



NATIONAL FUNDING RELEASES STUDY BY
NORTHWESTERN UNIVERSITY'S KELLOGG SCHOOL OF MANAGEMENT;
FINDS HUMAN ELEMENT STILL KEY TO SMALL BUSINESS LENDING PROCESS

San Diego, CA – August 22, 2014 – [National Funding](#), one of the country's largest private lenders of small business loans, today released the findings and analysis of a new study on the lending habits of small business owners, finding/which found that the attitudes surrounding small business lending vary by age of the small business owner and that a human element is very important in the decision-making process.

According to the study commissioned through Northwestern University's Kellogg School of Management's Experiential Learning Initiative, although using an online process for researching and initiating the application is accepted by all ages, the concept of an end-to-end online process is only well received by younger business owners. Additionally, while many business owners research lending providers online, 44% of all loan applications were completed in-person, making the human element even more relevant.

Since 1999, National Funding (www.nationalfunding.com) has been a leading provider of financial services and products for small businesses, including working capital loans, merchant cash advances, credit card processing, and equipment leases. The company commissioned the survey to better understand the attitudes of today's small business customer and to gain expert insight into the changing industry landscape.

"Despite great interest in strictly online alternative lending, many business owners still desire personal interactions with financial providers that will take the time to discuss business challenges and solutions," said David Gilbert, CEO of National Funding. "At National Funding, our team is specifically committed to spending time with customers so they feel comfortable with the process, and fully understand our product offerings and their options."

While many alternative lenders focus strictly on online marketing methods to reach new customers, the report's analysis shows that:

- Most owners show a strong preference for a personal interaction;
- User-friendly web sites aid conversion, but don't influence lender choice; and
- Small business owners are more likely to use the first lender they meet.

“The alternative lending space has evolved greatly over the last five years, but small businesses face new challenges as restrictions have increased on traditional loans,” said Gilbert. “SME businesses still need financing such as working capital loans and equipment financing, and they need it more than ever as the business outlook improves. But at the same time, it was reported last quarter¹ that nearly half of small businesses that sought financing could not obtain a loan from a traditional bank. We meet these business owners’ needs when others cannot, and we do it quickly, efficiently and at a cost that meets their budgets.”

Northwestern University’s Kellogg School of Management’s Experiential Learning Initiative provides students with the opportunity to conduct a study through an integrated strategy that includes strict adherence to rigorous research theories and a platform to provide analysis on real business issues. Working closely with companies, faculty and project coaches, students provide data driven, actionable recommendations on specific business issues. To learn more about the Kellogg School of Management at Northwestern University, visit www.kellogg.northwestern.edu.

Kellogg screened and surveyed 235 small business owners between the ages of 21-65 years old that have owned or managed a business with revenue of \$150,000 - \$1 million per year for more than two years.

About National Funding

Founded in 1999, National Funding is one of the country’s leading financial service providers for small and medium-sized businesses, providing working capital loans, equipment financing, merchant cash advances and credit card processing. National Funding has provided more than \$1 billion in capital for over 20,000 businesses nationwide. The company believes in American small business owners, and strives to provide fast turnaround, flexible solutions and great service to all of its customers and clients in a diverse range of industries including: automotive, construction, excavation, manufacturing, retail, packaging, printing, restaurant, telecommunications, trucking, and waste management, among others. The company was recognized as a 2013 and 2014 Inc. 500 | 5000 company, as well as one of San Diego’s 2013 and 2014 Fastest Growing Companies. For more information, please visit: <http://www.nationalfunding.com>.

#