



The Self Made Economy

an America Reimagined Report

Presented by

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OVERVIEW: Capitalism 2.0

The Self Made Economy is more than a marketing mantra, bigger than a trend. It is a bona-fide phenomenon, a revolutionary call to action and a fundamental reboot of the way Americans are rising to the challenge of innovation in an information age society where disruption and change are the norm.



The Self Made Economy is a fresh perspective on money and business and work and a culmination of demographic, economic and technological forces that are rebooting the American Dream.

Led by young people, multicultural consumers and women—who collectively represent all of the growth in the nation and are outpacing the rest of the population in technology adoption and new business start-ups—this bottom-up multi-trillion dollar update on modern capitalism has implications for companies and market segments ranging from automobiles and housing to home office supplies, transportation,

advertising, media and entertainment, communications, banking, and financial services, philanthropy, politics and the modern workplace.

The Self Made Economy, by which social media and technology put the tools of entrepreneurship into the hands of ordinary people, is a complex cocktail of optimism and pragmatism as well as a proactive reaction to social change, workforce disruption, and economic uncertainty. For women it’s a way to sidestep sexist barriers to entering the business world and forge their own path to personal empowerment and self-sufficiency.

To immigrants, who have always embraced the core American values of persistence, hard work and self-reliance, it validates and re-enforces their efforts to find an economic footing in this country and build a better life for themselves and their children. Self Made is also resonating with blue collar workers and young professionals, the under-employed, and virtually anyone with an idea, a skill or possession that can be monetized and leveraged into a profitable enterprise.

A Self Made career path means charting your own destiny, being your own boss, collaborating with your family and like-minded people who share your vision, helping others as you help yourself and avoiding a dead-end job with no future or benefits.

Self Made teens and Millennials, who were swaddled in technology before they could talk, instinctively use YouTube as a platform to amplify and broadcast their interests and talents to a global audience, generating income and, in some cases,

parlaying their followings into million dollar endorsements and international stardom.

The Self Made Economy is a bottom-up manifestation of meta data, crowd sourcing, 3-D printers, collective bartering and other techniques and technologies that put the individual at the center of vast networks of information and unlimited creative and entrepreneurial opportunity. Some people are doing it to adapt and thrive, others to cope and survive. Some see it as a strategy to get ahead, others as a tactic to avoid falling behind. But what all Self Made Americans share is a conviction that the traditional pathways to success are looking more like treadmills and dead ends, and that the best option these days is to bet on themselves by shaking off complacency and seizing 21st century tools and tactics to level the playing field and become the masters of their own financial future.

Key Constituents & Champions of The Self Made Economy

Workers + Strivers

The Self Made Economy is a source of inspiration and hope for part-time workers, the unemployed, the elderly or anyone living on a limited or fixed income. It is also an entrepreneurial outlet for anyone who feels trapped in a job that leaves no room for professional advancement and pursuing their passions. For them, Self Made is a side bet and a safety net, a hedge on their day job or way to buttress savings and smooth the way to retirement.

Women + Multiculturals

Women and multiculturals are Self Made savvy by nature and necessity. Optimism, innovation and self-reliance are in their DNA. Women are setting the pace in new business start-ups. For multiculturals, who already represent all the growth in the U.S. population, the Self Made Economy is a pathway to actualization and a democratized onramp to the American Dream.

The Self Made Economy

The Self Made Economy is powered and embraced by the back-to basics, do-it-yourself Maker Movement and technology-enabled creatives, including dot com start ups and small business owners. The Self Made ecosystem is populated by individuals who are not just their own brands, but are increasingly the center of their own multi-platform networks, with implications for all businesses, organizations and marketers.

Young Americans are Self Made because everything they see and do revolves around them; they expect brands to speak to them personally and use social media to inform, share and display their consumer preferences and aspirations. They are both curators and creators of interactive content. For them, being Self Made isn't a choice, it's a POV.

Makers + Doers

Millennials + Young Adults

I. THE SELF MADE WOMEN'S MOVEMENT

Women are the vanguard of the Self Made revolution, gaining and leading as entrepreneurs, heads of households and commanding more than \$11 trillion in investable assets.

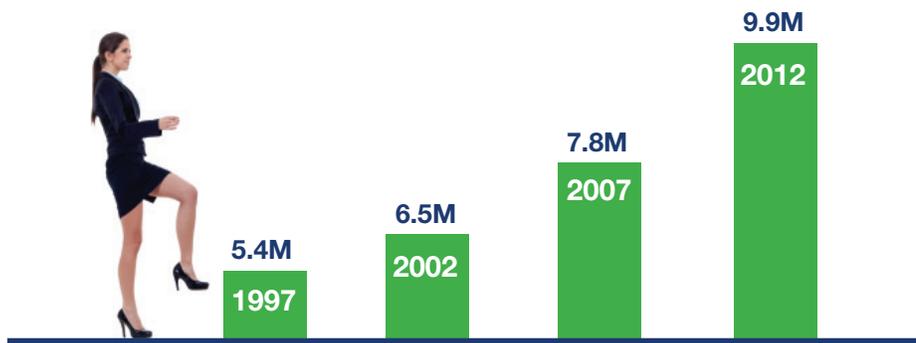


Women-led companies are on the rise, totaling 30% of all U.S. businesses and adding an estimated 340,000 jobs to the economy. The number of women-owned businesses in the U.S. grew 82% between 1997 and 2012, with the highest growth coming from African-American and Latina women who have found that starting your own company is the best way to cope with a financial system that often falls short or lets you down.

Women are Leading the Nation in New Businesses Creation

Women-owned businesses represented the majority of the growth in U.S. businesses between 2007 and 2012 (according to 5 year data just released by the U.S. Census in 2015) they increased in number by over 2 million, while male-owned businesses increased by just under a million, equally-owned businesses decreased by more than 2.1 million and other types of businesses decreased by over 350K.

Number of Women-Owned Businesses 1997-2012



Growth of Women-Owned Businesses 2007-2012 (% growth rate)



Source: EthniFacts analysis of U.S. Census 2015 data release of Survey of Business Owners and Self-Employed Persons.

Majority Women-owned companies

36% of U.S. companies in 2012

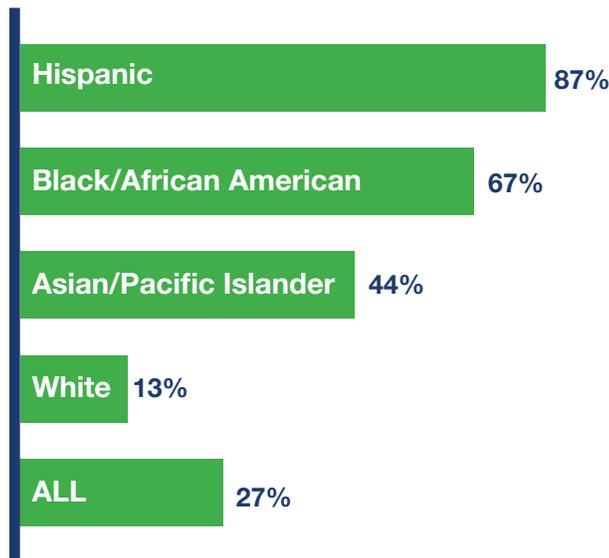
Women-owned companies

82% growth in U.S. from 1997-2012



If women and multiculturals are the shock troops of the Self Made movement, then Nely Galan, the celebrated media executive and business guru, is their commander-in-chief. In her new book, *Self Made: Becoming Empowered, Self-Reliant, and Rich in Every Way*, Galan explains why women are leading the country in entrepreneurial advancement by using technology and social media to accelerate their ascension to financial self-reliance and personal fulfillment. Galan’s book is a wake up call and a game plan for women who are ready to shake off the shackles of self-doubt, make money on their own terms, and rise to their full potential by “thinking big and getting their own chips.” But as Galan points out in her book, becoming Self Made is about transformation both inside and out, beginning with correcting bad habits and cultivating a healthy, positive attitude toward oneself and others. Even Facebook Founder Mark Zuckerberg, who became an entrepreneurial icon to millions by becoming a social media billionaire at the age of 31, has added Millennial lifestyle role model to his resume’ by sharing his commitment to “focus on myself.” Zuckerberg’s well-publicized self-improvement, activities include learning how to speak Mandarin and juggle, writing a thank you note to someone every day, and “taking time to exercise, play the guitar or read a book.”

Growth in Number of Majority Women-Owned Businesses 2007-2012



Source: EthniFacts analysis of U.S. Census 2015 data release of Survey of Business Owners and Self-Employed Persons.

Multicultural Women Are the Engines of New Business Growth

Hispanic female-owned businesses showed the greatest percentage change between 2007 and 2012, increasing by an impressive 87% (682K businesses). Black female-owned businesses showed the second largest percentage growth, 67% (610K businesses). Asian female-owned businesses increased by 44% (236K). White majority-female-owned businesses had the smallest percentage change, increasing by only 13% during the same five-year period.

Women are the pioneers and leaders of the Self Made Economy. As they continue to make inroads into professions and social roles that used to be exclusive to men, they expect their new status and needs to be reflected in the products and services that they purchase for themselves and their spouses and families. Brands will only succeed if they speak to women as Self Made entrepreneurs who are shaping their own destiny.

II. THE SELF MADE GENERATION

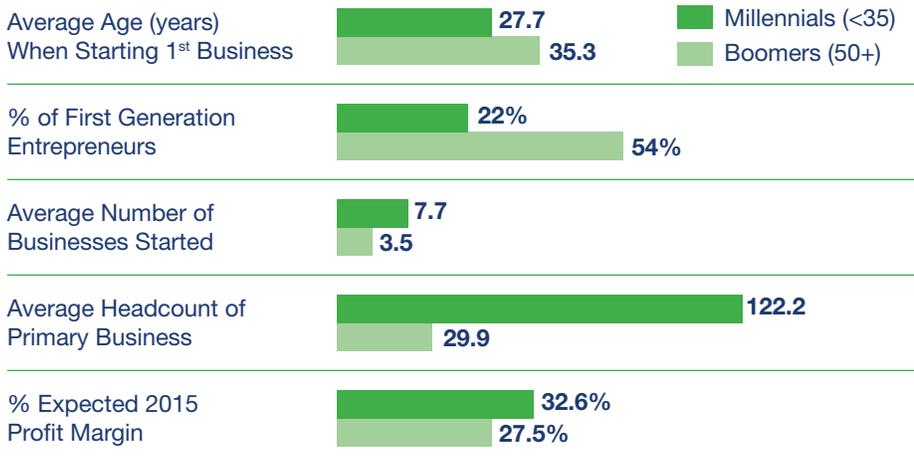
Teens and young adults (T&YA)—the Millennials and Gen Y-ers who populate the core of the demographic sweet spot between ages 13 and 24—are the catalysts and inheritors of the Self Made future.



Commanding buying power of \$300 billion, T&YA are discerning media-savvy shoppers who like to follow the latest trends, and start them, too. They gravitate to brands that enhance their global sense of style and reflect their search for personal validation. According to Millennial magazine “60 percent of millennials consider themselves entrepreneurs, and 90 percent recognize entrepreneurship as a mentality.”

As teens and millennials transition into adulthood, they become more money conscious and willing to trade spontaneity for convenience, spending more time scanning for jobs on LinkedIn than flicking for dates on Tinder or Match. Young adults, who will make up 75% of the U.S. workforce by 2025,

are devising career strategies that are more entrepreneurial and meaningful. A recent study found that only 13% of graduating college respondents planned to work at a large company, while 67% expressed a goal of starting their own business. Those who do land conventional jobs expect employers to give them more autonomy, allow more flexible schedules, and provide onsite perks like free daycare, physical training, and yoga. As social media and the on-demand/sharing economy continue to lower the bar for tech-driven economic independence, workers in the Self Made Economy are poised to reinvent not just when and why they get a job, but the definition of work itself.



Source: 2016 BNP Paribas Global Entrepreneur Report.

Teens and Young Adults (T&YA)

\$300 billion
Buying power

Career Goals

66%
Would like to start own business

37%
Would like to work on my own

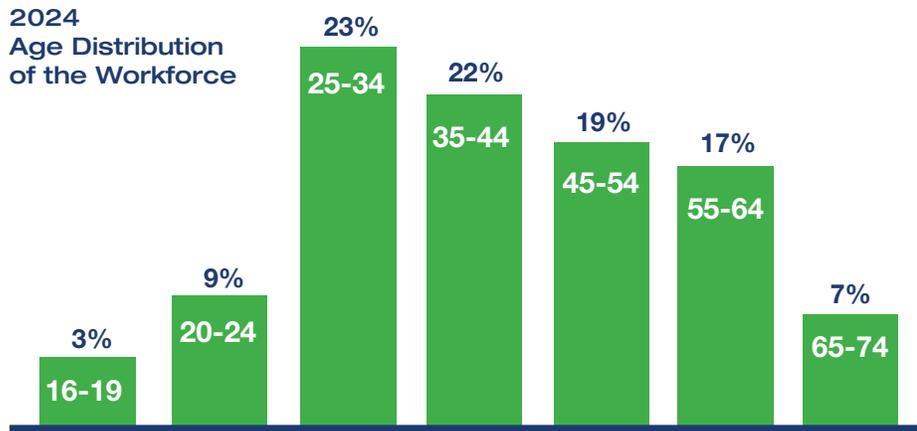
25%
Would like to own my own company

13%
Would like to be a Chief Executive or CEO

70%
Might reject traditional business to work independently

Sources: Bentley University Millennial Preparedness Study 2014. The Deloitte Millennial Survey 2014.

2024 Age Distribution of the Workforce



Source: Employment Projections program, U.S. Bureau of Labor Statistics (Dec 2015). http://www.bls.gov/emp/ep_table_304.htm

III. THE DIGITAL MIRROR

Members of the emerging Self Made society live in a world that is local and global, Snapchat-private and Instagram-public, anchored in an ever rewinding and unspooling present. They are collaborative consumers and active participants in new *me-commerce* platforms.



Early adopters of new toys and technology, Self Made consumers seek out participatory theater experiences where they are allowed to join the cast and perform with professional actor. They sign up for virtual augmented reality apps, immersive video games, and camera enabled micro drones that let them capture Hollywood-style aerial shots for their own videos. They watch TV shows like Shark Tank and The Profit, and will be the first ones to buy tickets for The Void, a virtual reality theme park set to open in Salt Lake City later this year. They are the reason President Obama lowered the ceiling on minimum investments for crowd-sourced business start-up funding. They are the creators of—and the growing market for—entrepreneur-enabling apps and services such as Uber, Lyft, Paypal, Amazon, airBnB, eBay, Etsy, Crowdfunder and LetGo, an app that lets people take a picture of virtually anything with their smartphone and put it up for sale online instantly. They are writers who self-publish and crowd source their book cover art on 99designs and other apps and services that let people guide and collaborate with artists, engineers and designers on any kind of project. In the Self Made Economy everybody has the option to be their own brand and

build digital incubators that put them at the center of the creative process and give them control of every aspect of their venture.

Self Made consumers seek information and entertainment that is malleable, portable, and responsive. They read and watch current events on radio, TV and the Web, but also make their own news by commenting on articles, writing blogs and posting pictures and videos on Twitter and other interactive news platforms. They are looking for truth in the deepest sense – honest, authentic, unfiltered and unflinching. They find humor more enlightening and dependable than dry facts. They are avid consumers of television, music, movies and live entertainment, but they are just as adept at shaping their experiences by custom-editing photos, sharing a music playlist on Spotify, or producing their own video clips and posting them on YouTube or Vine. If they like a music video, image or ad, they can add their personal twist to it in minutes and then share it with their inner circle, or the entire World Wide Web. Media is no longer their sole entertainment destination; it has become part of the journey.

IV. THE IMMIGRANT IMPERATIVE

Immigrants are the torchbearers and true believers of the American Dream—brands and advertisers will profit from celebrating and speaking to the Self Made newcomers and diverse and inclusive voices of every race and ethnicity who are reimagining America.

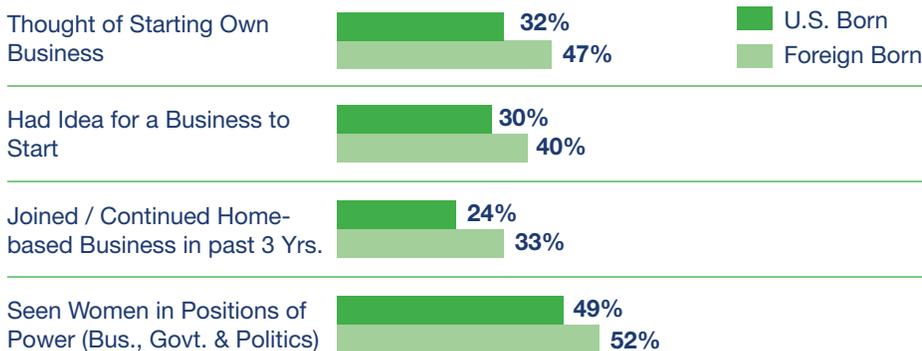


In its 2015 research on Hispanic immigrant women, EthniFacts found that 47% had thought of starting their own business, 40% had an idea for a business that they would like to start, and 31% had joined or continued a home-based business during the past three years. In addition, 71% affirmed that seeing women in positions of power in business, government and politics made them proud and they hoped to see more of it.

At a time when the U.S. political parties are more divided than ever, both sides are in total agreement on the value and importance of self-reliance and entrepreneurship, which are also pillars of the Immigrant Mind Set. During his 2016 presidential campaign, Donald Trump ballyhooed his status as a self-made billionaire and Bernie Sanders,

Marco Rubio, and Ted Cruz repeatedly lauded their immigrant parents for working hard to embrace and embody the American Dream for themselves and their sons and daughters. The only safe bet in the 2016 presidential election race is that the nation's next leader will be a champion of Self Made innovators and entrepreneurs and will support policies and programs that nurture and cultivate a Self Made America. Hillary Clinton, in her acceptance speech after winning the South Carolina presidential primary, proclaimed: "This campaign and our victory is for the entrepreneur...and that's especially true for women and people of color, so we're going to work together to give people, particularly young people, the tools you need to start that small business you've been dreaming of."

Entrepreneurial Mindset for U.S. Hispanic Women



Source: Ethnifacts Survey Data (Dec. 2015).

Hispanic Immigrant Women

47%

Thought of starting a business

40%

Had an idea for a business to start

31%

Joined or continued a home-based business in past 3 years

71%

Proud of women in positions of power

Conclusion

Signs of the Self Made Economy are everywhere —in the way we look for information and talk to each other from the center of our own personal networks, in the way we take pride in rediscovering traditional skills and ideas about what really matters in our lives, in the way technology is allowing us to express our uniqueness and curate the ways we present ourselves and our passions to our friends and family and the rest of the planet. It's amazing how we are only at the beginning of the transformational possibilities at our fingertips and the power to interact authentically with anyone and everyone who recognizes the unlimited potential for Self Made individuals of every age and race and lifestyle.

Self Made consumers expect to have a say in what they see and do for fun. They want to help direct the movie, they want to be the star of their won social network, they want to join the cast of the play. They see no division between maker and watcher. They want their Media, TV, and News to be immersive, responsive and socially aware. They want to be seen, they want to be heard, and they want to know that the lifestyle and entertainment options they select are watching and listening.

Self Made consumers are looking for products, services and brands that make them a partner in their own development and success. They are looking for tools, training and tactics that put them in charge of their own destiny. They are interested in brands that understand this and help them do it.

Companies and brands that ignore the Self Made Economy will not only miss out on the fastest-growing segment of the U.S. consumer economy, but also fail to connect with the nation's future innovators, tastemakers, civic leaders and CEOs. Banks and financial services need to position themselves as the champions and allies of the Self Made consumer by creating tools and financial products that help them start their own businesses and find alternative revenue streams to make up for the loss of benefits and job security. The combustible combination of demographic, economic and social change plus technology, social media and the sharing/on demand economy is fostering an entrepreneurial mindset for the masses and fueling the Self Made engines of Capitalism 2.0.

About EthniFacts



EthniFacts is an insights provider focused on the role of culture in consumer behavior. Psychological science, statistical and demographic tools and cultural savvy allow us to provide clients radical yet practical knowledge about today's volatile consumer environment.

We produce creative segmentation models that accurately unravel consumer behavior. Our thought leadership includes new paradigms on the CulturEdge®, the dynamic spaces where culture sustainability, sharing, parity, and rerouting are the new social currency.

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