






# The Power of Payments

Implementing the best payments infrastructure for your business can be complex and challenging. However, getting the right processes and partners in place can help to supercharge growth and profitability.

American Express surveyed UK finance professionals to discover current challenges and priorities on topics such as payment digitisation and automation, along with a focus on fraud prevention and security.



This guide delves into:

-  Insights on B2B payments from UK businesses
-  Trends defining automation and new payment methods
-  Tackling payments fraud
-  Balancing supplier relationships
-  The importance of cashflow



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*do business*  
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## KEY FINDINGS



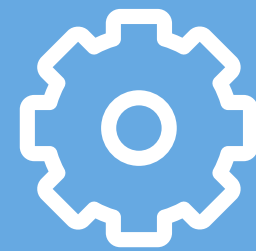
# 29%

of businesses are spending 1-2 hours per day working on payments. That's the equivalent of up to one working week every month.

The three biggest pain points organisations face with business payments are



Late payments and chasing late payments

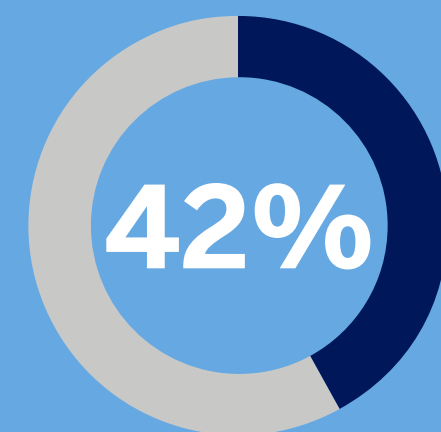


Costly processes

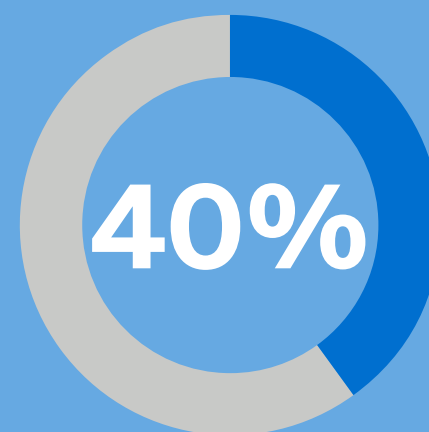


Human error

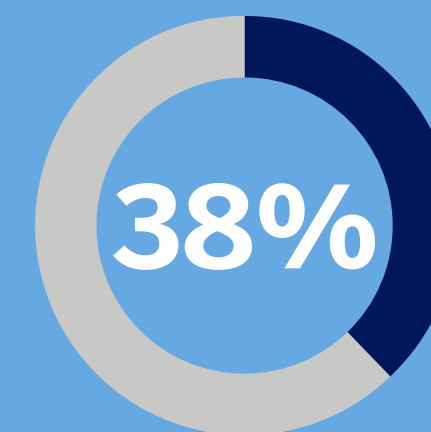
Which is why:



agree the process needs to be more efficient



think time spent processing transactions needs speeding up



are seeking to reduce costs and free up more time

### Methodology

All figures are based on fieldwork by Opinium on behalf of American Express. Fieldwork was run online between 15 – 23 May amongst 750 respondents from UK small, medium and large companies, split across senior decision makers, senior finance professionals and finance team members who are responsible for payments.



## AUTOMATION AND NEW PAYMENT METHODS



# 69%

are using or considering automated payments to drive efficiency, reduce administration and free up finance teams to be more strategic. Nearly half (46%) of businesses who have automated their payments have saved time while 39% have seen fewer errors.



# 71%

would implement a new payment method in partnership with an existing or trusted partner.



# 70%

say adopting a new payment method had a positive impact on profitability.



# 66%

are more likely to introduce a new payment method if they have tried it as a consumer.



# AUTOMATION AND NEW PAYMENT METHODS

## Insights



### Safeguard and strengthen



Investing in payment systems regardless of the prevailing economic climate can help safeguard working capital and strengthen supply chains.



### Automation is key

Automating accounts receivable and accounts payable can save huge amounts of time, as well as reduce data redundancies and minimise errors - allowing finance teams to focus more on value-adding activity.



### Create efficiencies

Automation creates time and cost efficiencies for suppliers too as they don't need to chase for payments – building stronger relationships across the supply chain.



### Get the right fit

Ensure that any new payment method is the right fit for your business and customers. Gathering feedback and insights on customer experience can help address pain points and make improvements.



## TAKING STEPS TO TACKLE FRAUD



# 29%

of surveyed UK businesses report that they've seen a rise in payments fraud over the last 12 months.

Security tops the list of the most important considerations for organisations when exploring new B2B payment methods:



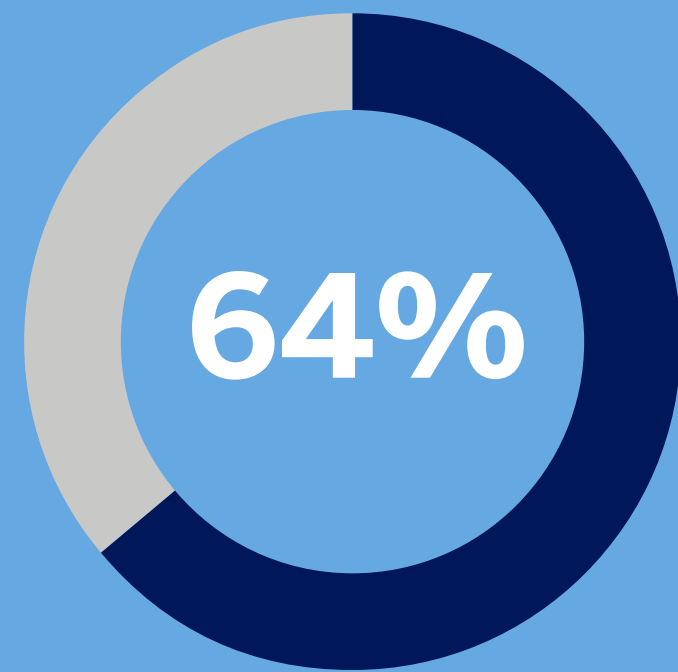
**60%**  
security



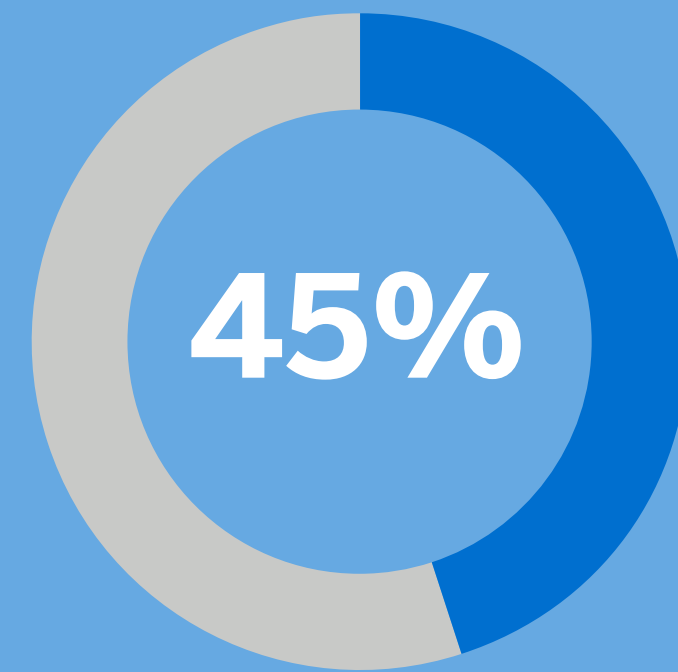
**48%**  
cost



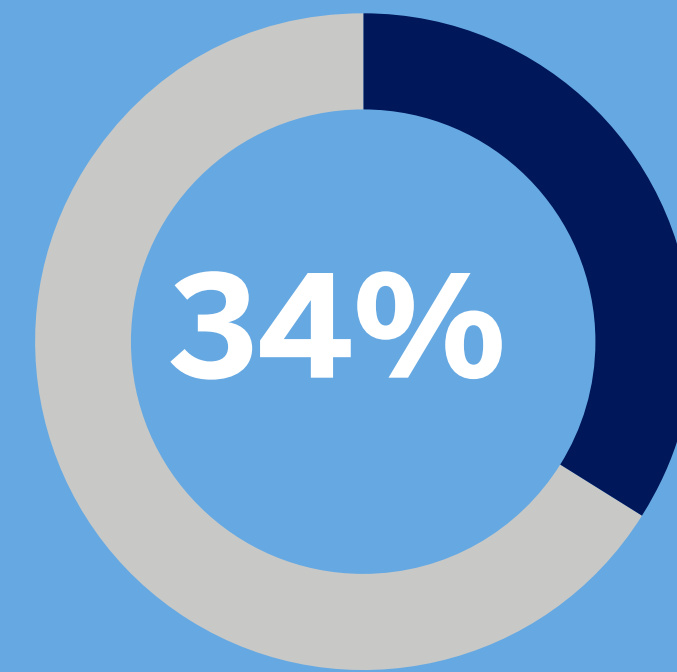
**45%**  
accuracy



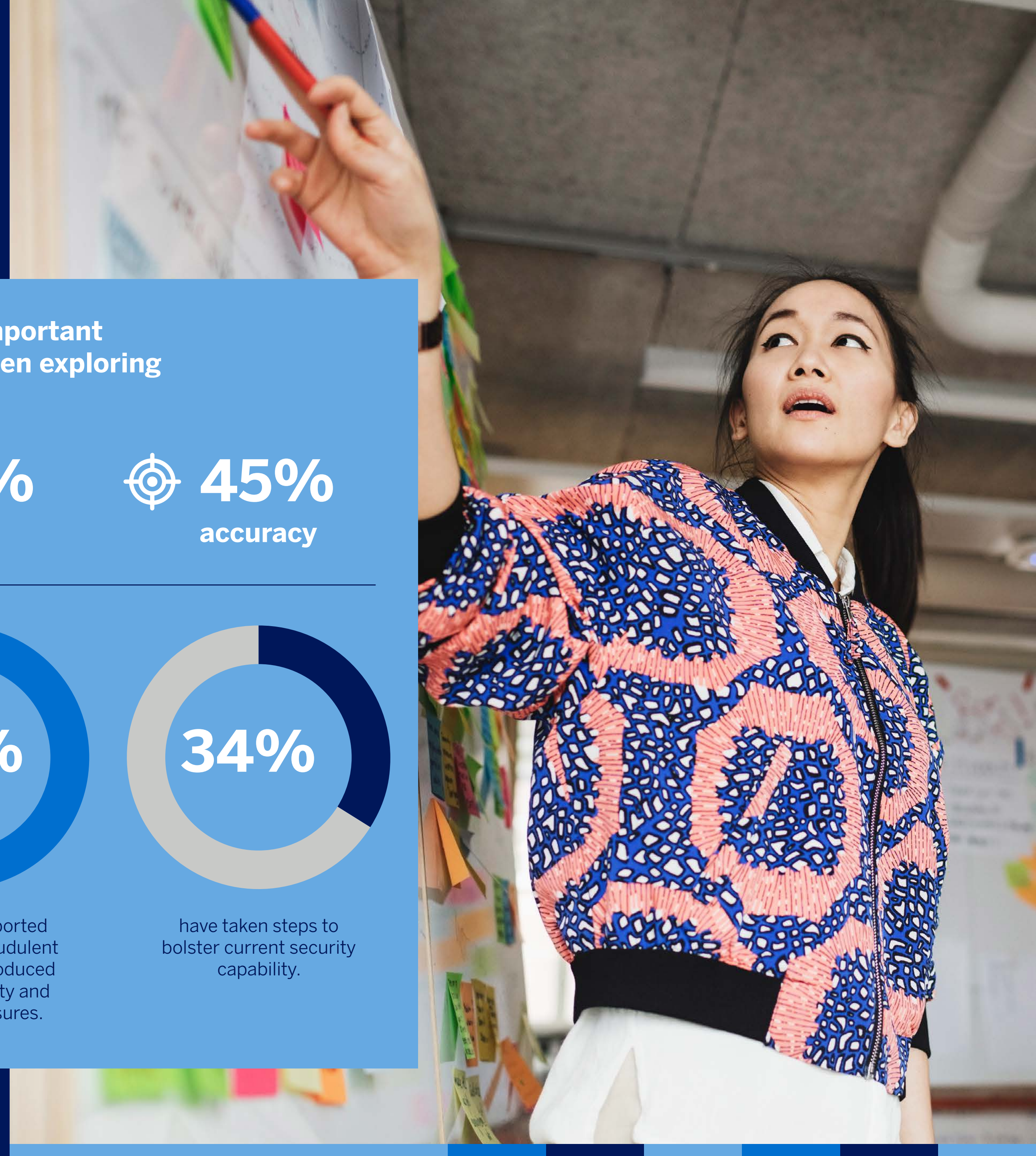
are concerned that a growing diversity of payment methods could lead to increased levels of fraud.



of those who reported an increase in fraudulent activity have introduced new cybersecurity and anti-fraud measures.



have taken steps to bolster current security capability.



# TAKING STEPS TO TACKLE FRAUD

## Insights



### Security first

A payments partner that uses secure encryption, strong authentication and other advanced security features should be a priority.



### Monitor spend activity

Find a partner that can offer a comprehensive view of the businesses' day-to-day spending patterns and activity. This will support finance teams to identify potential risk factors and establish rules and guidance around how payments are handled – for example, setting more stringent approvals for payments in certain industries.



### Go bespoke

Work with payment partners to create a bespoke solution that reflects the frequency and types of payments being made. By building in flexibility, businesses can balance control with ease of use.



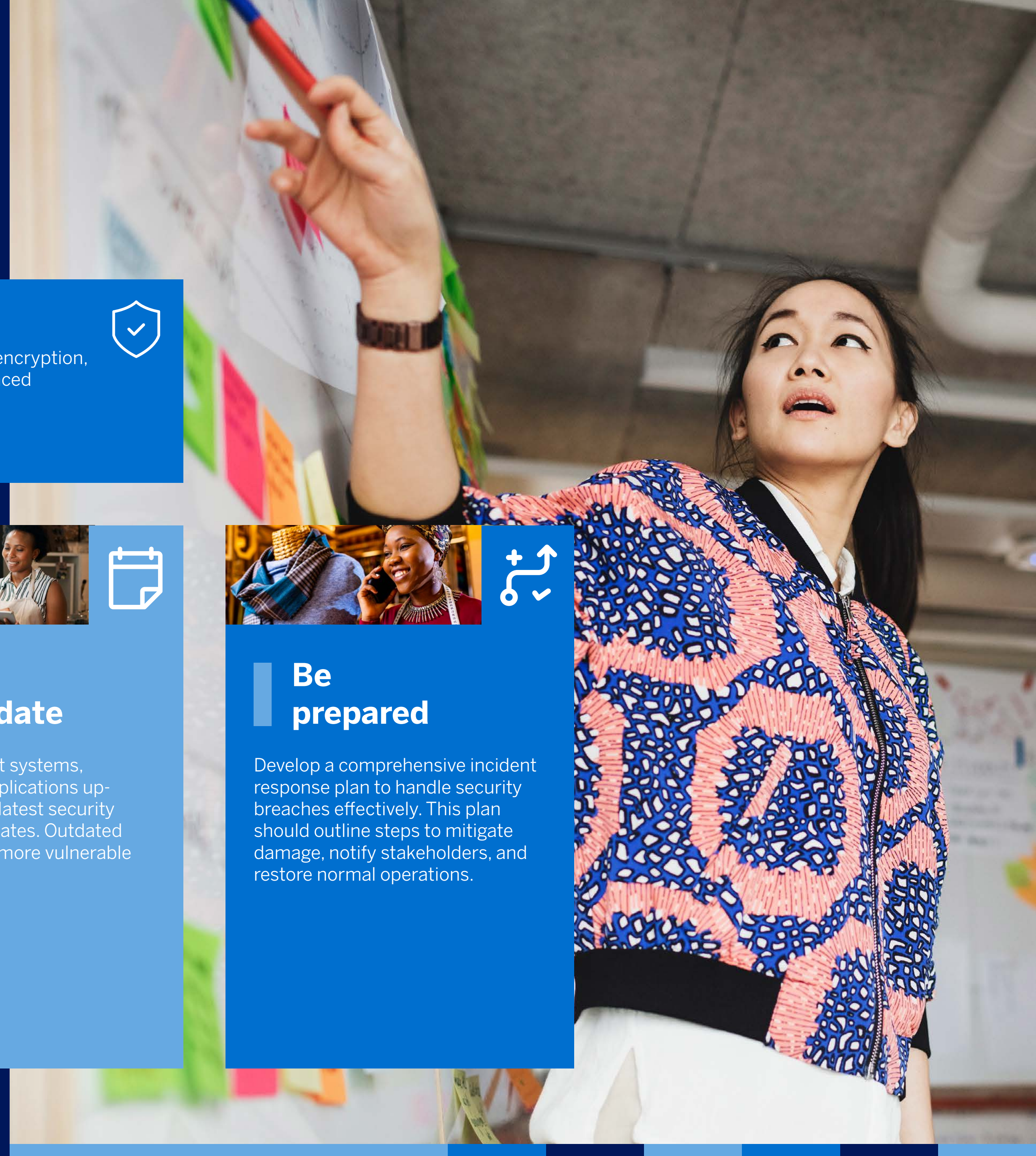
### Stay up-to-date

Keep all payment systems, software, and applications up-to-date with the latest security patches and updates. Outdated software can be more vulnerable to cyber attacks.



### Be prepared

Develop a comprehensive incident response plan to handle security breaches effectively. This plan should outline steps to mitigate damage, notify stakeholders, and restore normal operations.



# BALANCING BUYERS AND SUPPLIERS



A lack of payment infrastructure is causing UK firms of all sizes to lose out on business

# 16%

say they've been unable to work with potential customers due to their own lack of payment infrastructure.






**The top reasons finance teams stop working with buyers and suppliers:**

- 1** Late or slow payments
- 2** Not fulfilling agreed contracts
- 3** Poor customer service



**When it comes to making business purchases, buyers value:**

-  **Choice of payment methods**
-  **Digital or automated options**
-  **Flexible payment terms**



# BALANCING BUYERS AND SUPPLIERS

## Insights



### The right partner

Payment partners who work with both buyer and supplier can help ensure smooth and speedy payments and fast resolution of any issues.



A shared payment partner can also be a good way to identify potential new customers, allowing businesses to expand and build their network in a reliable and trusted way.



### Think ahead

Having processes in place that help to address payment issues before they escalate, and impact business relationships is key.



### Cashflow smart

Making the most of enhanced credit terms can keep cash in the business longer, without impacting supplier relationships.



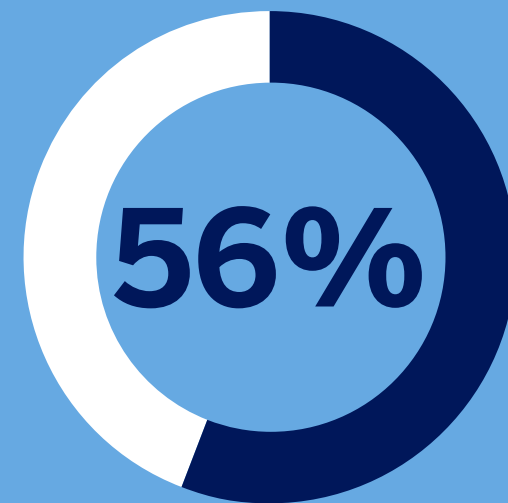


## TAKING CARE OF CASHFLOW

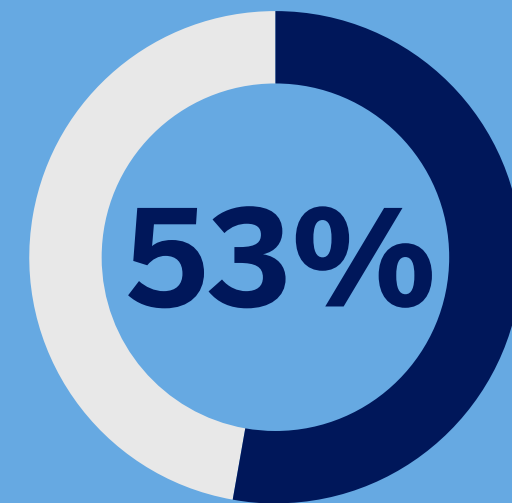


# 38%

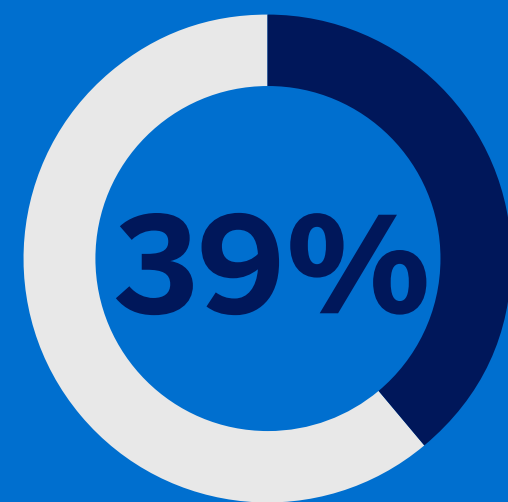
say cashflow is a top concern for their business.




say managing cashflow takes up a large amount of their time, and 45% say they're not able to stay on top of other aspects of their role because of the time spent.



agree that cashflow challenges are stopping them from investing in technology and systems that would ultimately help their finances.



agree that slow and late payments are a top cause of cashflow concerns. Late payments have a number of impacts upon businesses:

-  Wasting team time
-  Creating cashflow challenges
-  Negatively impacting relationships with business customers and suppliers



# TAKING CARE OF CASHFLOW

## Insights



### Offer incentives

Offer incentives for early payments - this can encourage customers to settle their invoices promptly and reduce delays.



### Go digital

Digitally-driven payment systems can facilitate quick and secure customer payments, and reduce time taken to send and receive payments.



### Take control

Achieve greater control over cashflow with payment terms that allow you to spend strategically when needed.



### Future planning

Plan ahead for seasonal peaks and troughs by working with partners to ensure there is sufficient flexibility and room in the credit terms to pay all necessary bills on time.



American Express' digital payment solutions help track, schedule and control supplier and employee spend, provide insight into spending patterns and simplify reconciliation, meaning improved cashflow and less time spent on paperwork.

We work in close partnership with customers to deliver value through flexible and often tailored working capital solutions that help their business grow, maintain good supplier relations and reduce the need for external financing by accelerating cashflow.

For more details visit: [www.americanexpress.com/uk](http://www.americanexpress.com/uk)



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