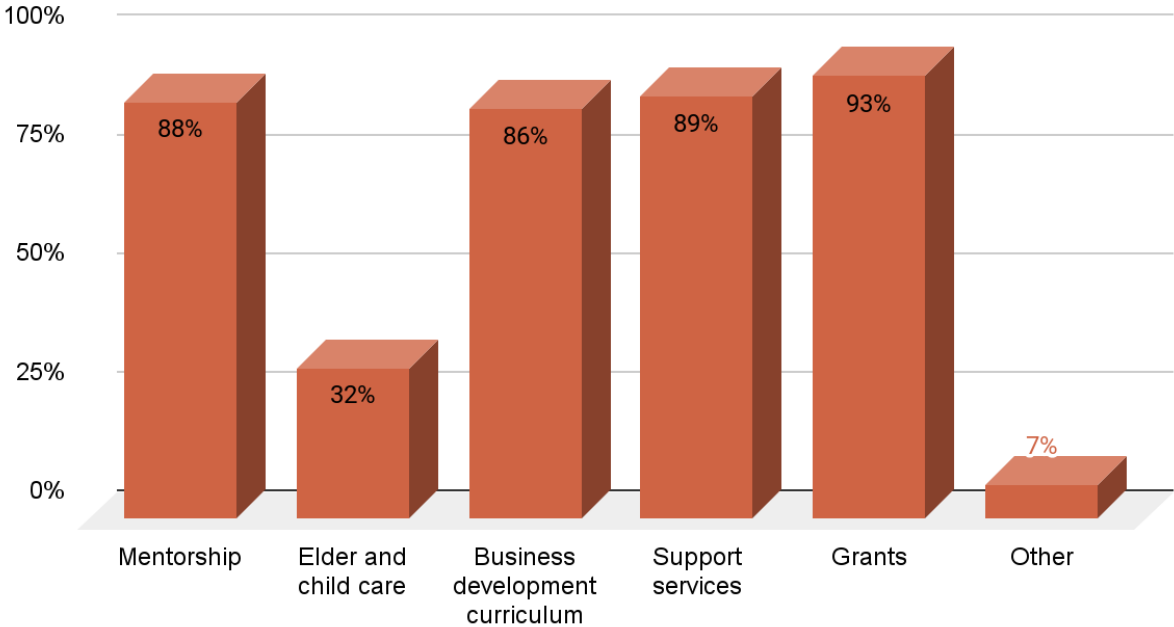
## INTEREST IN RESOURCES

Respondents were asked to check any and all services they were most looking forward to receiving. Twenty-one women responded "Other" with a variety of requests. Those twenty-one largely fit into three main categories: a) specialized knowledge (4 respondents),

b) marketing and social media (5), and most notably c) the desire to network, collaborate and build community with other women entrepreneurs (9).

Most applicants were looking forward to most services, with the exception being access to child and elder care services, as seen in **Figure 4.1**. While elder and child care was not something that a majority of companies were interested in, one-third is still a significant percentage. In addition, of those accepted into the program, four out of five (80%) of the companies in Cohort 1 took advantage of the dependent care stipend, and three out of five (60%) in Cohort 2 did.

**4.1 Interest in FoundHer Services**



Looking at how the need for these services breaks down across the business stages (Idea, Minimum Viable Product, and In Market), two patterns emerge and are highlighted in **Chart 4.2 below**.

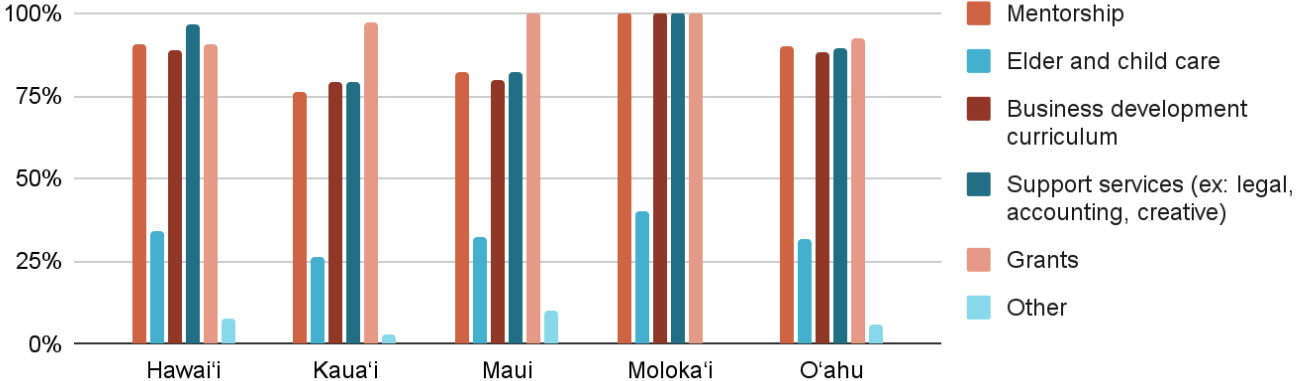
<b>4.2 Services Interest by Stage</b>			
FoundHer Services	1. Idea	2. MVP	3. In Market

Business development curriculum	92%	89%	83%
Elder and child care	46%	34%	26%

The first pattern, unsurprisingly, was that the need for the business development curriculum decreased as companies were in later stages and had more business experience. The second pattern was that there was a greater need for child and elder care services for those companies in the earlier Idea Stage. This is likely because as businesses develop they have either solved the issue of Elder and Child Care or they chose to no longer continue their business journey. Either way, it leaves fewer “In Market” companies with those needs.

The interest in services did not vary much from island to island (**Figure 4.3**). While Kaua’i and Maui had the least interest in mentorship, business development curriculum, and support services, the vast majority were still looking forward to those. The seeming lack of interest in Elder and child care was roughly the same for each island—under 40%. However, Moloka’i did have the greatest need for those services, which could be explained by either the low population, which leaves fewer people to care for loved ones, or because Moloka’i had a higher percentage of Idea Stage companies.

4.3 Interest in Services by Island





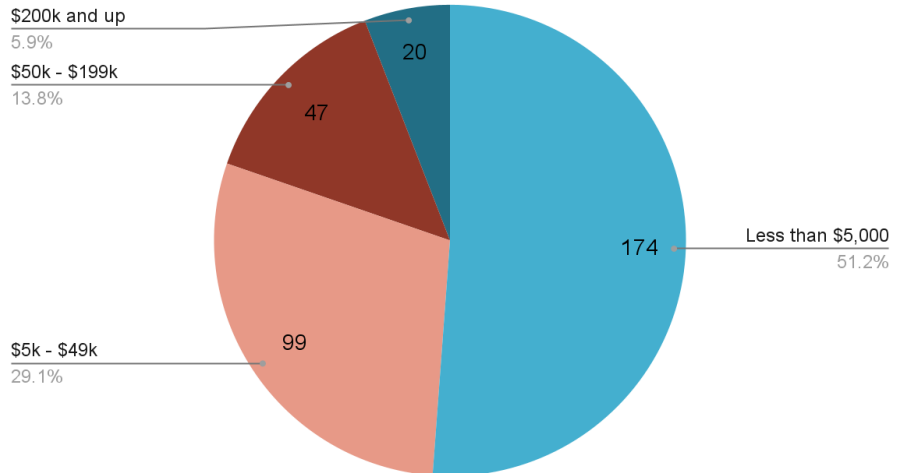
## BY COMPANY REVENUE

**Figure 5.1** shows company revenue for the 12 months prior to their filling out the application.

It is important to note that the 194 Cohort 1 applicants were filling this out in May and June of 2021, meaning that the twelve months prior was the start and height of the COVID-19 pandemic. The vaccines were not widely available until the spring of 2021, so things had still not opened back up yet. Several people noted that they had to put their plans on hold because of the strain that social distancing restrictions put on their business.

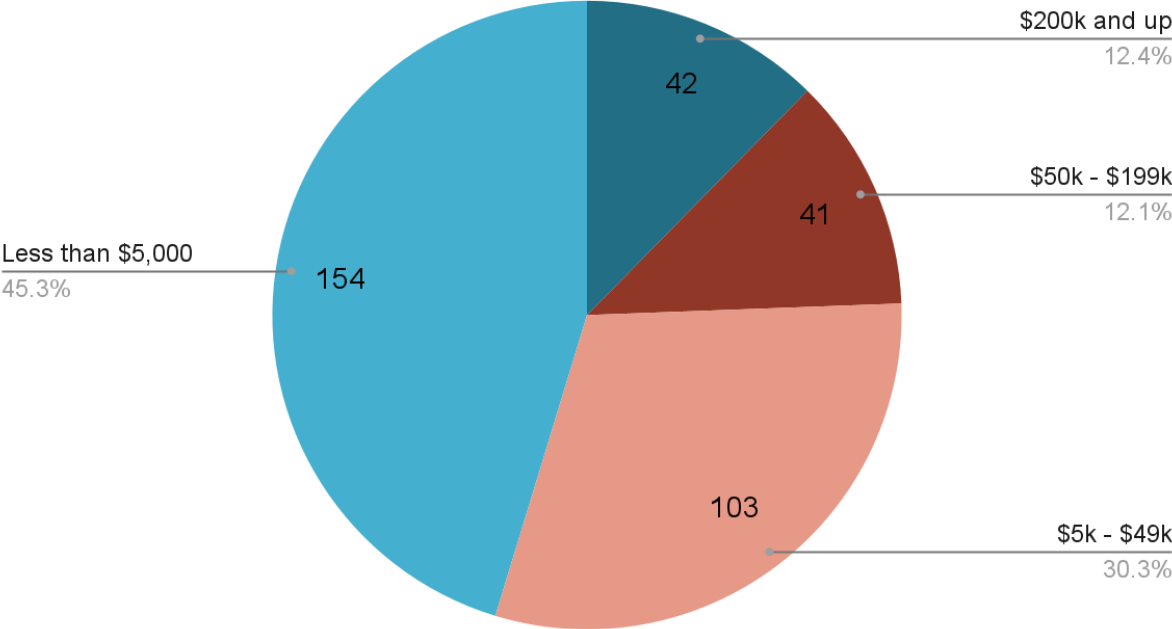
Fifty-one percent, or 174 companies, made less than \$5,000 for the year, with 81 of those making \$0 in revenue and another 33 companies less than \$1,000 in the past 12 months. Considering that 58 companies were still in the idea stage and 103 were in the Minimum Viable Product, those figures are not too unexpected.

5.1 Companies' Revenue for Past 12-Months



**Figure 5.2** looks at the total historic revenue for each company. These figures are similar to those above. Notably, \$5.6M was the highest total revenue, and 7 other companies also had over \$1M total revenue.

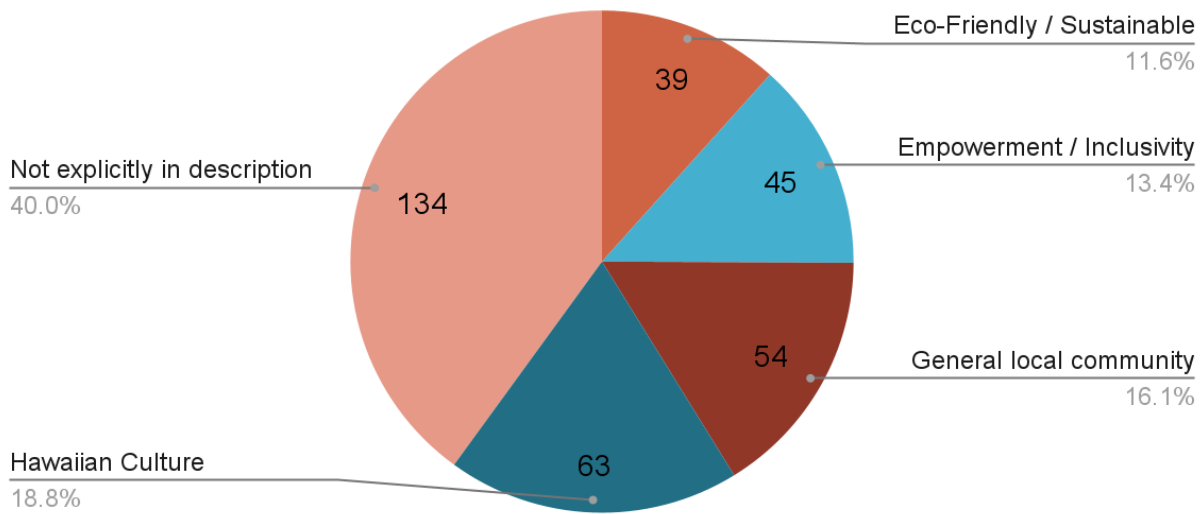
5.2 Companies' Total Historic Revenue



## COMPANIES WITH VALUES

Many companies explicitly mentioned in their one to two sentence company descriptions how their business will perpetuate Hawaiian values, help other people, or care for 'āina. While other companies operated with specific values such as seeking wellness or aiming to educate, this analysis focuses only on whether or not a value was explicitly stated in the short company descriptions.

## 6.1 Values-Explicit Companies



The types of values we identified were Eco-Friendly & Sustainable, Hawaiian Culture, Empowerment & Inclusivity, and General local community. Some companies had multiple values, so we chose the one that was most emphasized in the description. We acknowledge that many of these values can overlap in their definitions and implementations.

Sixty percent of applicants described their businesses as having some sort of social impact, with the most of those (20% of all companies) aiming to perpetuate Hawaiian Culture.

## CHALLENGES

Applicants were asked in an open-ended question "What is the single biggest challenge you feel facing your business and ability to grow?" For ease of analysis, we aggregated responses into the categories listed below and have provided details on the challenges. For those who identified multiple challenges, we coded those responses by either the most emphasized or the one listed first.

### Categories of Challenges:

- **Business support/expertise** (54) - legal, regulatory, accounting, mentorship
- **Funding** (92)
- **Labor** (25) - need money to hire, difficulty finding (skilled, committed, culturally-grounded), retention

- **Monetizing/profitability** (23) - finding price point, switching from nonprofit to for-profit
- **Pandemic** (10) - Reduced Japanese tourism, hygiene rules, restrictions on gathering, being forced to go online
- **Sales & Marketing** (59) - building awareness of their brand and product, educating the public, differentiating from competitors, SEO support, app building
- **Scalability/supply chain/manufacturing** (19) - production costs, added expenses for being a CBD company, lack of manufacturers, finding eco-friendly products, flour from Venezuela
- **Space/rent/location** (26) - retail spaces, commercial kitchens, storage for stock, meeting spaces, appropriate work space
- **Time management/balance** (29) - Product development while making sales, family obligations, full-time employment with side gig, too many jobs for one person to do
- **Other** (9) - childcare, age, etc.

Unsurprisingly, the most common challenge among applicants, by far, was funding. While labor, marketing, time management, manufacturing, and space can often be alleviated with more money, the granularity about how the funds would be spent is useful.

Nine people were categorized as having Other challenges, and for four of those Childcare was their biggest barrier.

## 7.1 Biggest Challenge

