

## **Kabbage Survey Reveals 51 Percent of Small Business Owners Forgo Paying Themselves for Multiple Months to Control Cash Flow**

*New report details the personal strain cash flow concerns cause entrepreneurs, and how they would repurpose their time if those concerns were eliminated*

**ATLANTA – February 28, 2019** – New data released today by [Kabbage, Inc.](#), shows the impact of cash flow on the workload, personal life and take-home pay of small business owners. Polling 500 successful entrepreneurs, the survey reveals the majority of small business owners do not pay themselves for multiple consecutive months to control cash flow in their business. In result, 26 percent have gone two to six months without paying themselves, with another 25 percent going more than six months without a paycheck.

“Having owned multiple small businesses before founding Kabbage, I am intimately familiar with cash flow challenges,” said Kabbage CEO Rob Frohwein. “Sleepless nights were my reality when waiting on customer checks and thinking through needed expenditures. These experiences drive Kabbage’s mission to help small businesses easily manage cash flow so they can focus on the skill or craft that allowed them to start their business in the first place.”

Of the respondents surveyed, 63 percent said they are regularly stressed or have anxiety due to cash flow concerns; 35 percent often lose sleep or have difficulty sleeping; 42 percent sacrifice much of their social life and personal hobbies; and 32 percent say their family life suffers. Yet, respondents have run successful companies for an average of 10.5 years.

The Kabbage survey also found 91 percent of small business owners spend as many as 20 hours per week on cash flow management, from handling payroll to invoicing and purchasing inventory. If all cash-flow tasks were eliminated, respondents said they would repurpose their time to do the following:

- 51 percent would invest more time in sales and marketing to drive new business.
- 35 percent would further develop their products and services, saying they have new ideas but no time to focus on them.
- 32 percent would spend more time with family, friends and community.
- 30 percent would focus more time on customer service.
- 22 percent would use the time on hiring and mentoring their employees.
- 22 percent would investigate new technologies and business systems to make their company more efficient.

“I’ve tried other small business lending options in the past, but nothing has allowed my company as much flexibility and assurance to access funds as *Kabbage*,” said Mark Van Duyne, president of Quality Home Products, a home-furnishings wholesaler in Rancho Cucamonga, Calif. “*Kabbage* is simply reliable. I know I do not need to reapply to banks or other funding sources. *Kabbage* is there when we need it, and it has frankly helped eliminate much of the cash flow concern I used to have.”

### **About Kabbage**

Kabbage, Inc., headquartered in Atlanta, has pioneered a financial services data and technology platform to provide access to automated funding to small businesses 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. With the largest international network of global-bank partnerships for an

online lending platform, Kabbage powers small business lending for large banks, including ING and Santander, across Spain, the U.K., Italy, France and more. Kabbage is funded and backed by leading investors, including the SoftBank Vision Fund, BlueRun Ventures, Mohr Davidow Ventures and others. All Kabbage U.S.-based loans are issued by Celtic Bank, a Utah-Chartered Industrial Bank, Member FDIC. For more information, please visit [www.kabbage.com](http://www.kabbage.com).

Media Contact:  
[media@kabbage.com](mailto:media@kabbage.com)