



Innovative Small Business Startups: A Look at Four Companies

17 September 2018 By: Ian Benton, Jacob Jegher

Analysts from Javelin's Small Business Banking practice attended three conferences in the spring and summer of 2018: FinovateSpring, LendIt Fintech, and the SourceMedia Digital Banking conference. Of the firms presenting, Javelin identified four companies, highlighted below, that we felt our clients should be aware of, and with which they should consider partnering in an effort to provide a differentiated small business banking experience.

Companies in this report are active in a variety of areas of business banking, including digital account opening and onboarding, reporting and cash flow analysis, lending, digital money management, and customer service. They range from very recent startups with new and relatively untested products to established fintech companies with several existing clients and relationships.

While it has become increasingly difficult for startups to differentiate across the financial services industry, the relatively slow pace at which banks have developed digital services for small business customers means there remains greenfield territory. Encroachment from players like QuickBooks and Xero — which are creating app stores, integrating a number of auxiliary business management services, and moving to take the mindshare of business owners from banks — means banks will need to stay on top of the cutting edge of third-party fintechs and leap at opportunities to increase engagement in online and mobile banking.

Startups were selected based on the following criteria:

- Demonstrates a new and innovative solution with a clear market need
- Offers a solution or product applicable to business digital banking or payments
- Offers available product — no vaporware
- Must have a product in market at the time of the conference
- Presents a compelling, easily understood overview of the product in its demo

The small business data in this report are based on information collected in a random-sample panel of 1,000 small businesses and microbusinesses in a April 2018 online survey. Javelin defines microbusinesses as those with annual revenue between \$100,000 and \$1 million and small businesses as those with revenue between \$1 million and \$10 million.

Copyright ©2018 GA Javelin LLC, (dba as Javelin Strategy & Research). Javelin Strategy & Research is a division of Greenwich Associates. All rights reserved. No portion of these materials may be copied, reproduced, distributed or transmitted, electronically or otherwise, to external parties or publicly without the permission of GA Javelin LLC.

javelinstrategy.com

inquiry@javelinstrategy.com

925.225.9100