



# How FIs Can Still Win in the Small-Business Expense Management Market

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For decades, various products have been offered to help small businesses streamline and digitize the painful process of managing employee-initiated expenses. More recently, increased payment card usage, widespread mobile capabilities, and the application of artificial intelligence have given rise to an expense management arena that not only boasts more sophisticated feature sets but also has led to an increasing number of industry entrants and options for small businesses. And although expense management products were originally targeted at medium-sized and large companies, fintechs and other third parties such as QuickBooks, Xero, Abacus, Brex, and Divvy are aiming down-market.

In this report, Javelin provides an overview of expense management product adoption among business owners, key functionality in the market, the landscape of industry players, and the significant impact these products could have on small-business banking relationships. In particular, the spate of expense management products from fintech and third-party players threatens to make banks less relevant unless they provide compelling expense management services.

## Key questions discussed in this report:

- What is expense management?
- Why do expense management products matter to FIs?
- What are must-have expense management features?
- What are the current cutting-edge features?
- Who are the key players in the expense management market?

The data in this report was primarily collected from a random-sample survey of 900 business owners and decision-makers conducted in two cohorts:

- 500 collected between March 12 and March 23, 2020
- 400 collected between April 30 and May 6, 2020

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