

15
WEEKS
OF TIPSTO HELP YOU
**SURVIVE
& THRIVE**
THIS HOLIDAY SEASON

THIRD EDITION. 12 MORE WEEKS TO GO!

Holiday Money Management

Hey CONTACT.FIRSTNAME,

While the holidays are a highly profitable time for most businesses, they are also the most expensive. Each holiday season, you have to carefully weigh your expenses with your projected sales to ensure that your costs don't overshadow your profits. Here are some tips to even out your cash flow and increase your sales:

5 Quick Tips to Focus On

1. **Know your numbers.** Make sure you know how much cash you have on hand to invest. You want to have an accurate picture of how quickly you will recoup your costs and make it back in the black again.
2. **Even out cash flow highs and lows.** To make sure you're not faced with large gaps of income from stocking up on inventory, a) sell sooner, b) get paid faster, c) reduce expenses, and d) defer payments.
3. **Don't be afraid to negotiate.** Start by finding out which vendors will

accept longer payment terms (such as Net 60 or 90 instead of Net 30) and look for opportunities to pay with credit cards with low interest rates.

4. **Consider outside funding.** Working capital loans can help you hire your seasonal staff, purchase inventory and get marketing and advertising campaigns off to a strong start while maintaining your current cash flow until holiday sales start.
5. **Expand your product offerings.** Add gift cards to your line of products or services. Besides being quick to purchase and giving recipients more flexibility, gift cards infuse cash into your store immediately.



Consider these tips on how to increase your sales and get your money faster from [VISA's 2012 holiday guide](#) (an oldie but a goodie that we love here at Kabbage!)

Sell Sooner

- **Pre-sales**

Wouldn't you like to have your products or services fully booked and paid for by November 1 for services in late December? Offer discounts for pre-paid services or products when purchased early in the season — such as \$100 worth of goods or services for \$80 when paid before November 15. Even with the lower profit margins, you'll have cash sooner.

- **Early season sales**

Offer special deals and events before the height of the holiday rush marketed through social media, direct mail, your email newsletter and ads. If you can get customers to buy from you early, you'll turn over merchandise quickly, ease your busiest periods and improve cash flow.

- **Gift cards**

Gift cards are, in essence, pre-sales. You've got the money in your account long before a customer purchases the actual product or service.

Get Paid Faster

- **Reduce or eliminate billing**

If you typically bill your clients for goods or services, it often takes at least 30-60 days to get paid. During the holidays, request pre-payment or require payment on delivery to recoup your money faster, with less paperwork.

- **Accept and encourage credit cards**

More than half of consumers are likely to avoid a business that doesn't accept payment cards for purchases. By accepting credit cards, you get the money in your bank fast and don't have to worry about checks bouncing or invoices not getting paid.

- **Mobile credit card READERS**

New services like Square or Intuit GoPayment enable you to accept credit cards on the go, or accept credit cards through a small card reader attached to your mobile phone or tablet. These are great for selling at craft shows, street fairs or kiosks.



Consider Your Holiday Season Budget

There are a ton of things you should consider as you build your holiday season budget. [Read more about these key areas in our blog post about organizing your holiday season budget.](#)

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