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Kabbage Survey Reveals Small Business Optimism is at Three-Year High

77% of businesses grew in 2014; 95% expect to grow in 2015

ATLANTA – January 22, 2015– New research from Kabbage, Inc., the leading online provider of [small business loans](#), shows that small business optimism is at a three-year high. 95% of Kabbage small business owners surveyed expect to grow their revenue in 2015, and half of all businesses expect to grow by more than 20%. This represents a meaningful increase over the past two years when small businesses reported 76% year over year revenue growth for 2014 and 2013. Despite their optimism, half of all business owners cite cash flow management and access to capital as their primary concerns for 2015.

Small business owners across all industry sectors and geographies were optimistic about their 2015 revenue growth. The most bullish industries include (in order): consulting/marketing services firms, beauty/fitness/spas, retailers, restaurants, home services, manufacturing, and auto/transportation.

How will businesses grow in 2015?

Other key findings from the survey include:

- Growth will come from investing in marketing and launching new products and services. 70% plan to expand their product offering, while 52% intend to invest in marketing.
- To facilitate marketing growth, small businesses are most likely to invest in social media, search, and content marketing. More than 50 percent say they will start using social media marketing in 2015.
- When it comes to seeding their growth, access to capital is a concern for 48% of businesses, while 53% report ongoing cash flow management as their top concern.
- Businesses will turn to bootstrapping and alternative funding providers like Kabbage to fund their growth in 2015. Only 14% plan to go to traditional banks.

“Small businesses employ 57% of the U.S. workforce, so the fact that the majority of them are planning for such a robust 2015 is a strong positive signal for the overall economy,” said Rob Frohwein, Co-Founder and CEO of Kabbage. “We are proud to be the financial backbone behind tens of thousands of businesses as they invest to drive growth in 2015 through hiring, capital investment, new facilities, and marketing and product expansion.”

The personal side: The face of the small business owner

The survey also revealed that being a small business owner is an around-the-clock job.

- 52% of small business owners work over 60 hours per week, and 30% expect to work even more hours in 2015.
- Small business owners make constant sacrifices to support their businesses – the majority report postponing vacations, using personal savings, and cutting personal expenses all to grow their businesses.
- Many business owners are working to achieve more balance – 40% say they expect to make fewer sacrifices in 2015 than in 2014.

The survey was conducted in December 2014 of Kabbage small business customers across all industries. More than 800 businesses responded to the survey. See the [small business infographic](#) for complete results of the survey.

About Kabbage, Inc.:

Kabbage, Inc., headquartered in Atlanta, Georgia has pioneered the first financial services data and technology platform to provide fully automated funding to small business in minutes. Kabbage leverages data generated through business activity such as accounting data, online sales, shipping, and dozens of other sources to understand performance and deliver fast, flexible [funding in real time](#). Kabbage also offers simple consumer loans through its automated platform under the brand [www.karrot.com](#). Kabbage is venture funded and backed by SoftBank Capital, Thomvest Ventures, Mohr Davidow Ventures, BlueRun Ventures, the UPS Strategic Enterprise Fund, TCW/Craton and additional investors including Ron Conway’s SV Angel, David Bonderman, founder of TPG Capital, and Warren Stephens, CEO of Stephens Inc. All Kabbage and Karrot U.S. based loans are made by Celtic Bank, a Utah-Chartered Industrial Bank, member FDIC. For more information, please visit [www.kabbage.com](#) and follow the company on Facebook and Twitter.