

PAYMENT SERVICES FOR SMEs

Jump-starting a virtuous digital payment circle

THE SME SECTOR IN EUROPE



There are more than 24 million SMEs in Europe

They make up more than 99 per cent of all the region's businesses

They account for two thirds of all employment

They contribute more than half of all business turnover

260,000 are classified as Innovative Enterprises by the EC



Eurostat, Product and process innovative enterprises by NACE Rev. 2 activity and size class [inn_cis9_prod]

WHAT DO EUROPEAN SMEs DO?

•	Wholesale/retail trade	26.3%
	Business Services	19.2%

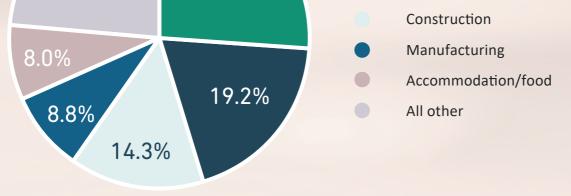
14.3%

8.8%

8.0%

23.4%

23.4%



26.3%

£1,757 Billion worth of goods exported from EU SMEs in 2018

WHY FINANCIAL INCLUSION?

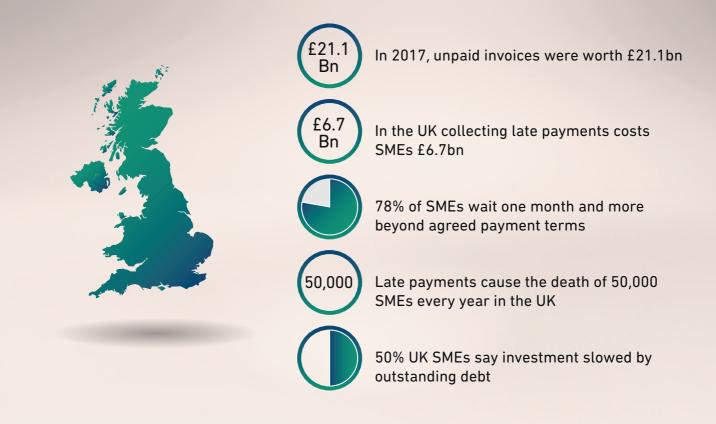
Financial inclusion for businesses is all about ensuring access to financial services is fast, cost-effective and fair in order to support business operations and growth. This means access to bank accounts – domestic and cross border – should be easy and not cost-prohibitive. Having fast access to flexible business lending is also fundamental to financial inclusion for the business ecosystem.



SMEs AND PAYMENTS

2% don't pay out for 80 days 21% take more than 50 days

THE UK'S LATE PAYMENT EPIDEMIC





SAVING THE SMES TIME AND MONEY

Machine learning and data analytics can save 15 minutes per invoice processed

HOW CAN PSPs AND PAYMENT INTERMEDIARIES BUILD AN ECOSYSTEM TO SUPPORT SMEs?

Find your niche: where to collaborate and where to dominate the market

Think SME: develop SME specific services that challenge traditional ways of doing things



Focus on benefits: reducing costs of services, speeding up access to finance, and keeping everything simple and intuitive

Build the conversation: communicate effectively with Banks, FinTechs and SMEs to increase understanding of the infrastructure landscape



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FINANCIAL INFRASTRUCTURE YOU CAN BANK ON