



## Top Opportunities in Small Business Digital Banking

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Development in digital banking for small businesses has lagged significantly behind consumer and commercial banking, leaving many business owners and operators managing their finances on platforms that are ill-fitting and inadequate. And while small business banking has the potential to be highly profitable, the segment is also at risk of commoditizing and fragmenting their financial relationships as they embrace digital services that position the bank as a transaction processor only. Javelin has identified three key areas of investment in small business digital banking that will help bankers reverse these trends, and create services that build engagement and demonstrate the bank's role as a trusted financial partner.

### Key questions addressed in this report:

- How can banks prioritize digital services, and partner with vendors to develop those services most efficiently?
- What small-business-specific features should be developed to encourage customer engagement?
- What areas of investment will yield the greatest payoff in small business customer acquisition and retention?
- What is the role of mobile in everyday financial management for business owners?
- How can bankers demonstrate their position as a trusted financial adviser and deputize customers against fraud?

### Companies Mentioned:

Apple, BancAlliance, Basware, BBVA, Capital One, CBW Bank, Chase, Citibank, Fundation, iPayables, ING, Intuit, Kabbage, Kahuna, Localytics, Mitek, Mixpanel, Moven, On-Deck, Paychex, Santander UK, Shopify, Silicon Valley Bank, Squarespace, TD Bank, Tradeshift, UltiPro, Urban Airship, USAA, Xero

The small business data in this report is based primarily on information collected in a random-sample panel consisting of 1,000 small and micro businesses in a February 2016 online survey. Javelin defines micro businesses as those with annual revenue between \$100,000 and \$1,000,000 and small businesses as those with revenue between \$1,000,000 and \$10,000,000.

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