



What International Business Customers Want From Their CFI

business customers international

Summary: While the coronavirus had thrown import and export business for a loop, trade is starting to normalize. So, it is a good time to think of how to serve international business customers.

When you think of Sweden, Volvo and IKEA may come to mind, but you may not think about vodka. However, Sweden is the largest exporter of vodka (Absolut), with 20.6% of total exports. France comes in second at 18.6% and Russia is third with 7.4%. Creative businesses seem to find ways to enter and even overtake international markets.

While the coronavirus had originally affected international trade, it seems to be normalizing to an extent. So, it could be a good time for community financial institutions (CFIs) to prepare to serve those customers with international trade business.

Firms that import or export goods want CFIs to have an understanding of their particular businesses along with dedicated expertise in international trade. Proficiency in just one or the other may not be enough.

International presence in multiple markets. These companies will likely choose CFIs that can facilitate international trade deals. This means unless an entrepreneur can choose a CFI with a direct presence in all international markets to which they intend to export their goods, a correspondent bank relationship is vital.

Full-service expertise. These same customers want holistic banking relationships. They want to rely on a single financial institution to fill as many of their needs as possible and to reap the benefits of readily available international services tailored to their specific circumstances.

To start, importers will want their CFIs to offer a variety of products and services designed to ease international trade. A CFI might add value to import/export transactions by **matching purchase orders against invoices** and settling the transaction between buyer and seller. The transaction can then be reviewed and a receivables program can be used to offer financing.

International business clients also appreciate financing that helps them **offer more aggressive terms** and **manage cash flow**, especially important in this competitive marketplace.

Faster international payments. Faster international payments are also vital these days. Being able to quickly make payments and receive funds is critical when businesses are tightly managing their cash flow. The SWIFT gpi network allows you to provide this to your international customers. SWIFT gpi members see 40% of payments credited within five minutes.

Managing risk. Customers also benefit when their CFIs work with counterparties to manage risk. The Export-Import Bank of the United States (EXIM) is a clear candidate, but it's not the only choice. The US Small Business Administration may provide export support on deals that EXIM declines to handle. Private-market insurance companies are sometimes willing to take positions in trade finance, as are non-governmental investors, such as insurance companies and pension funds too.

As a correspondent bank, we can make it easy for you to support your customers with [international services](#), including SWIFT gpi. Contact us today for more information and assistance.

WHITEPAPER: SWIFT GPI: FASTER INTERNATIONAL PAYMENTS

Businesses want faster international payments to help grow their business. Do you have the capabilities to support them with this? Find out more by downloading our white paper, "[SWIFT gpi: Faster International Payments](#)."

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