

Turning SMB cross-border complexity into a competitive advantage

SMBs don't look like they used to

Small and medium-sized businesses (SMBs) remain the heartbeat of the European economy. But how SMBs operate and do business is changing.

SMBs face increasing pressure to improve efficiency and find new sources of growth as domestic markets mature and costs rise. Many are rethinking their business models and looking beyond traditional domestic channels to reach wider audiences.

In the EU, SMBs account for:[1]

99.8% of businesses

~63% of employment

51.4% of value within the business economy

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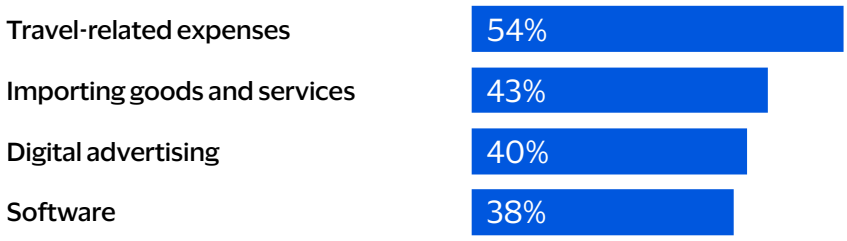
Digital platforms and global marketplaces have lowered barriers to international activity, opening up opportunities such as sales and sourcing that were once limited to large multinationals. This is now evident in how SMBs spend.

For SMBs that regularly make cross-border payments:

38% of total business expenses are international

75% expect the value of these payments to increase in 2026

Cross-border activity is rarely confined to a single purpose. SMBs often make international payments across multiple, recurring use cases, including:



Together, these use cases span day-to-day operations, growth investment, and core infrastructure.

This means cross-border payments have become increasingly important.

Yet, while SMBs now operate without borders, the payment experiences supporting them have not always kept pace.



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The cross-border payment experience often assumes a domestic world

In domestic markets, SMB payments are typically fast, predictable, and automated, with clear pricing and integration into accounting and finance systems. But the cross-border payment experience is different.

Take the UK, for example:

Faster Payments Service allows most funds to be received in near real time. By contrast, the Bank of England notes that cross-border payments lag behind domestic ones on cost, speed, access, and transparency.

Domestic payments

Up to **£1m** processed in seconds with 24/7 settlement, 365 days[2]

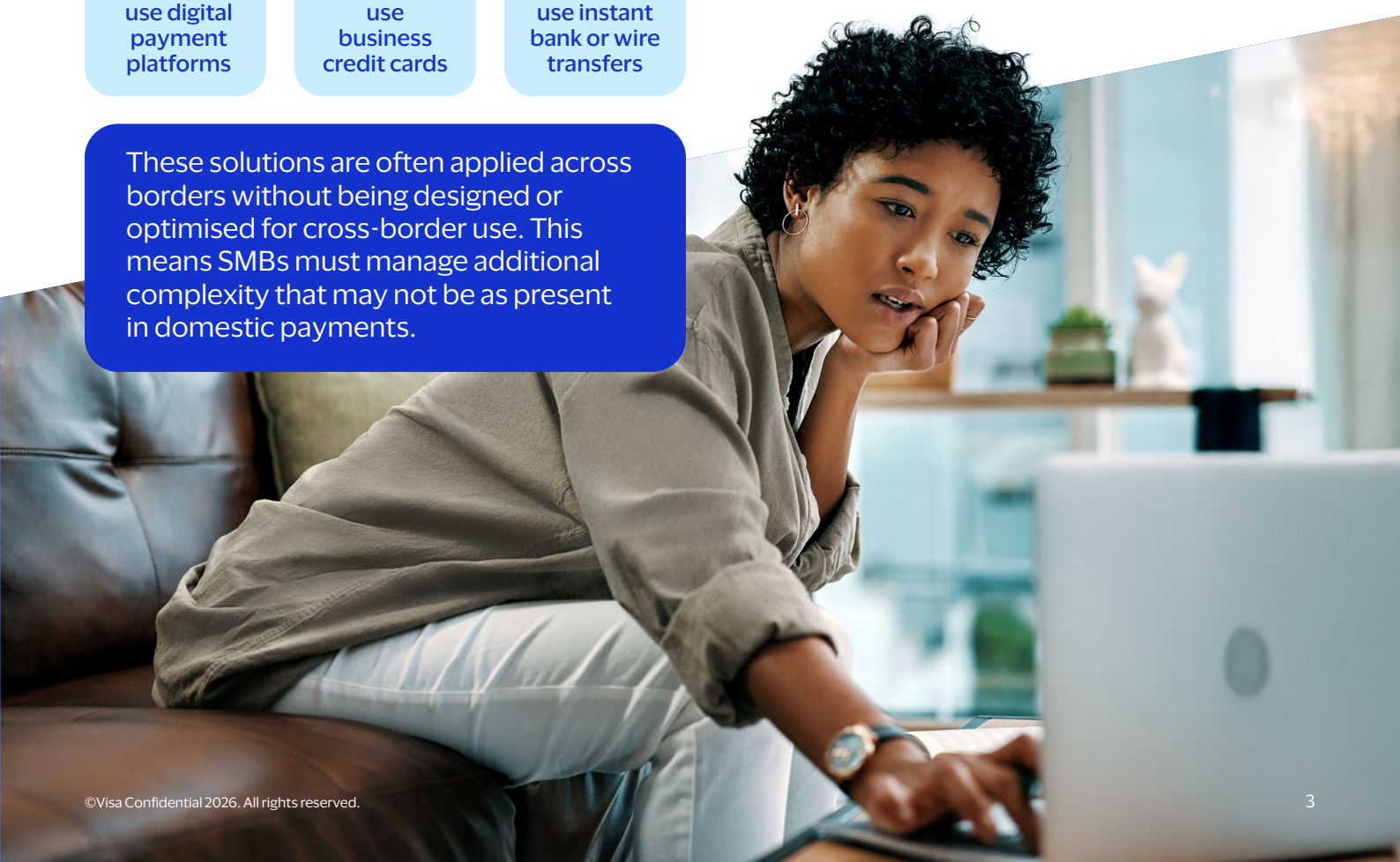
Cross-border payments

Up to **10x** higher cost and can take several days longer[3]

When paying internationally, SMBs use a range of established payment solutions:

- **38%** use digital payment platforms
- **35%** use business credit cards
- **30%** use instant bank or wire transfers

These solutions are often applied across borders without being designed or optimised for cross-border use. This means SMBs must manage additional complexity that may not be as present in domestic payments.



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SMBs often encounter five recurring challenges when managing cross-border business expenses:

1 Currency costs and opacity

Unclear pricing and foreign exchange (FX) spreads make it difficult for SMBs to forecast costs accurately, protect margins, or understand the real price of international transactions until after they have settled.

32% cite high bank fees or FX conversion costs as a top challenge

40% of multi-currency account users experience hidden FX spreads

2 Operational burden

Unlike domestic payments, cross-border often requires workarounds for SMBs. Manual data entry, reconciliation, and tracking sit outside otherwise automated workflows, increasing administrative effort and likelihood of errors.

1 in 3 struggle with time to manually enter or match invoices

+30% find it difficult to integrate with accounting

3 Risk and security exposure

Cross-border payments introduce a higher perceived level of risk. SMBs must balance concerns around fraud with the added complexity of compliance.

31% identify fraud and security concerns

Compliance and documentation requirements increase perceived risk.

4 Process friction and delays

Additional approval steps, checks, and intermediaries can slow cross-border payments for SMBs. These delays can disrupt supplier relationships, campaigns, and operational timelines.

29% experience approval-related delays, slowing payment cycles

5 Liquidity and control constraints

Limited visibility into cross-border spend, combined with constraints such as credit limits, makes it harder for SMBs to manage liquidity confidently across markets. This can restrict flexibility and affect day-to-day operations.

28% cite difficulty tracking spend across systems

28% have limited visibility of upcoming cash outflows

These challenges persist because some tools and experiences have not caught up with how advanced SMB cross-border behaviour is:

82% say paying in the transaction currency matters (without having to convert currency first)

48% hold balances in multiple currencies

46% actively manage FX exposure

These behaviours set a higher bar for cross-border payments. As cross-border payments become more frequent and operational, SMBs are increasingly turning to their payment providers for greater transparency, control, and reliability at the moments that matter most.

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Cross-border friction and the opportunity for payment providers

For payment providers, cross-border payments are now central to the SMB experience, bringing heightened expectations and structural pressure. Delivering against these expectations comes with real constraints. Even in domestic markets, providers face limits on investment, risk appetite, and legacy infrastructure. Cross-border payments add further complexity through:

Multiple currencies, jurisdictions, and regulatory regimes	Higher fraud, compliance, and operational risk	Additional cost driven by FX markups and intermediary fees

At the same time, SMB cross-border needs are highly use-case-specific. A single SMB often requires different payment experiences depending on context:

- Business travel spend depends on acceptance, flexibility, and real-time control and visibility
- Digital advertising and software require predictable costs, transparent FX, and automated tracking
- Importing goods and services requires control, reconciliation, and supplier confidence

This fragmentation can make generic payment propositions ineffective. What works for one use case often fails for another, forcing SMBs to manage complexity themselves. That tension creates an opportunity for payment providers to step in.

Cross-border payments take place at high-impact moments when SMBs fund growth, pay suppliers, enter new markets, or manage cash flow. Providers can go beyond incremental optimisation and focus on improving cost clarity, FX transparency, control, risk, and visibility where these decisions are made.

When these moments are supported effectively, cards are more likely to be top-of-wallet, transactions are more transparent and seamless, and cardholders show higher loyalty and increased spending.

With many SMBs actively looking for better experiences, the stakes are high.

81% of SMBs are willing to try new cross-border solutions



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Visa's research highlights where opportunities are emerging

As cross-border payments become more operational for SMBs, payment providers need a clearer view of where friction matters most and where investment will drive the greatest returns.

To address this, Visa conducted in-depth research into SMB cross-border payment behaviour. The research focused on four use cases that account for the majority of recurring international spend:

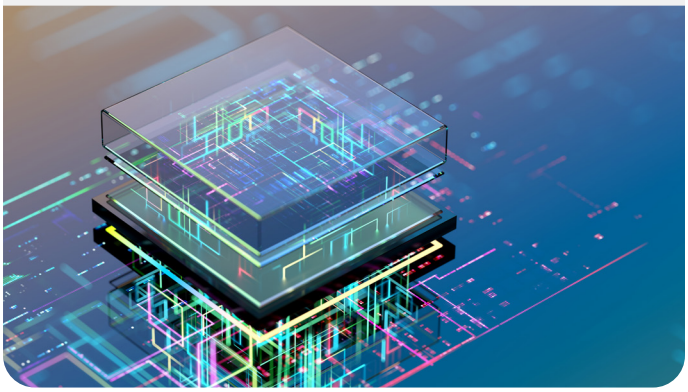
Travel-related expenses



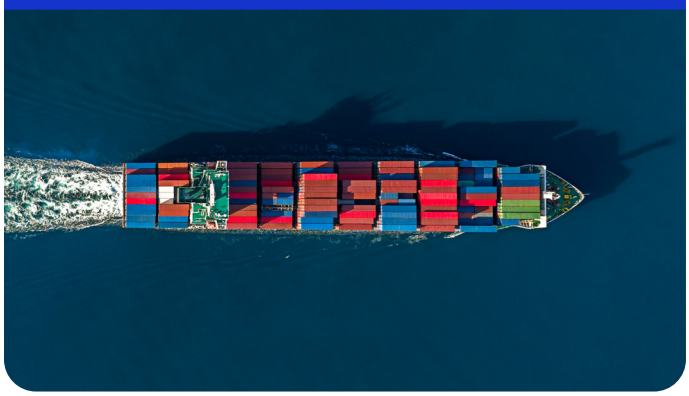
Digital advertising



Software



Importing goods and services



Each use case reveals distinct needs and pain points, reinforcing why cross-border payments cannot be approached as a single, standardised flow.

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Travel-related expenses





Sarah Müller
Operations and Finance Lead

Company: Mid-sized professional services firm (≈120 employees)

Markets: UK and EU

A routine part of Sarah's role is travel, supporting client delivery and supplier relationships across Europe. This covers multiple countries and currencies (EUR, USD, GBP).

Where friction appears
FX costs are not always clear at the point of payment. Card limits or declines can disrupt bookings, and visibility of spend across trips and employees is limited. Post-trip expense reconciliation remains manual and time-consuming.

Expectation
Cross-border travel payments should be as easy to manage as domestic expenses.

Key stats
These figures highlight how SMBs manage cross-border travel payments:

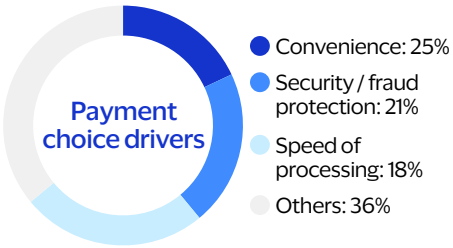
Payment frequency and value

~11 cross-border payments per year

~€3.4k average value per transaction

Payment methods used

Business cards	56%
Digital payment platforms	34%
Personal cards	32%
Instant bank or wire transfers	25%
Digital wallets	24%



Opportunity and friction signals

Travel is a low-frequency, relatively low-value use case individually, but represents significant cumulative value.

Lower fees would drive greater card usage for booking travel, with most SMBs considering ~2% acceptable.

Enhanced security with fraud protection (22%) and faster processing (20%) would further increase card usage.

- SMBs would value centralised, real-time dashboards to manage international travel spend.
- They would also benefit from integration with accounting and ERP systems, delegated virtual card issuance and controls, as well as automated processes such as receipt matching.

The persons and scenarios depicted in these use cases are fictional and for illustration only. They do not depict real individuals, events or outcomes and should not be taken as a guarantee of results or as a factual account. The customer expectations and the analysis of friction points in each fictional scenario are based on statistics and claims drawn from Visa's research into cross-border payment behaviour and opportunities for payment providers.

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Digital advertising



Alex Knight
Growth and Marketing Lead

Company: Digitally native SMB (≈80 employees)

Markets: UK and EU

Digital advertising is central to how Alex drives customer acquisition across international platforms. Campaigns run continuously across multiple markets and currencies.

Where friction appears
Fluctuating fees and FX costs make campaign budgets harder to forecast, while limited real-time visibility reduces control over live spend. Inconsistent card acceptance or payment disruptions can delay campaigns and impact performance.

Expectation
Cross-border advertising payments should be as predictable, visible, and easy to manage as domestic campaign spend.

Key stats
These figures highlight how SMBs manage cross-border digital advertising payments:

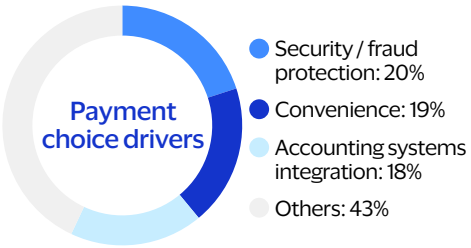
Payment frequency and value

~31 cross-border payments per year

~€2.1k average value per transaction

Payment methods used

Business cards	52%
Digital payment platforms	37%
Personal cards	29%
Instant bank or wire transfers	29%
Digital wallets	28%



Opportunity and friction signals

Digital advertising is a high-frequency, lower-value use case, but represents significant cumulative spend.

Micro SMBs in B2C, particularly early adopters of new tech, represent the most attractive segment by payment volume.

Merchant preference influences payment method choice (24%), for example, Google and Meta making card payments easy.

- High processing fees (26%) are the biggest barrier to stronger card usage.
- Lack of real-time tracking (18%) remains a key pain point.

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VISA

Software



Peter Williams

Finance and Operations Manager

Company: Growing technology-enabled SMB (≈90 employees)

Markets: UK and EU

Software subscriptions support core business operations, from collaboration and finance to marketing and customer management, often on a recurring basis.

Where friction appears

Fluctuating fees and FX costs make subscription spend harder to forecast, while delayed or failed payments can disrupt access to essential tools. Limited real-time visibility across vendors and teams increases reconciliation effort and perceived risk.

Expectation

Cross-border software payments should be as reliable, predictable, and easy to manage as domestic subscriptions.

Key stats

These figures highlight how SMBs manage cross-border software payments:

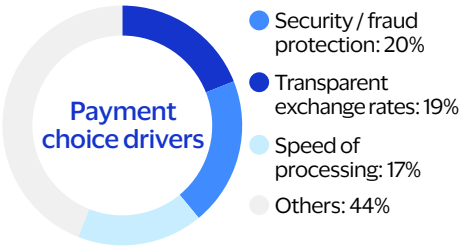
Payment frequency and value

~25 cross-border payments per year

~€1.9k average value per transaction

Payment methods used

Business cards	54%
Digital payment platforms	36%
Instant bank or wire transfers	30%
Personal cards	27%
Digital wallets	27%



Opportunity and friction signals

Software is a low-value, high-volume use case, with payments spread throughout the year.

The US is the largest payment corridor (46%), followed by Europe, particularly Germany (31%) and France (20%).

- Fees are the biggest pain point for SMBs (21%) and the largest driver of non-card usage (25%).
- Other prominent challenges include fluctuating FX rates (18%), fraud risk (18%), and currency restrictions (22%), which limit card acceptance and usage.

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Importing goods and services



Marco Rossi
Procurement and Operations Lead

Company: Manufacturing and wholesale SMB (≈150 employees)

Markets: UK and EU

Importing goods and services underpins day-to-day operations, supporting production and fulfilment.

Where friction appears
High and opaque fees, fluctuating FX, and regulatory complexity make costs difficult to predict. Card limits, SCA-related declines, and acceptance gaps restrict card usage for higher-value payments, while security and fraud concerns increase risk.

Expectation
Cross-border supplier payments should be as reliable, predictable, and transparent as domestic payments, even at higher values.

Key stats
These figures reflect broader SMB behaviour across importing goods and services:

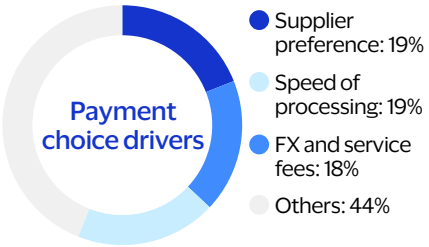
Payment frequency and value

~48 cross-border payments per year

~€13.1k average value per transaction

Payment methods used

Business cards	53%
Digital payment platforms	40%
Instant bank or wire transfers	34%
Digital wallets	28%
Personal cards	26%



Opportunity and friction signals

Importing is a high-frequency, high-value use case and represents the largest commercial opportunity across all cross-border payment types.

Manufacturing and transportation or storage SMBs, particularly those with older (Gen X) decision-makers, account for the highest payment volumes.

- Transaction fees are the most commonly cited pain point (20%).
- FX volatility (18%) and poor exchange rates (17%) are frequent challenges, highlighting demand for better FX management and transparency.

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How Visa can support payment providers

Helping payment providers strengthen cross-border experiences for SMBs requires coordinated action across product, proposition, and go-to-market execution. Visa can provide a focused set of capabilities designed to deliver impact at scale.

We can assist you in six key areas:

Marketing
Tailored cross-border content, messaging, and case studies for SMBs, built by sector and use case, and ready to deploy across digital, sales, and relationship channels.

Distribution
Clear routes to reach internationally active SMBs, from industry bodies to platforms, trade shows, and association partnerships to build scale and trust.

Acceptance
Targeted outreach to key cross-border suppliers, platforms, and marketplaces, supported by tools such as the Visa Supplier Matching Service, to help grow B2B acceptance and card preference.

Product
Solutions aligned to SMB cross-border needs, including cash-flow tools, secure and transparent FX solutions, virtual card integrations, expense management tools, and related data services.

Proposition
Tools and guidance to shape bundles that bring core card products together with the cross-border value-added features SMBs want, such as rewards, instalments, and embedded payments tools.

Enablement
Insight and resources to equip relationship managers to identify and serve high-value, cross-border-heavy SMB segment.

These levers can turn a standard business card programme into a cross-border growth engine. We're here to make it happen.

Speak to your Visa representative to learn more.

1. Eurostat. Structural business statistics overview. Data extracted September 2025.
2. Stripe. "What Is Faster Payments? A Guide to the UK's Real-Time Bank Transfer System." Stripe. Last updated 14 May 2025.
3. Bank of England. "Cross-Border Payments." Bank of England, Last updated 19 December 2024.

The stats referenced in this paper (unless referenced otherwise) are from a Visa commissioned online quantitative survey, designed by Basis Research, to explore SMB cross-border payment behaviour and the opportunities for payment providers. The research focused on four recurring cross-border use cases: travel, digital advertising, software subscriptions, importing goods and services, and fintech account top-ups. Respondents were financial decision-makers or influencers at businesses with fewer than 250 employees, making multiple cross-border payments in the last 12 months across at least two of these use cases.

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