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April 2011 Small Business Market Sentiment Survey Shows Small Businesses Underutilize e-Commerce

Seventy-Nine Percent of Small Business Owners Say They Don't Use Traffic Tracking Tools

NEW YORK, April 26, 2011 /PRNewswire/ -- Newtek Business Services (NASDAQ: NEWT), [The Small Business Authority](#) with a portfolio of over 100,000 business accounts, announced today the findings of its SB Authority Market Sentiment Survey, a monthly window into the concerns of independent business owners. Based on a poll of approximately 1,200 respondents, one of the key findings from April's survey was small business owners' apparent lack of e-Commerce initiatives. The full April 2011 results showed the following:

<i><u>Poll Question</u></i>	<i><u>Poll Answer</u></i>	<i><u>Percentage</u></i>
Are you happy with your current website or web presence?	Yes	54%
	No	31%
	I do not have a website	15%
Do you currently still work with the original designer of your site?	Yes	33%
	No	55%
	I do not have a website	12%
Do you take payments on your website?	Yes	24%
	No	65%
	I do not have a website	11%
Are you using any tools that give you the traffic patterns on your website?	Yes	21%
	No	63%
	I do not have a website	16%

"E-Commerce is such a major part of the U.S. economy today," commented Barry Sloane, President and CEO of [The Small Business Authority](#). "It's important that small to medium sized business owners use the tools that are available to them to compete with big business. The Internet has been the great equalizer in the market, with companies like Google and Facebook enjoying some of the largest market capitalizations of all U.S. companies today. They exist because of the Internet/e-Commerce and are recently established companies, unlike JP Morgan, 3M or GE, which required centuries to reach their current size. Small businesses have the opportunity to compete today if they embrace technology and the Internet."

[The Small Business Authority](#) recognizes the importance of providing state-of-the-art tools for small to medium sized businesses to enable them to grow their sales, reduce their costs and reduce their risks. The low percentage of clients taking payments online - 20-25% - shows that many business owners do not know that the site can be a useful tool for selling merchandise as well as collecting receivables and payments for service. [The Small Business Authority](#) believes this number will increase over time as businesses become more comfortable doing most of their business functions or applications online.

Almost 50 percent of the client base polled did not have a web presence or indicated being unhappy with their site. *The Small Business Authority* attributes this figure to the following factors:

- | The site is out-of-date and was created years ago
- | Clients do not know where to go or how to make changes to their website

- | Their business and markets have changed, requiring a "facelift" and a dynamic updating process
- | The site was written in language that is out-of-date
- | Search engine optimization and search engine marketing was not a real science or art when the site was created

Added Sloane, "Our last key question, reflecting upon the use of website monitoring tools, was both surprising but exciting for us as a company. We believed that very few business owners actually use their website to monitor relevant traffic patterns that drive customers and sales to their business. What are the peak hours of traffic to your website? How long do visitors stay? How many unique visitors come? Why do visitors leave the website? Why is no call to action completed from visitors?"

This area of work needs to be better developed with our clients and for our clients, as *The Small Business Authority* provides these tools for free with almost every hosting plan. If used correctly, these tools will improve sales and performance of the business owner's website and generate a great ROI and cash flow our customers."

About Newtek Business Services, Inc.

Newtek Business Services, [The Small Business Authority](#), provides the following products and services:

- | **Electronic Payment Processing:** eCommerce, electronic solutions to accept non-cash payments, including credit and debit cards, check conversion, remote deposit capture, ACH processing, and electronic gift and loyalty card programs.
- | **Web Hosting:** Full-service web host, which offers eCommerce solutions, shared and dedicated web hosting and related services including domain registration and online shopping cart tools.
- | **eCommerce:** A suite of services that enable small businesses to get up and running on-line quickly and cost effectively, with integrated web design, payment processing and shopping cart services.
- | **Business Lending:** Broad array of lending products including SBA 7(a) and SBA 504 loans.
- | **Insurance Services:** Commercial and personal lines of insurance, including health and employee benefits in all 50 states, working with over 40 insurance carriers.
- | **Web Services:** Customized web design and development services.
- | **Data Backup, Storage and Retrieval:** Fast, secure, off-site data backup, storage and retrieval designed to meet the specific regulatory and compliance needs of any business.
- | **Accounts Receivable Financing:** Receivable purchasing and financing services.
- | **Payroll:** Complete payroll management and processing services.

Newtek Business Services, Inc., [The Small Business Authority](#), is a direct distributor of a wide range of business services and financial products to the small- and medium-sized business market under the Newtek® brand. Since 1999, Newtek has helped small- and medium-sized business owners realize their potential by providing them with the essential tools needed to manage and grow their businesses and to compete effectively in today's marketplace. Newtek provides its services to over 100,000 business accounts and has positioned the Newtek® brand as a one-stop-shop provider of such business services. According to the U.S. Small Business Administration, there are over 27.5 million small businesses in the United States, which in total represent 99.7% of all employer firms.

Note Regarding Forward Looking Statements

Statements in this press release including statements regarding Newtek's beliefs, expectations, intentions or strategies for the future, may be "forward-looking statements" under the Private Securities Litigation Reform Act of 1995. All forward-looking statements involve a number of risks and uncertainties that could cause actual results to differ materially from the plans, intentions and expectations reflected in or suggested by the forward-looking statements. Such risks and uncertainties include, among others, intensified competition, operating problems and their impact on revenues and profit margins, anticipated future business strategies and financial performance, anticipated future number of customers, business prospects, legislative developments and similar matters. Risk factors, cautionary statements and other conditions which could cause Newtek's actual results to differ from management's current expectations are contained in Newtek's filings with the Securities and Exchange Commission and available through <http://www.sec.gov>.

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