

Women's Foundation of Arkansas  
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# “YOU LEARN AS YOU GO”

## Economic Risk & Reality for Women in Rural Arkansas



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ARKANSAS



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# “YOU LEARN AS YOU GO”

Research conducted by JRT Research & Consulting

Commissioned by the Women’s Foundation of Arkansas with support from Stone Bank

## ACKNOWLEDGEMENTS

We are deeply grateful to Stone Bank for “planting the seed” and their investment in advancing this important research on women and banking in rural Arkansas. Their commitment to understanding and addressing the unique financial challenges facing women across our state reflects a shared belief in expanding access and opportunity. As a long-time partner of the Women’s Foundation of Arkansas, Stone Bank continues to demonstrate meaningful leadership in supporting women’s economic mobility and strengthening communities across Arkansas.

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Special thanks to the 825 women who responded to our online survey and to the 101 women who participated in a focus group or interview, and to all women in Arkansas for everything you do for your families, your communities, and the Arkansas economy.



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# Executive Summary

It's challenging to be a woman in Arkansas. There are some bright spots in the Arkansas economy, such as faster-than-average GDP growth<sup>1</sup>, new residents moving in<sup>2</sup>, and a thriving outdoor recreation economy<sup>3</sup>. However, Arkansas is above the national average in several undesirable measures: poverty rates<sup>4</sup>, food insecurity<sup>5</sup>, and the percentage of adults without credit scores<sup>6</sup>. Additionally, Arkansas is below the national average on wages<sup>7</sup> and educational attainment<sup>8</sup>.

These statewide averages only tell part of the story. Jobs and opportunities vary across communities and populations. Women in rural areas of the state may face more challenging constraints in building financial security for their households. Women in rural areas may face the most challenging financial choices. These financial struggles of women in Arkansas are not trivial or isolated exceptions to the status quo.

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<sup>1</sup> <https://arkansaseconomist.com/category/state-gdp/>

<sup>2</sup> <https://arkansasadvocate.com/2023/01/31/migration-to-nw-arkansas-fuels-states-population-growth-in-2022/>

<sup>3</sup> <https://adpht.arkansas.gov/office-of-outdoor-recreation/economic-impact/>

<sup>4</sup> <https://usafacts.org/answers/what-is-the-us-poverty-rate/state/arkansas/>

<sup>5</sup> <https://www.ers.usda.gov/topics/food-nutrition-assistance/food-security-in-the-us/key-statistics-graphics>


<sup>6</sup> <https://www.stlouisfed.org/community-development/publications/access-credit-financial-services-bridge-financial-well-being/access-traditional-credit-us-feds-eighth-district>

<sup>7</sup> <https://usafacts.org/answers/what-is-the-average-wage-in-the-us/state/arkansas/>


<sup>8</sup> <https://statisticalatlas.com/state/Arkansas/Educational-Attainment>

The Women’s Foundation of Arkansas with support from Stone Bank commissioned this report to explore how women in Arkansas make financial decisions. By analyzing existing publicly available data as well as new data collected from surveys and focus groups with women across the state, we identified the following themes that emerged as important and consistent across the state.


**Financial responsibility for many rural Arkansans is driven by insecurity, not abundance. Good financial behavior is risk management under constraints rather than an efficient plan to meet lofty investment goals.**

 Arkansas women—particularly in rural areas—approach money management as risk mitigation under tight constraints. Rural respondents were far more likely to say they “do not know how [they] would cover an unexpected \$400 expense.” Rising health care and child care costs, along with unstable employment, deepen this sense of precarity.

**Most Arkansas women learn to manage money through trial-and-error, rather than formal financial education programs.**

 Women frequently described early financial mistakes—overdrafts, unpaid bills, confusion about credit—as formative experiences. Self-reported financial literacy is low, and objective literacy scores confirm substantial knowledge gaps, especially in rural areas.

**The pervasive aversion to debt and distrust of financial institutions reflect a need for psychological safety as much as financial preferences.**

 Women expressed skepticism toward lenders and fear of accumulating unmanageable debt. Many perceive banks as fee-driven rather than supportive, yet over 90% of respondents have at least one bank account. Community banks remain a critical source of trusted advice—especially for business financing.





## **Women’s role in the economy is under-appreciated, even by the women themselves.**

Over 92% of the women we surveyed report being fully or jointly responsible for household financial decisions, and many supplement income through “side-hustles” or self-employment. Despite this, women often do not see themselves as economic drivers, even though their spending decisions shape local economies.

## **Entrepreneurship is often a necessity, not a choice.**

Rural women frequently turn to self-employment or informal work to fill gaps in local employment options. Barriers identified by the Arkansas Women’s Commission in 2022—gender bias, limited access to capital, caregiving burdens, and lack of networks—continue to constrain women’s entrepreneurial potential.

## **Community banks play an essential stabilizing role in rural economies.**

Women rely heavily on local financial institutions for guidance, especially when considering business loans. Bank employees report that women often seek advice on topics beyond traditional banking topics (taxes, stock market investments, sources of information on government regulations, social program eligibility, etc.), underscoring the need for accessible, trusted financial education.

Overall, the report summarizes a landscape where women—especially in rural Arkansas—carry significant financial responsibility but face structural barriers, limited safety nets, and uneven access to trusted financial knowledge. **Strengthening financial literacy, expanding access to capital, and leveraging the trusted role of community banks represent key opportunities to improve economic stability for women and the communities they sustain.**

# Introduction

There are some bright spots in the Arkansas economy. GDP is growing faster than the national average<sup>9</sup>, the state continues to attract new residents<sup>10</sup>, and the outdoor recreation economy is thriving<sup>11</sup>. Arkansas has more than its fair share of home-grown wealth generated by brilliant entrepreneurs and a diverse mix of natural resources. Plus, two of the last three winning Powerball Lottery tickets were bought in the state. By some measures, Arkansas is riding an impressive streak.

Despite these positive metrics, the financial struggles of many Arkansans are not trivial or isolated exceptions to the status quo.

Arkansas leads the nation in food insecurity with an estimated 19.4% of households in the state experiencing food insecurity<sup>12</sup>, 18% of households have incomes lower than the poverty level, and another 28% are above the poverty level but have incomes too low to achieve financial stability—the ALICE (Asset-Limited, Income Constrained, Employed) threshold<sup>13</sup>. Arkansas also exceeds national

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<sup>9</sup> <https://arkansaseconomist.com/category/state-gdp/>

<sup>10</sup> <https://arkansasadvocate.com/2023/01/31/migration-to-nw-arkansas-fuels-states-population-growth-in-2022/>

<sup>11</sup> <https://adpht.arkansas.gov/office-of-outdoor-recreation/economic-impact/>

<sup>12</sup> Rabbitt, M.P., Reed-Jones, M., Hales, L.J., Suttles, S., & Burke, M.P. (2025). Household food security in the United States in 2024 (Report No. ERR-358). U.S. Department of Agriculture, Economic Research Service.

<sup>13</sup> United for ALICE. (2025). "The state of ALICE in Arkansas: 2025 Update on Financial Hardship." <https://www.UnitedForALICE.org/Arkansas>



averages on the percentage of adults without credit scores or subprime credit scores<sup>14</sup> and is below the national average on wages<sup>15</sup> and educational attainment<sup>16</sup>.

But statewide averages only tell part of the story. Opportunities and employment vary across communities and people and outcomes vary with how well individuals leverage the opportunities they encounter. Women may also encounter different opportunities than men – and the options available often vary drastically when comparing urban and rural areas of the state.

In this report, we go beyond the statewide averages to examine how women in Arkansas make financial decisions. We analyze how women in rural and metro areas are similar and where they differ in their efforts to help their families achieve financial stability.



<sup>14</sup> <https://www.stlouisfed.org/community-development/publications/access-credit-financial-services-bridge-financial-well-being/access-traditional-credit-us-feds-eighth-district>

<sup>15</sup> <https://usafacts.org/answers/what-is-the-average-wage-in-the-us/state/arkansas/>

<sup>16</sup> <https://statisticalatlas.com/state/Arkansas/Educational-Attainment>



## Economic Situation of Women in Arkansas

Despite the huge financial gains made since 1973 when women were protected from gender discrimination in loan decisions, there is still considerable gender inequality in income and financial stability across the state. The gender pay gap may not be as large in Arkansas as in other states<sup>17</sup>, but that is driven by low wages overall as Arkansas has a high share of low-wage workers.

The Arkansas Women's Commission report published in 2022 found the environment for female entrepreneurs in the state to be particularly challenging. Arkansas was in the bottom seven states in all three entrepreneurial reports referenced<sup>18</sup> in this research. Common barriers cited in the report are: gender bias, unequal access to capital, lack of female mentors, lack of social networks, and fear of failure, all of which contribute to fewer opportunities for women.

<sup>17</sup> <https://www.axios.com/local/nw-arkansas/2025/04/01/arkansas-gender-wage-gap>

<sup>18</sup> Arkansas Women's Commission. (2022). "Report of the 2022 Arkansas Women's Commission: Analyzing the Role of Arkansas Women in the Labor Market and Economy." Downloaded from [https://womensfoundationarkansas.org/wp-content/uploads/2023/01/220112\\_WFA\\_Web.pdf](https://womensfoundationarkansas.org/wp-content/uploads/2023/01/220112_WFA_Web.pdf)

ECONOMIC STATUS OF WOMEN IN ARKANSAS		
	Rural	Metro
More likely to be employed		X
Higher household income		X
Higher home ownership rates	X	
Less rent burdened	X	
More likely to have health insurance	X	
Less reliance on SNAP		X

The financial status of households varies across metro and rural Arkansas. Data from the American Communities Survey (ACS) 2024 allows the direct comparison of households in the rural and metro areas of the state, as illustrated in Tables 1 and 2 below. More specifically, women in rural areas are less likely to be employed, and they tend to live in lower-income households with more reliance on food stamps or SNAP. Rural households, however, are more likely to be homeowners. On the other hand, women in metro areas live in households with higher incomes, but are more likely to be rent-burdened and less likely to have health insurance.

**Table 1**

	Prime Working Age Women (25 - 54)		
	All	Rural	Metro
Employed	72.5%	70.1%	73.9%
Unemployed and looking for work	2.1%	2.7%	1.7%
Not working, not looking for work	25.2%	26.9%	24.3%

**Table 2**

ECONOMIC INDICATORS	All Adult Women		
	All	Rural	Metro
<b>Median Household Income</b> (to nearest thousand)	68,000	59,000	77,000
<b>Percent Home Owners</b>	71.3%	<b>75.1%</b>	69.0%
<b>Percent Rent Burdened</b> (>30% household income to rent & utilities)	12.9%	10.9%	<b>14.1%</b>
<b>No Health Insurance</b>	10.8%	10.1%	11.3%
<b>Food Stamp or SNAP Participation</b>	9.7%	<b>14.2%</b>	7.0%

\* Statistics in bold indicate a statistically significant difference (p-value <0.05).

The factors influencing economic differences between urban and rural parts of the state are rarely simple. One explanation is that these differences reflect individual preferences. Maybe women choose to live in urban centers or rural areas based on the amenities or lifestyles they value most. This view is consistent with the migration patterns observed during the pandemic as families moved from downtown areas to suburbs and rural regions, a trend that reversed in 2023-2024<sup>19</sup>.

Alternatively, perhaps women’s choice in residential location is more constrained, shaped by economic structures that limit the size and scope of opportunity based on place. This raises an important question -- to what extent do women recognize the magnitude of different possibilities based on local economic options?

<sup>19</sup> <https://www.census.gov/newsroom/press-releases/2025/population-estimates-counties-metro-micro.html>



The reality likely lies somewhere in between – a mix of personal preferences, geographic constraints, and diverse local economic structures that shape available opportunities. Across Arkansas, in rural and urban communities alike, financial decision-making for women is shaped by choice and constraint, opportunity and scarcity, trust and skepticism. Where do women go for financial advice? Are they confident in their knowledge of household finances? Is there a difference in the financial expertise of women in rural and metro parts of the state?

Recent research by the Eighth District Federal Reserve Bank<sup>20</sup> highlights the relevance of these questions. The district encompasses all of Arkansas and parts of Missouri, Tennessee, Mississippi, Kentucky, Indiana, and Illinois. Their research looks at access to credit as a driver of household financial well-being and reveals that Arkansans may struggle to access credit when needed. Of the states in the district, Arkansas has the largest percentage of adults lacking a credit score: 9.3% compared to a national average of 4.9%. Arkansas also exceeds the national average in residents with a sub-prime (below 660) credit score. The 29.5% of Arkansans with sub-prime scores exceeds the national average of 23.9%.

The Federal Reserve held focus groups and discussions across their territory to gather insights from banking employees and residents, but their report provides little detail on how women specifically make financial decisions or whether rural and metro residents make different choices.

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<sup>20</sup> Federal Reserve Bank of St. Louis. (2025). "Access to Credit and Financial Services: A Bridge to Financial Well-Being." <https://www.stlouisfed.org/community-development/publications/access-credit-financial-services-bridge-financial-well-being>

## Our data collection process

This report draws from publicly available datasets and is supplemented with data from conversations with, and surveys of, women in Arkansas. In addition to collecting demographic information, our online survey asked questions about employment, financial services, and trusted sources of financial advice. Women were asked to rank their most preferred employment option and to rate their financial confidence and knowledge. The survey also tested women's financial literacy and knowledge through multiple choice questions.

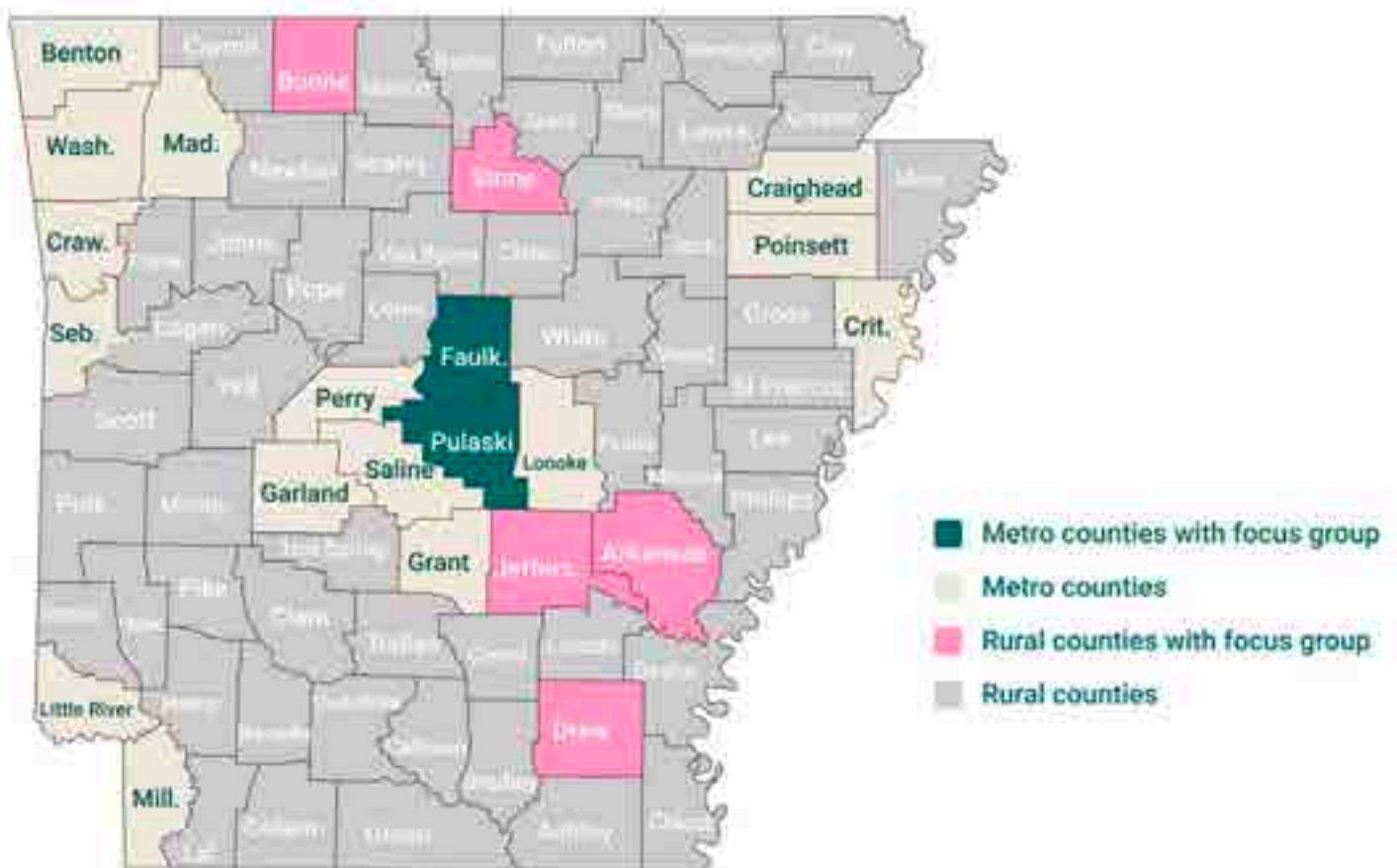
We hosted focus groups across the state, leading conversations and listening to women's experiences with borrowing money, working with banks and financial institutions, and learning to manage their personal finances. Two of the focus groups were mainly attended by women employed in the banking industry; however, most groups were composed of women from different walks of life and various professional fields.



In-person focus groups were conducted in the following counties: Arkansas, Boone, Drew, Faulkner, Jefferson, Pulaski, and Stone<sup>21</sup>. Virtual focus groups were held on Zoom with participants from various regions of the state. In total, we collected survey response data from 823 women across Arkansas, as well as 101 focus group participants.

**Figure 1**

**MAP OF METRO AND RURAL COUNTIES AND FOCUS GROUP LOCATIONS**



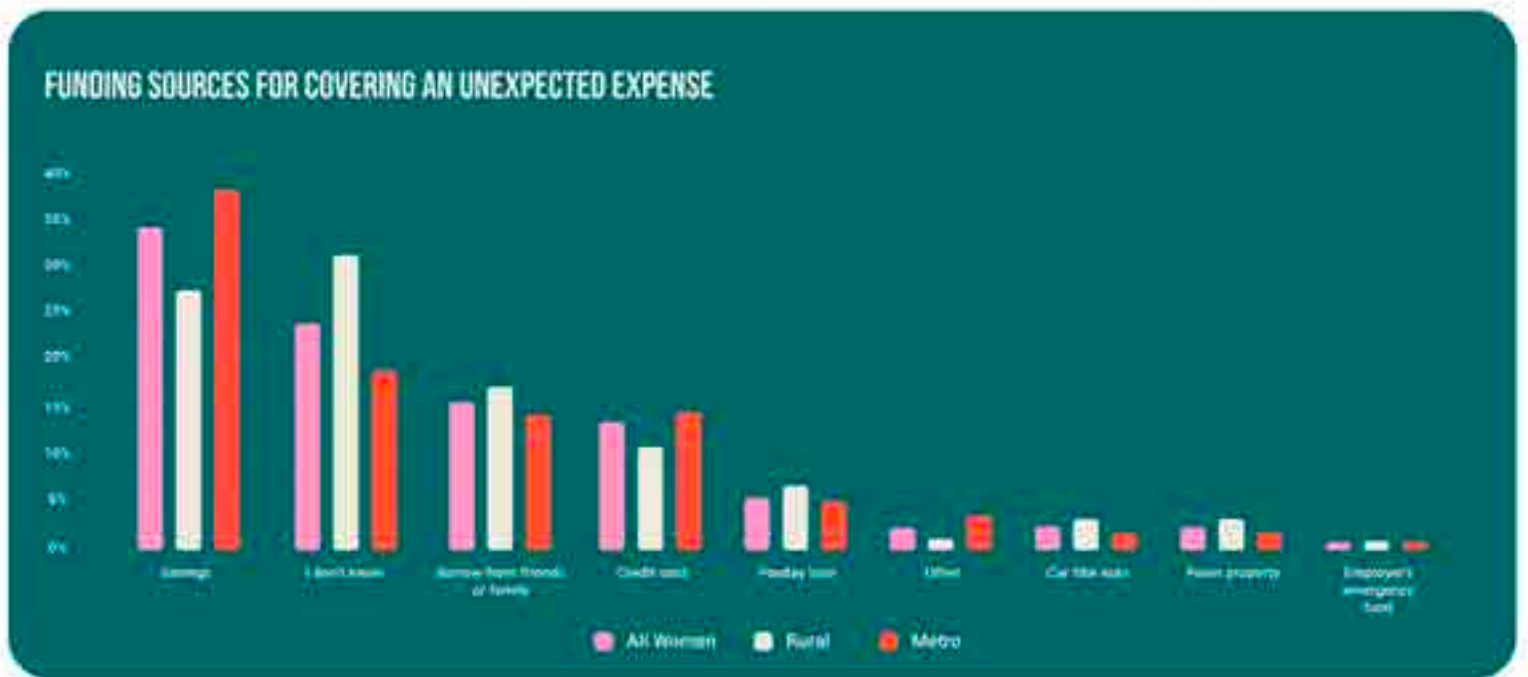
<sup>21</sup> The Stone County focus group was converted to Zoom the morning of the event due to illnesses, but all participants were Stone County residents.

# Emergent Themes

Several illuminating themes emerged, and are supported by comments from the focus groups participants and data collected from respondents in our survey.

**Financial responsibility for many rural Arkansas women is driven by insecurity, not abundance. Good financial behavior is risk management under constraints rather than an efficient plan to meet lofty investment goals.**

To gauge the intersection of financial literacy and household financial stability, we asked how a family would cover an unexpected \$400 expense this month. Survey respondents were given a list of possible funding sources and told to choose one from the list or choose “Other”. The weighted survey responses<sup>22</sup> are shown in Table 3 below.



<sup>22</sup> A detailed explanation of the survey matching process is available in the appendix.

The most frequently reported strategy was to pay the expense from savings or extra cash. However, when segmenting responses, it was clear that this ranking is driven by women in metro areas. Rural women, on the other hand, were more likely to say they do not know how they would cover an unexpected \$400 expense. For all the other funding options, there is no statistically significant difference between rural and metro areas.

In the focus groups, women conveyed a strong need for an emergency savings fund. This necessity was largely motivated by a career path where they experienced multiple layoffs and increasing anxiety from labor market uncertainty. One said, **“It seems like whenever we have an emergency that uses part of it [our emergency fund]...it’s almost impossible to replenish ourselves.”**



Women expressed financial concerns about rising health care costs. Expressing concern about recovering financially after a health crisis, one woman said, **“I mean, all it takes is one emergency at the hospital.”** While another woman chose to delay healthcare until the new year, reflecting, **“I’m putting off tests that I need to have done... because I just don’t want to incur that kind of cost... when every year [healthcare deductibles] reset.”**

Women also expressed financial concerns about rising child care costs. Arkansas’s School Readiness Program started collecting co-pays in October 2025, and the ACA subsidies were reduced in January 2026, intensifying financial pressures for many Arkansas families. One child care facility director shared a concern that she will lose a valuable employee, citing that a current staff member (who was also expecting another child) lost child care voucher eligibility. This compounding effect illustrates how external economic changes can cascade through household budgets, forcing difficult decisions for women and families already living on narrow margins.

Caregiving expectations present additional financial risk to women. Women who leave the labor force to care for young children, and those who continue working but take lower-paying jobs with caregiving-compatible schedules, end up with considerably lower lifetime earnings<sup>23,24,25</sup>. This perspective emerged among focus group participants, particularly as women described the trade-offs they make between financial security, employment opportunity, and family stability. Prioritizing scheduling stability for her family over pay, one single mother said, **“This job is a blessing...financially I’m still struggling, but the schedule works.”** Several mothers shared that they took lower-paying jobs specifically to work for a school so their schedule would match their children’s.

### **Most Arkansas women learn to manage money through trial-and-error, rather than formal financial education programs.**

Financial mistakes in early adulthood are seen as a normal part of the process (i.e., missed bills, overdrawn accounts, confusion over taxes), but parents hope their children avoid them. One single mom, noted, **“I remember being, like, 19, 20, I moved out and didn’t pay a bill once and got my lights cut off. You learn as you go.”**

It was common to hear stories from women who opened a checking account as a young adult without really understanding how it worked. They were often overdrawn and faced fees they could not afford to pay. Reflecting on learning difficult financial life lessons, one woman shared, **“You learn as you go... it’s been more trial and error.”** However, this approach can create a cycle, leading to accounts being closed involuntarily, distrust of banks, and a perception that banking services always come with high costs.

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<sup>23</sup> Correll, S. J., Benard, S., & Paik, I. (2007). Getting a Job: Is There a Motherhood Penalty? 1. *American journal of sociology*, 112(5), 1297-1339.

<sup>24</sup> <https://www.welcometothejungle.com/en/articles/what-is-the-motherhood-penalty>

<sup>25</sup> <https://beformidable.com/p/motherhood-penalty-costs-women-500k>



The women we spoke to recognized their lack of financial expertise. Focus group participants were given an anonymous response system and asked to indicate their level of confidence in making the best money decisions for their household. In the focus groups where the women were bank employees, we observed that some women were only somewhat or a little confident in their abilities. However, in the focus groups without bank employees, not a single woman indicated feeling very confident in her financial decision-making capacity.

This is troubling, whether it is simply a lack of confidence in their knowledge or a recognition that they do not have enough knowledge on the topic, it leaves women vulnerable to being exploited in financial transactions.

The survey respondents were asked to rate their financial literacy on a scale from 0 – 100. The mean Financial Literacy Self-Ratings are shown in Table 4 below.

We see a significant difference between the Financial Literacy Self-Ratings of women in rural and metro areas of the state; women in metro areas rated themselves higher. Self-ratings, however, are highly subjective and may reflect different perceptions rather than a real difference in financial knowledge.

Therefore, to obtain a more objective measure of financial literacy, the survey also included five multiple-choice questions and a question that asked women to rank six different investments from the lowest to highest risk.

**Table 3**

<b>FINANCIAL LITERACY MEASURES</b>			
	All Women	Rural	Metro
<b>Financial Literacy Self Rating</b>	56.6	53.5	<b>58.5</b>
<b>Financial Literacy Score</b>	2.1	1.9	<b>2.2</b>
<b>Question 1</b>	44.3%	41.6%	46.1%
<b>Question 2</b>	50.7%	42.4%	<b>55.9%</b>
<b>Question 3</b>	35.1%	34.1%	35.7%
<b>Question 4</b>	51.3%	42.3%	<b>56.9%</b>
<b>Question 5</b>	28.1%	27.1%	28.7%
<b>Treasury Low Risk</b>	53.6%	50.5%	55.6%
<b>Business Start High Risk</b>	71.0%	65.6%	<b>74.4%</b>

\* When metro and rural respondents give statistically different responses (p-value < 0.05) The estimate for the group more likely to select that option is bold.

A list of the questions and investment choices are shown in Appendix A.

The Financial Literacy Score in Table 4 is the number of questions (out of 5) a respondent answered correctly. We also measured whether respondents identified U.S. Treasuries as the lowest risk investment alternative versus a friend’s new business start-up as the highest risk of investment loss. At the time many women completed the survey, the US government was shut down over a budget dispute; this issue may have influenced women’s perception of the inherent risk of loss in U.S. Treasuries.

Women in metro areas of the state answered more questions correctly on average, and they were more likely to recognize that a new business start-up entails higher investment risk. Although, across the state, the average score was just above 2, illustrating a clear opportunity to improve the financial literacy of women in Arkansas. The women who participated agree that they could benefit from additional knowledge and want to learn from trusted community members. They indicated a higher willingness to get financial information from someone they already know more than someone acting in an official capacity to teach. The importance of learning from someone they implicitly trust is also reflected in the next theme.



### **The pervasive debt aversion and distrust of financial institutions reflect a need for psychological safety as much as financial preferences.**

Focus group conversations revealed a skepticism of banks and an aversion to debt of all types. (This may partially explain why Arkansas has a higher percentage of adults without credit scores in the Federal Reserve report.) When asked if all debts were equally problematic, focus group participants acknowledged that the smart use of debt can improve the financial stability of a household. One woman reflected, “I had debt before, because I bought...the house, and there is a mortgage there, but trust me, I paid more than double, because I was not going to allow that debt to run for some... for years, or whatever.”

But these women also expressed concern about the amount of discipline needed to use debt wisely once the loans and/or credit lines are in place. Reflecting on financial decisions her peers have made, one woman stated, “Some people, they want to enjoy the trip... or they want to have a new car every two years. But you’re tied to material things, and you don’t have that [financial] peace of mind.” Generally, they believed that too many people lack the discipline to limit debt, and that it’s better for them not to use it rather than risk accumulating unsustainable debt.

Part of their skepticism comes from a recognition that lenders have an incentive to make loans and may encourage borrowing beyond the best and most appropriate uses of debt. Illustrating the distrust of formal financial institutions, one woman said, “I struggle a lot with my finances...I don’t trust people selling me things.” In other words, women with limited wealth may think banks see them as a source of revenue rather than focusing on helping them accumulate assets and achieve long-term financial success.

Despite this perception, most survey respondents do have bank accounts. Table 4 below shows the percentage of women with different account types.

**Table 4**

<b>TYPES OF BANK ACCOUNTS</b>			
	All Women	Rural	Metro
<b>Checking</b>	84.2%	78.2%	<b>87.9%</b>
<b>Savings</b>	57.4%	50.5%	<b>61.6%</b>
<b>Credit Card</b>	40.4%	31.4%	<b>46.0%</b>
<b>Money Market</b>	8.8%	6.0%	<b>10.5%</b>
<b>Certificate of Deposit</b>	6.2%	5.0%	6.9%
<b>Other Account</b>	3.9%	2.4%	4.8%
<b>No Account</b>	8.0%	7.7%	8.1%

\* Statistics in bold indicate a statistically significant difference (p-value <0.05).

Overall, more than 91% of women reported that their household has at least one bank account. Checking accounts were the most common type of account, and women in metro areas were more likely to have checking, savings, money market, and credit card accounts at banks.

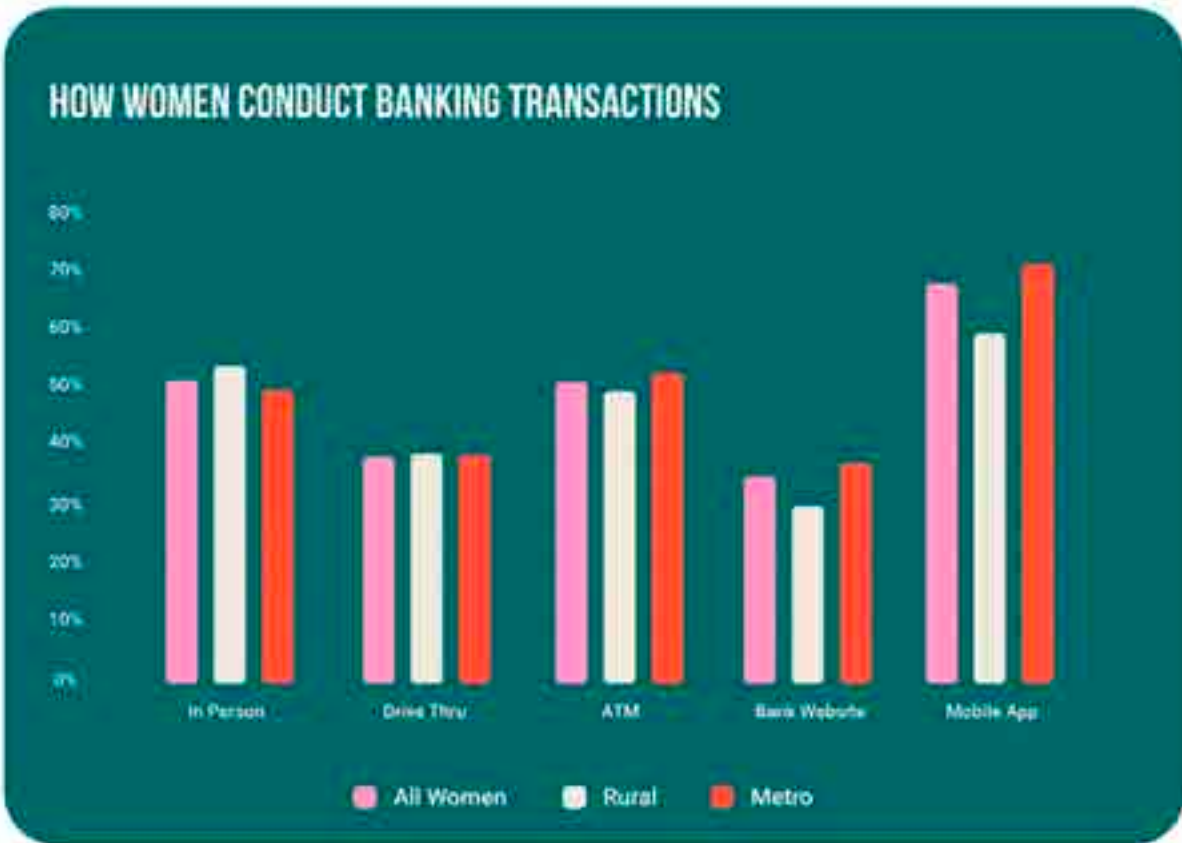
In addition to asking about existing bank accounts, the survey inquired about challenges or concerns related to opening a bank account. Although women in metro areas have more bank accounts, the reasons women hesitate to open accounts with banks do not significantly differ between rural and metro areas of the state.

**Table 5**

<b>REASONS FOR LIMITED BANKING</b>			
	<b>All Women</b>	<b>Rural</b>	<b>Metro</b>
<b>High Fees</b>	19.0%	18.8%	19.2%
<b>Not enough money</b>	16.8%	19.5%	14.9%
<b>Concerned about information privacy</b>	12.1%	13.8%	10.9%
<b>Inconvenient locations</b>	11.6%	11.3%	11.8%
<b>Lack of Trust</b>	11.4%	14.3%	9.4%
<b>ID Verification Challenges</b>	2.3%	3.2%	1.6%

Among women who have bank accounts, they conducted banking transactions in multiple ways. In general, the options are utilized evenly across rural and metro regions, except for mobile banking apps. Women in metro regions are about 12% more likely to use a banking app on their mobile phone to conduct banking business.

Figure 3



Many of the women in our survey appear to be underbanked—meaning they have an FDIC-insured account, but also frequently use alternatives that are not insured and could be more expensive. Women in Arkansas are using mobile financial apps outside of their bank to manage their households and participate in the economy. Women were asked which of the apps they use from a list of common apps. Many of these apps are not linked to financial institutions, and users might not realize that funds in these accounts are not FDIC-insured.

Table 6

FINANCIAL APPS			
	All Women	Rural	Metro
PayPal	70.6%	<b>75.9%</b>	67.2%
CashApp	70.4%	67.9%	72.0%
Venmo	33.8%	18.8%	<b>43.2%</b>
Apple/Google Wallet	32.5%	23.9%	<b>37.9%</b>
Zelle	20.8%	17.3%	23.1%
Pre-paid cards	10.4%	13.7%	8.4%
Money Orders	9.0%	10.7%	8.0%
Western Union	4.2%	6.1%	3.0%
Other	4.1%	3.2%	4.6%
Remitly	1.7%	1.5%	1.8%
BOSS	1.0%	1.1%	0.9%
<b>Average number of apps</b>	1.93	1.85	1.97

\* Statistics in bold indicate a statistically significant difference (p-value <0.05).

The average number of apps is the same for rural and metro area residents, but the apps women choose to use vary. Rural women are more likely to use PayPal, while metro area women are more likely to use Venmo and Apple or Google Wallet apps.

We also asked women to tell us which app they prefer the most. Venmo and Zelle are more likely to be the favorite apps for women in metro areas. PayPal and Cash App tend to be the favorites among women in rural parts of the state.

## **Women's role in the economy is under-appreciated, even by the women themselves.**

Women often do not see themselves as key drivers of the local economy. Many recognize that they are holding their household together, but few see how their choices impact the broader local economy.

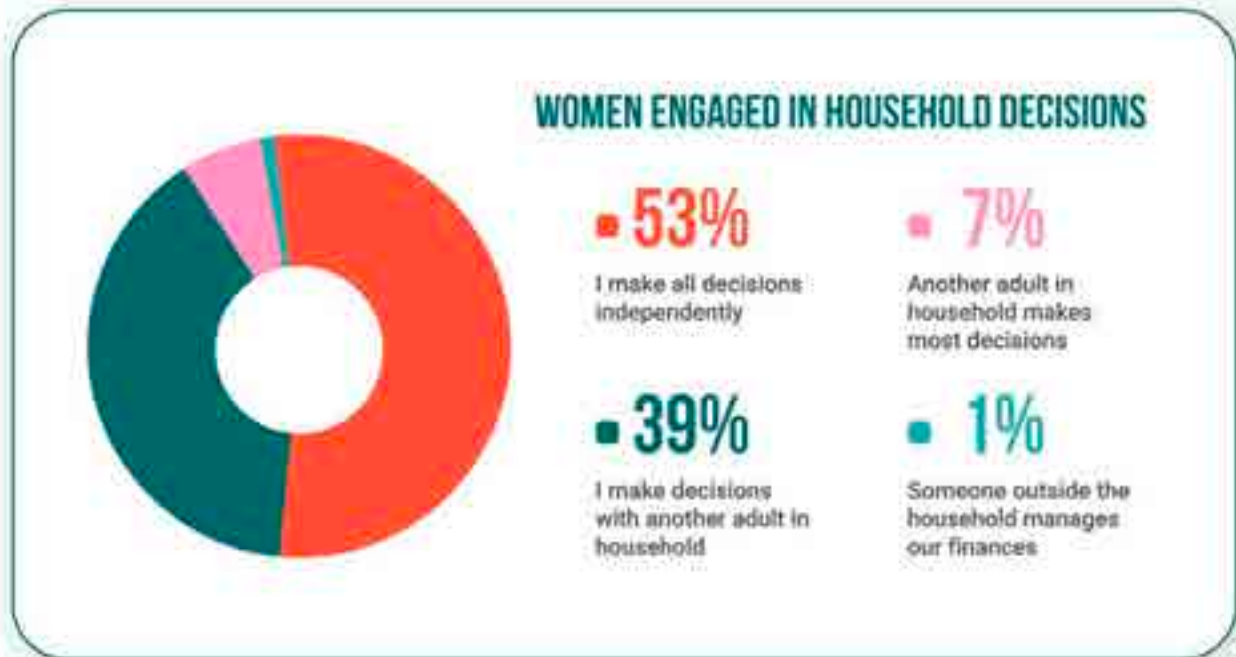
Over 92% of women in our survey report being actively involved or entirely responsible for household financial decisions. **“You gotta know what’s more important and what’s on the higher priority list... What can wait and what can’t,”** reflected one woman about her household’s budget.



In the U.S. over 2/3 of GDP is made up of personal consumption expenditures<sup>26</sup> – things that households buy such as cars, furniture, clothing, health care, food and fuel. These expenditures are a sizable piece of the economic pie, and one where women have considerable influence. If women decide to allocate these consumption dollars strategically, the results could be striking.

<sup>26</sup> <https://fred.stlouisfed.org/series/DPCERE1Q156NBEA>

Figure 4



Women’s labor force participation is an important source of household income. Even though women still earn less than men on average<sup>27</sup>, their labor force participation rates have been relatively steady, and most households need the second income to achieve financial stability. Table 1 (page 12) shows employment rates as calculated from the 2024 ACS data. Table 7 shows employment rates from survey responses weighted to match ACS demographic characteristics<sup>28</sup>.



<sup>27</sup> <https://iwpr.org/motherhood-is-hard-pay-penalties-make-it-harder/>

<sup>28</sup> Technical appendix contains details on the survey weighting process used for this analysis.



**Table 7**

EMPLOYMENT RATES FROM SURVEY	Ages 18 - 70		Prime Working Age (25 - 54)		
	Metro	Rural	Metro	Rural	Alt Rural
	<b>Full-Time</b>	52.5%	31.7%	60.8%	38.3%
<b>Part-Time</b>	10.0%	15.1%	6.4%	16.4%	15.1%
<b>Self Employed</b>	4.3%	1.2%	5.1%	9.4%	10.1%
<b>Looking for work</b>	13.8%	15.9%	15.8%	17.0%	13.6%
<b>Not working or looking</b>	19.4%	31.2%	11.9%	19.0%	19.3%

Employment opportunities and preferences for work are not evenly distributed across the state. Women in metro areas are more likely to be employed full-time, and women in rural areas are more likely to be self-employed or out of the labor-force.

Women out of the labor force often care for people in ways that boost their family members' workforce participation. Whether it's a stay-at-home mom who manages the family and household so her spouse can fully commit to demanding work hours, or a grandmother who retires early to provide trusted care so mom can return to work, women support our economic system by caring for others in ways that are rarely measured.

## Entrepreneurship is often a necessity, not a choice.

Many of the women who participated in this research use “side-hustles”, or extra activities, to generate income beyond their primary employment. While rural women are not more likely to wish to be self-employed as their ideal job situation<sup>29</sup>, they are creating their own jobs as needed. “I’ve learned that you have to have more than one income. Nowadays, you gotta have at least two, or a side hustle... because you never know what happens,” reflected one woman. However, when women create their own jobs, it provides opportunities for the community. Women with the tools to scale their new business will launch sustainable businesses. It should be clear to communities that women play a vital role in the local economy.

A report recently released by the Center on Rural Innovation (CORI) includes a Rural Entrepreneur Index that measures small business starts, closures, employment, patents, and revenue relative to the population of the county. The rural counties of Arkansas range from the first percentile to the 97th percentile on their interactive map<sup>30</sup>. This suggests there are ample opportunities to grow our local economies simply by sharing best practices within Arkansas.

When we asked women to think about some of their earliest memories regarding money, women who grew up in entrepreneurial households had strong memories of learning to count change to customers, thinking about how to minimize business expenses and understanding the need to continually manage cashflow—all of which contribute to strong financial literacy.



<sup>29</sup> Appendix contains table with job preferences of women in the survey.

<sup>30</sup> <https://entrepreneurship-index-map.ruralinnovation.us/>

In one focus group, the mothers in the room agreed that the best financial future for their children was for them to find jobs out of state. Their assessment of the local economy was that costs were rising and wages would never catch up. Some of them were encouraging their kids to work out of town until they could afford to come home, while others acknowledged their children would likely move to be near better jobs and might not return. "...[T]hey'll likely have to work out of state if they want to have any type of better job or good retirement.... If the trajectory that we're going at keeps declining, I mean, they'll be forced to leave to be able to make enough." Someone else in the room added "A lot of the men in our community are having to leave to get jobs to actually support their family."

There were some exceptions to the "entrepreneurship as a personal necessity" mindset. Some of the focus group members indicated they grew up in Arkansas and moved away as adults. Over time, they felt called to return to their hometown to help rebuild the local economy. They opened local businesses and engaged with the local chambers of commerce and entrepreneurship ecosystem to facilitate job growth and jumpstart the economic engine their hometowns desperately need.

### **Community banks can play an essential stabilizing role in rural economies.**

We asked our survey respondents and focus group participants where they are likely to go for financial advice when they need it. In the focus group, the question was posed in an open-ended format, and participants voiced a few sources of information, but most struggled to identify specific sources. Among focus group participants, there was a lack of clear consensus on a small set of trusted information sources.

In the survey, respondents received a list of potential sources and were asked how likely they were to seek advice from each one. This was a multiple-choice question with three options: Very Likely, Somewhat Likely or Unsure, Not Likely. Table 10 below shows the percentage of respondents who indicated they are very likely to go there for advice.

**Table 8**

<b>PERCENT LIKELY TO USE FOR FINANCIAL ADVICE</b>	
<b>Friends or Family</b>	<b>48.3%</b>
<b>Employees of local financial services firm</b>	<b>35.9%</b>
<b>Banking or financial institution blog</b> (e.g. Wells Fargo, Chase, American Express, ArVest)	<b>29.4%</b>
<b>Fintech companies</b> (e.g. Credit Karma, NerdWallet, Bankrate)	<b>21.9%</b>
<b>YouTube</b>	<b>20.2%</b>
<b>Facebook*</b>	<b>15.2%</b>
<b>TikTok</b>	<b>14.4%</b>
<b>Podcasts</b> (e.g. NPR Planet Monday, The Ramsey Show, Joe Rogan)	<b>12.5%</b>
<b>Instagram</b>	<b>11.6%</b>
<b>Reddit</b>	<b>11.2%</b>
<b>Snapchat</b>	<b>7.5%</b>
<b>X (Formerly Twitter)*</b>	<b>6.9%</b>
<b>Threads</b>	<b>5.4%</b>

\* Rural women are more likely to get financial advice from Facebook and X

In most cases, there was no statistically significant difference in the percentage of women in rural and metro areas who seek financial information from the different sources, except for Facebook and X (formerly Twitter), which are more likely to be trusted sources for rural women. Despite some skepticism about financial service firms in general, employees at banks and other financial institutions are the second most trusted information source when women seek financial advice.

While any of these sources could potentially provide excellent financial advice, only friends, family and local financial advisors will be able to engage in real-time conversations and address specific needs. Given the generally low financial literacy rates of the public, financial professionals are probably the better source of information.

We also asked survey participants specifically about where they would go for financial advice or information on funding options if they wanted to start a new business. This was an open-ended question where they could enter anything that came to mind. On this question, 48.4% of rural women said they would talk to a loan officer at their local bank or credit union. Another 18.2% mentioned seeking loans without specifying who the lender would be. Friends and family were not mentioned as frequently (only 14.6%). Namely, women view business funding as a topic requiring the more specialized knowledge of banking professionals.



Among women in the focus groups, a clear need for additional financial literacy training emerged. Women that indicated financial service firms and banks are the entities best able to offer high-quality financial literacy information for adults out of school. “I think people want to...do better. But without help and guidance, it’s not as easy,” stated one woman. They also indicated that local banks can usually be trusted to provide unbiased information without being focused on selling products.

Community banks can recognize historical gender differences in willingness to seek financial advice<sup>31</sup> and in the advice provided<sup>32,33</sup>. They have an opportunity for intentional outreach to rural women by building a network of advisors that deliberately counteract gender bias and fulfill their commitments to the women in their community.

Over 91% of women in our study had a banking relationship, citing one or more bank accounts in their households. Community banks that leverage these relationships to build trust can provide exactly what rural households and entrepreneurs need to build local economies.



<sup>31</sup> Heikensten, Emma and Isaksson, “Siri, Simon Says: Examining Gender Differences in Advice Seeking and Influence in the Lab,” (April 8, 2019). Available at SSRN: <https://ssrn.com/abstract=3273186> or <http://dx.doi.org/10.2139/ssrn.3273186>

<sup>32</sup> Monne, J., Rutterford, J., & Sotiropoulos, D. P. (2024). “Risk taking in the context of financial advice: does gender interaction matter?” *The European Journal of Finance*, 30(3), 249–268. <https://doi.org/10.1080/1351847X.2023.2201471>


<sup>33</sup> Bucher-Koenen T., Hackethal, A, Koenen, J., Laudenbach, C. (2025). “Gender Differences in Financial Advice.” *American Economic Review*, 115(12): 4218 – 4252. <https://doi.org/10.1257/aer.20211024>

# Conclusion

The findings from this study reveal a complex financial landscape for women living in rural Arkansas. On one hand, the economic realities described in focus groups reflect ongoing financial precarity. Many women approach financial decision-making from a place of scarcity and uncertainty rather than long-term wealth building. Financial education is often informal, learned through trial and error instead of structured opportunities. Hesitation toward debt and distrust of financial institutions can further limit engagement with traditional financial tools that might otherwise support asset building and entrepreneurship.

Yet these findings also highlight a powerful and often-overlooked truth: rural women are deeply embedded in the economic stability of their communities. Participants described managing household finances, supporting extended family networks, navigating employment disruptions, and, in many cases, generating additional income through small businesses or informal entrepreneurial activity. These roles require women to balance decisions about what they need today with what they need for long-term financial security. These are the daily financial decisions that affect households and local economies alike.

This study also underscores the importance of trusted financial relationships within rural communities. Community-based financial institutions frequently serve as a stabilizing presence in rural economies, particularly where personal relationships influence financial decision-making. Participants emphasized the value of accessibility, trust, and personalized guidance – qualities that help bridge the gap between formal financial systems and the everyday realities of rural households.



Taken together, these findings suggest that improving financial outcomes for rural women will require approaches that recognize both the structural barriers they face and the strengths they already demonstrate. Expanding access to practical financial education, strengthening pathways to small business capital, and fostering trusted relationships between rural communities and financial institutions are all critical components of this work.

When women have access to the necessary tools, relationships, and capital needed to make confident financial decisions, the benefits extend well beyond individual households and include the generational impact of financially educated children. The benefits ripple outward into local businesses, community institutions, and the broader rural economy. Recognizing and investing in the financial agency of rural women represents a powerful opportunity to strengthen Arkansas's long-term economic vitality.

# Appendix

## A1: Financial Literacy Questions

1. Suppose you had \$100 in a savings account, and the interest rate was 2% per year. After 5 years, how much do you think you would have in the account if you left the money to grow?

2. Imagine the interest rate on your savings account was 1% per year and inflation was 2% per year. After one year, with the money in this account, would you be able to buy more than you can buy today, exactly the same, or less than you can buy today?

3. Do you think the following statement is true or false?

*Buying a single company stock usually provides a safer return than a stock mutual fund.*

4. Generally, as your credit score increases, the interest rate you are charged on a loan:

*Increases, stays the same, decreases*

5. If you carry over a balance on your credit card from one billing period to the next, when will interest charges begin on a new purchase?

Rank the following investment options from lowest risk of losing what you have invested to the highest risk of losing:

- *Stock in a large public company*
- *U.S. Treasury Bonds*
- *An index fund that invests in many stocks (such as one tracking the S&P 500)*
- *A mutual fund that invests only in large technology company stocks*
- *Investing in a friend's new business*

**Table A2**

<b>IDEAL WORK OPTION FOR WOMEN IN ARKANSAS</b>				
<b>All Women (18-70)</b>	<b>Statewide</b>	<b>Rural</b>	<b>Metro</b>	<b>Alt Rural</b>
<b>Full-Time on-site</b>	28.7%	25.3%	30.6%	26.6%
<b>Remote or hybrid</b>	27.3%	22.6%	30.1%	25.5%
<b>Part-time on-site</b>	12.9%	15.1%	11.6%	12.9%
<b>Self-Employment/ Freelance</b>	12.7%	15.6%	11.0%	14.1%
<b>Do not wish to work</b>	18.4%	21.3%	16.7%	20.8%
<b>Prime Working Age Women (25 - 54)</b>	<b>Statewide</b>	<b>Rural</b>	<b>Metro</b>	<b>Alt Rural</b>
<b>Full-Time on-site</b>	31.3%	30.3%	32.0%	32.7%
<b>Remote or hybrid</b>	31.0%	26.2%	33.9%	29.9%
<b>Part-time on-site</b>	11.7%	14.4%	10.1%	10.4%
<b>Self-Employment/ Freelance</b>	13.6%	12.3%	14.4%	12.1%
<b>Do not wish to work</b>	12.3%	16.8%	9.6%	14.9%

\*See Appendix A5 for definition of Alt Rural

Table A3

FINANCIAL ALTERNATIVES USED IN PAST YEAR			
	All Women	Rural	Metro
Rent-to-own	15.7%	<b>20.3%</b>	12.8%
Payday loans	10.3%	<b>13.2%</b>	8.4%
Auto Title Loans	9.6%	9.5%	9.6%
Pawn Shops	14.6%	12.8%	15.8%
Personal Loans from Friends or Family	20.8%	<b>26.5%</b>	17.3%
Retail Lay-A-Way programs	5.0%	4.0	5.7%
None of these	50.3%	46.1%	52.9%

Table A4

LAST CREDIT HISTORY REVIEW	
I have never reviewed credit report	11.7%
Yes, more than 3 years ago	8.5%
Yes, 1 - 3 years ago	10.9%
Yes, 6 months - 1 year ago	52.0%
Yes, within last 6 months	17.0%

## **Appendix A5: Survey Weighting Methodology**

To adjust for the non-random sample selection in our survey, we used the Arkansas respondents in the 2024 ACS survey to derive sample weights. We weighted based on four age categories, urban/rural location, and education level (4-year degree or not). This generated 16 different weighting categories.

We intentionally did not weight on employment status for the following reasons: 1.) The ACS data categorizes employment differently than our survey, and 2.) Their data was collected in 2024, and national data indicate mothers were leaving the workforce in 2025 when our data were collected. Including employment status could bias our estimates.

There were a couple of weighting challenges to be addressed. One is that a disproportionate share of respondents chose Arkansas County on the survey. The counties in the state were listed alphabetically, making Arkansas the first one on the list. We suspect some respondents saw the name of their state and clicked on it without double-checking what the question was asking. When this was observed, the order of counties was changed to reverse alphabetical order, and the county selection patterns better matched the state population from that point forward. To verify that this did not influence the results, we created an alternative rural definition that excluded Arkansas County. In some tables we include both, but the differences were minimal.

The second weighting challenge concerns differences in geographic information between our survey and the ACS. Our survey asked respondents which county they live in. In the ACS they identify the PUMA (Public Use Micro Area) in which the respondent lives. PUMAs are geographies larger than a census tract that have at least 100,000 residents. In Arkansas, that may include multiple counties, although metropolitan counties have several PUMAs. We used a crosswalk to determine which PUMAs match which census tracts which can be matched to counties in

the state. In most cases, a PUMA only includes a metro county or parts of multiple rural counties. The exception is PUMA 1300 that includes parts of Garland (metro) county and some surrounding rural counties. Garland is part of the Hot Springs Metropolitan area but the neighboring counties are rural.

There are 50 census tracts in PUMA 1300. Of the 50, 30 are in Garland County, which is defined as metro and 21 are in surrounding counties which are rural. Since the majority are metro, the entire PUMA is counted as metro when determining the weights and summary statistics for the ACS data.





Since our founding in 1998, the WFA's guiding principles have been consistent – to understand the diverse economic needs and realities facing women and girls so we can respond through purposeful action and engaged philanthropy. An investment in women and girls is an investment in stronger families and communities. Households that are not self-sufficient create a cycle of poverty which drains social service resources and hinders the pursuit of higher education. However, the cycle can be broken when women are educated, healthy, and economically secure.

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