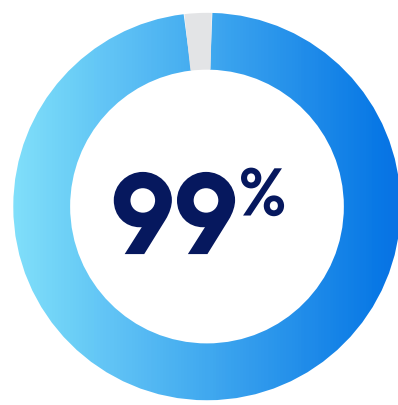


the really big small business opportunity

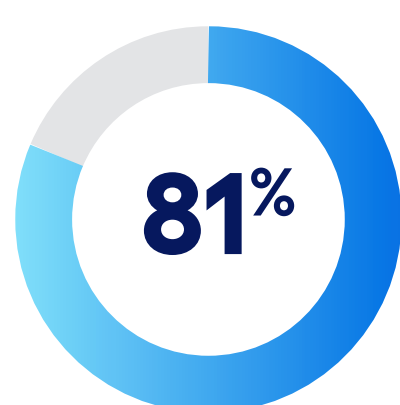
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snapshot of the small and midsize business (SMB) market



99.9% of businesses in the U.S. are small businesses (that's **31.7 million** businesses)¹



81% of small businesses do not have employees (that's **25.7 million** solo entrepreneurs)²



many banks & credit unions largely underserve SMBs

Traditionally, financial institutions (FIs) haven't done a good job of serving the needs of SMBs.

only **39%** of SMBs

think FIs understand them, although **90% wish they did.**³

Financial institutions have been offering small businesses just two options:

consumer accounts
(too basic and leaves them underserved)

commercial and treasury accounts
(too complex and expensive for SMBs)⁴

What These Smaller Businesses Actually Need:

A better way to expedite payments with digital payment solutions and, ultimately, to improve cash flow and financial management.

it all comes down to cash flow

\$370B

The average small business has only **27 days** of cash in reserve.⁵

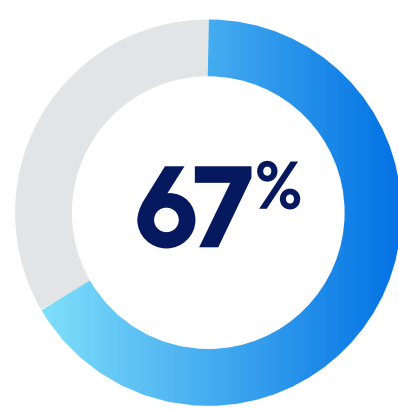
The **#1 reason businesses fail** is poor cash flow.

There is a **\$370B opportunity** for banks & credit unions to provide accounting and digital payment services to SMBs.⁶

Competition from Fintechs

Fintechs have responded to the challenges SMBs face with solutions that help small business owners with cash-flow management, invoicing, receivables, accounting, and more – and business owners are willing to pay for them.

Fintechs are now offering traditional banking products, which is slowly siphoning deposits, loans, and recurring fee income from FIs.



PayPal

Square

intuit quickbooks.

67% of SMBs have gone beyond their primary banking relationship to fintechs like Kabbage, QuickBooks, PayPal, Shopify, Stripe, and Square for digital services.⁷

Are You Providing What Small Businesses Need to Succeed?

Learn how your bank or credit union can support the near- and long-term requirements of most small businesses to:

- Attract, nurture, and grow SMB relationships
- Increase non-interest income, deposits, and lending opportunities
- Aggressively and successfully compete against fintech challengers

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sources:

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