

standing out in the crowd with small businesses

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According to the [Small Business Administration](#):

- A “small business” is one with fewer than 500 employees. There are more than 31.7 million of them in the U.S. today.
- There are 6 million small businesses with paid employees, and 25.7 million with no employees (run solely by business owners).
- Approximately 67% of small businesses survive two years; 49% survive five years; 34% survive 10 years; and 26% survive 15 years.
- The number one reason small businesses fail is cash flow troubles.

Fintechs recognized the big, growing, and lucrative opportunities that small businesses represent and built innovative solutions for their financial management challenges. Many of these opportunistic fintechs are now leveraging Banking-as-a-Service (BaaS) to offer these businesses traditional financial services like deposits and loans.

Then, big tech fast followers came along, and with the help of megabanks, neobanks, and your friendly competitors down the street, financial services evolved into commodities that small businesses can get from an array of capable providers.



standing out in the crowd

If your bank or credit union is going to attract, earn, and retain your market fair share with commoditized commercial services, you need to do three things to stand out in the crowd:

- 1.** Leverage your enviable distinctions over non-traditional virtual competitors. You are uniquely positioned as the trusted, accessible, service-driven provider of vital financial services. You also have a physical market presence with names, faces, and relationships that clearly differentiate you from apps or portals. And many banks and credit unions are renewing their fundamental commitment to enable the financial security and stability of the people, businesses, and communities they serve, which inherently generates legitimate differentiators in today's crowded financial services industry.
- 2.** Do a competitive analysis to ensure your interest rates and fee structure are highly competitive with traditional and nontraditional providers. This is also an ideal time to model a bundled fee structure that will motivate meaningful cross-sales of your commercial services. A bundled pricing strategy makes it easier and more cost-effective for small businesses to use more of your integrated services.
- 3.** Further differentiate your commercial offerings with modern, high-value, digitally accessible solutions – like integrated receivables – that will become operational necessities for small businesses and help them survive.

the unique problem with digital

Digital innovations reinvented the way most small businesses do business. But receivables management is exponentially more labor-intensive, time-consuming, and error-prone in the digital era – especially for the 25.7 million owner-only small businesses. And it gets more complicated and cumbersome with every new payment channel – like request-for-payment (RfP) – enabled by instant payment networks. Most businesses



Commercial services that generate recurring, non-interest income are fundamental to the financial health of diverse banks and credit unions.

now receive checks and disparate digital payments, which must be aggregated and processed. And most digital payments are received without remittance information, so they must be manually matched to accounts receivables.

integrated receivables

In the digital era, small businesses need automated straight-through payment processing for all payment and remittance types. Small businesses need integrated receivables to:

- Consolidate all receivables, payments, and remittance information in a single platform.
- Fully automate the entire receivables process and eliminate manually processing, reconciling, sorting, endorsing, and posting receivables.
- Automate, aggregate, and simplify payment processing across all payment channels and types.
- Seamlessly match electronic payments with remittance data.
- Support disparate remittance documents including payment vouchers, stubs, envelopes, correspondence, and coupons.
- Convert checks into electronic transactions.
- Reduce exceptions.
- Generate accurate, consolidated reporting.
- Support current accounting systems with seamless payment uploads.

Integrated receivables and the ability to virtually eliminate inherent receivables management and processing challenges and expedite payment processing will become a necessity for small business owners, helping them improve cash flow and increase access to working capital.

Offering a state-of-the-art integrated receivables solution will position your financial institution as an advocate for small businesses and will generate a true competitive advantage in today's commoditized commercial markets.



Small business owners are hungry for a cost-effective, reliable solution that will expedite payments and funds availability, improve cash flow and liquidity, and streamline financial management.

it's time for a modern, differentiating commercial strategy

Your competitors are busy knocking on the virtual doors of small business owners, and those doors are opening as more and more of them are willing to trust non-traditional providers with their traditional financial services.

The strategies that historically attracted and successfully retained small business accountholders must change to respond to new disrupting competitors, new technology-driven business solutions, and the new digital-driven expectations of business owners.

Today, banks and credit unions need a new offensive, modern commercial strategy that leverages core competencies as a community financial institution and the ability to provide highly competitive, differentiated commercial services. Providing integrated receivables solutions can be a differentiating service and a critical component of a growth-enabling small business strategy.



Empowering businesses with straight-through payment processing will virtually eliminate inherent receivables management and processing challenges.

connect with next-generation technology

[Learn more](#) about our future-ready payment solutions.

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