



## Small Business Digitization Leads to International Payment Needs

small business payments international wires

**Summary:** The pandemic caused many smaller companies to adopt digital technologies that expanded their ability to reach customers across the US and in other nations. Many of the companies say that cross-border commerce is a way to grow businesses and keep up with the competition. As a result, CFIs with international payment solutions may have opportunities to strengthen relationships, add new customers, and grow fee income.

On the survival series “Alone”, contestants are dropped off in a remote area with first aid kits, cameras, and a few pieces of survival gear that participants carefully select from [a list of 40 items](#). The list includes wool blankets, cooking pots, fishing kits, knives, water canisters, rations, and other potential game changers. In the first eight seasons, every winner — the person who stayed in the wilderness the longest — had a sleeping bag, a ferro rod, a saw, and an axe.

For many companies, the COVID-19 pandemic was like being dropped into a hostile environment with limited tools for survival. As demand dropped amid health concerns and lockdowns, small business owners were forced to take a hard look at their business models and make difficult choices. Some organizations that [initiated or accelerated digital transformation saw sales, profits, and employment grow](#). In fact, during the year following the pandemic recession, [the number of jobs added by smaller companies far exceeded the number added by larger companies](#).

According to the U.S. Chamber of Commerce, small businesses that adopted technology were more competitive than their peers and more optimistic about the future. In addition, 88% of smaller business owners found that digitalization made running their businesses more enjoyable and it freed up time to spend with family and friends. Consequently, [83% of small business owners are planning to increase their investments in technology](#) within the next few years.

### Small Business Interest in International Sales

The adoption of digital technologies has expanded the reach of many small- and mid-sized companies, making it possible to broaden their markets beyond just local in-store purchases. A 2022 survey by Rapyd conducted in the US and Europe suggests that one of the markets that holds the most potential is the international market. The survey noted the following about small business owners’ priorities:

- 91% say [cross-border commerce is a moderate or high priority](#).
- 53% see expansion opportunities outside of current markets.
- 48% view cross-border commerce is necessary to keep up with the competition.

As a result, digitalization plans for many small businesses include international payment solutions to help them break into more markets and stay competitive through services like global ecommerce purchases. Despite this deep desire to expand to international markets, many small businesses are unsure of what they need to do to start accepting and sending international payments. Small businesses that do plan to move forward with the

launch of international sales often require a financial institution that can provide them guidance and technological capabilities.

## Implementing International Payments

With this increased demand, many community financial institutions (CFIs) may start receiving requests for international payment services from their small business customers. For institutions that don't already offer international wire services, building international payment capabilities in-house can be complex and expensive. Yet, with the help of strategic partnerships, CFIs can easily and efficiently add international payment solutions to their current services. Correspondent banks, like PCBB, can often facilitate [international payment solutions](#) on behalf of CFIs. Having the capability to process cross-border payments can not only help CFIs expand current customer relationships, but it can also attract new business customers who deal in foreign markets, while generating additional fee income.

## ATTRACT NEW CUSTOMERS WITH INTERNATIONAL SERVICES

Help new customers with their cross-border commerce using seamless international services from PCBB. It is like having your own international department on call. [Learn more today.](#)

## ECONOMY & RATES

Rates As Of: 11/23/2022 06:48AM (GMT-0700)

Treasury	Yields	MTD Chg	YTD Chg
3M	4.40	0.18	4.34
6M	4.68	0.11	4.49
1Y	4.79	0.17	4.40
2Y	4.55	0.07	3.82
5Y	3.98	-0.25	2.71
10Y	3.77	-0.28	2.26
30Y	3.82	-0.35	1.91
FF Market	FF Disc	IORR	
3.83	4.00	3.90	
SOFR	Prime	OBER	
3.80	7.00	3.82	

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