Forbes INSIGHTS

Safeguarding Security, Unlocking Innovation: Exploring The New Era In B2B Payments

COMMISSIONED BY

AMEX ®

Table of Contents

Introduction

B2B payments are moving beyond basic transactions. New platforms and expanded capabilities are offering strategic potential for business payment systems — and introducing new risks around security and fraud.

There is a long-standing focus in B2B payments on reducing transaction costs. However, the real value in modernizing business payments lies in integrating payments into core finance, treasury and supplier-relationship systems, rather than saving a few pennies on individual transactions.

To understand where business leaders see the most significant potential for modernization in B2B payments, American Express and Forbes Insights conducted an online survey of 520 senior executives from large U.S. organizations, including leaders in the C-suite.

More than three-quarters (77%) of surveyed executives said payments innovation is a critical driver of business growth and differentiation, directly impacting business outcomes. But security and fraud prevention remain a topmost concern and a major focus of the survey. Nearly every executive surveyed (90%) said that effective security and fraud prevention in B2B payments is essential to their organization's operational and financial future.

In this report, we examine the challenges and opportunities business leaders face as they modernize their B2B payment infrastructure and processes. We also outline key steps executives are taking to build payment ecosystems that cut costs, reduce fraud, streamline workflows and manage security risks.

SECTION I

Opportunities & Challenges In B2B Payment Innovation

For many businesses, modernizing B2B payments is part of a broader strategic goal, such as digital transformation, automating processes and managing cash flow, said Uzayr Jeenah, a partner at McKinsey.

Successfully improving B2B payment systems can have a positive impact across the finance and operations landscape.

Executives in our study pointed to digital transformation (88%) as important or extremely important to their organizations' operational and financial future. Efficient and streamlined core B2B payment processes (85%) and automation to reduce payment processing times (85%) followed.

While front office operations have been driven by progressive waves of consumer-facing innovation over the last two decades, middle and back offices have not progressed as quickly, said Jeenah, who was not involved in the survey. "Your expense management system is likely the same system that you were using 10 to 15 years ago." The age of those systems is likely hindering modernization.

In response to a question about steps taken to consolidate their payment platforms, only 47% of respondents said their organization uses API-driven payment solutions that connect to third-party payment processors. And a mere 41% of respondents have centralized payments through an accounts payable automation system. Roughly one-third of survey respondents stated that a lack of integration among ERP, accounting and banking systems poses a challenge to streamlining payments.

Some financial service companies are well into their journey, and Jeenah said modernization of the middle and back offices is starting to come to companies of all shapes and sizes.

"Whether that is in the services environment, or more traditional businesses like manufacturing and retailers, they are all looking to modernize," he said.

Underlying drivers around cost and productivity are also guiding modernization. In the last 12 months, 40% of surveyed executives reported they have enhanced payment efficiency through automation, and 83% said that automated invoicing and payment processing is an effective way to improve customer and supplier relations. Marie-Claude Nadeau, partner and lead for McKinsey's global payments consulting business, believes this is just the beginning.

Invoice reconciliation is a prime example of a manual process that is an increasing focus of innovation. Currently, only 34% of executives in our survey said their businesses have automated their reconciliation and reporting processes. Expense policy management, where employee reimbursements or credit card charges must be approved or declined manually, is another area where analytics can expedite approvals and flag questionable transactions.

Nadeau expects to see more investment in the compliance realm as well. Regulatory and compliance hurdles, such as data privacy laws, know-your-customer rules and anti-money laundering requirements, are a significant challenge to streamlining payments, according to the survey.

FIGURE 1.

In what ways has your organization enhanced payment efficiency in the last 12 months?

48%	Enhanced security and fraud prevention measures
44%	Improved transparency and real-time tracking
42%	Improved cash flow
40%	Improved operational efficiency through automation (reduced manual tasks)
40%	Reduced payment processing errors and disputes
37%	Enhanced compliance
37%	Provided data-driven insights
35%	Improved supplier relationships
27%	Enhanced dispute resolution

Respondents could select all that applied from the nine choices above.

SECTION II

Security Takes Center Stage In B2B Payment Innovation

Security and fraud represent the greatest complication, the biggest opportunity and the primary focus of B2B payment innovation.

More executives named security as a top challenge to streamlining B2B payments than any other factor. Two-thirds (65%) of surveyed executives said advanced fraud detection and prevention is one of the most important characteristics of the future payment environment, more than any other option. And nearly half of those surveyed have moved to enhance security and fraud prevention in the last 12 months.

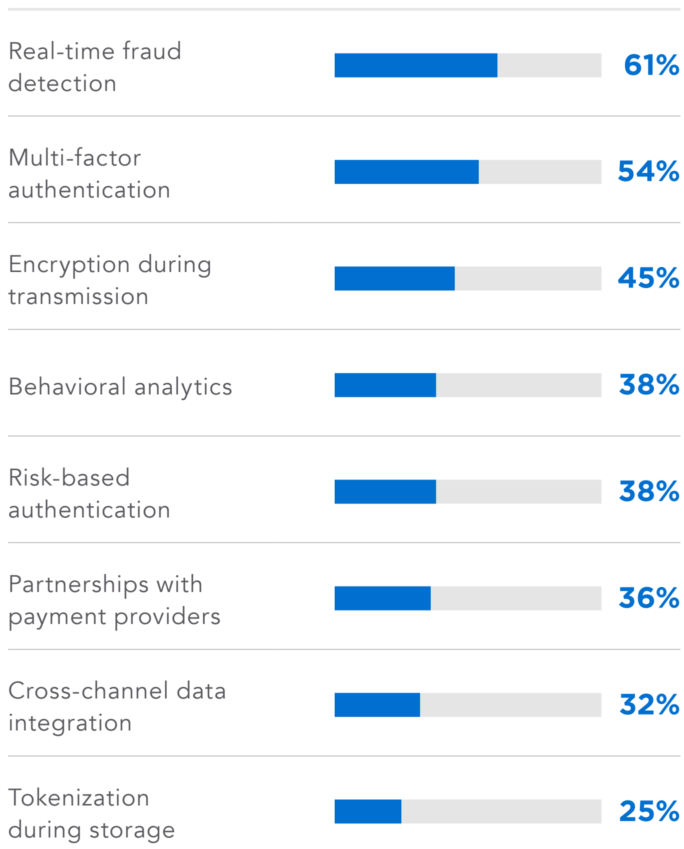
Compared to consumer transactions, fraud in B2B payments can be harder to detect, said Nadeau. For one thing, the data is less predictive. “Credit card data is plentiful and easier to analyze, and when you have more data, it’s easier to detect fraud,” said Nadeau. With B2B data, there may only be one or two very large payments over the course of a year. The stakes are far higher than the average consumer transaction. Nearly half of surveyed executives said fraudulent transactions are among their top three security concerns.

A majority (78%) of surveyed executives are confident in their organization’s ability to detect and prevent payment fraud in real-time; however, the other 22% may not have the necessary tools for real-time fraud detection. In an omnichannel environment, only 61% of organizations are employing real-time fraud detection. Nearly two-thirds (63%) monitor transactions in real-time, with another 32% planning to add real-time monitoring capabilities in the next two years.

Managing access to financial accounts is especially complex in large organizations. With so many people logging in daily, it becomes increasingly challenging to detect bad actors, and the risks grow as more systems become interconnected.

FIGURE 2.

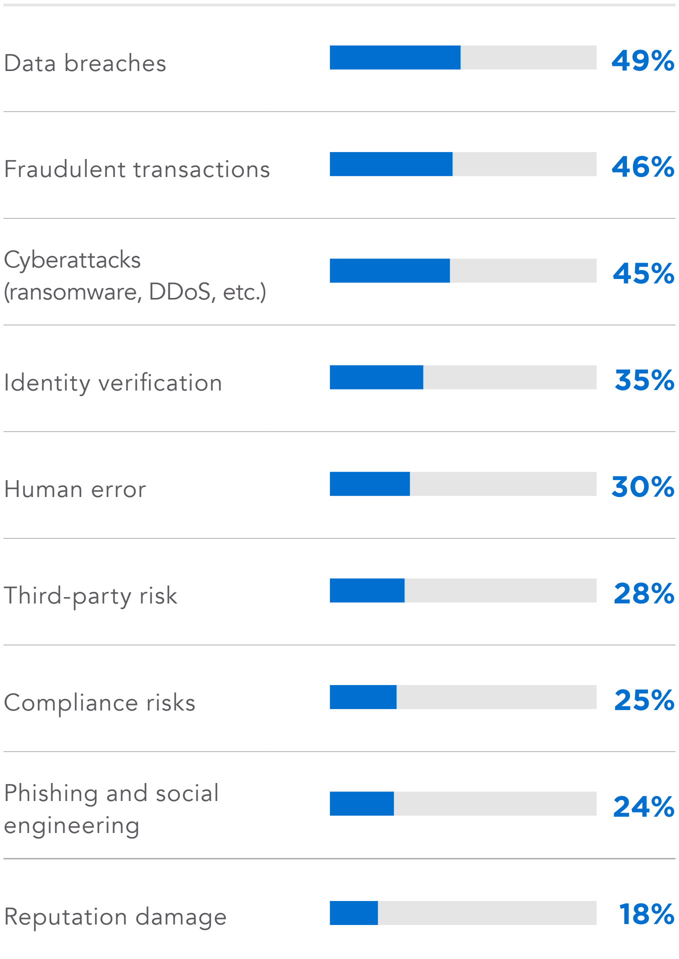
How does your organization approach identity verification and fraud prevention in omnichannel payment environments?



Respondents could select all that applied from the eight choices above.

FIGURE 3.

What are your organization's greatest B2B payment security concerns?



Respondents could select up to three answers from the nine choices above.

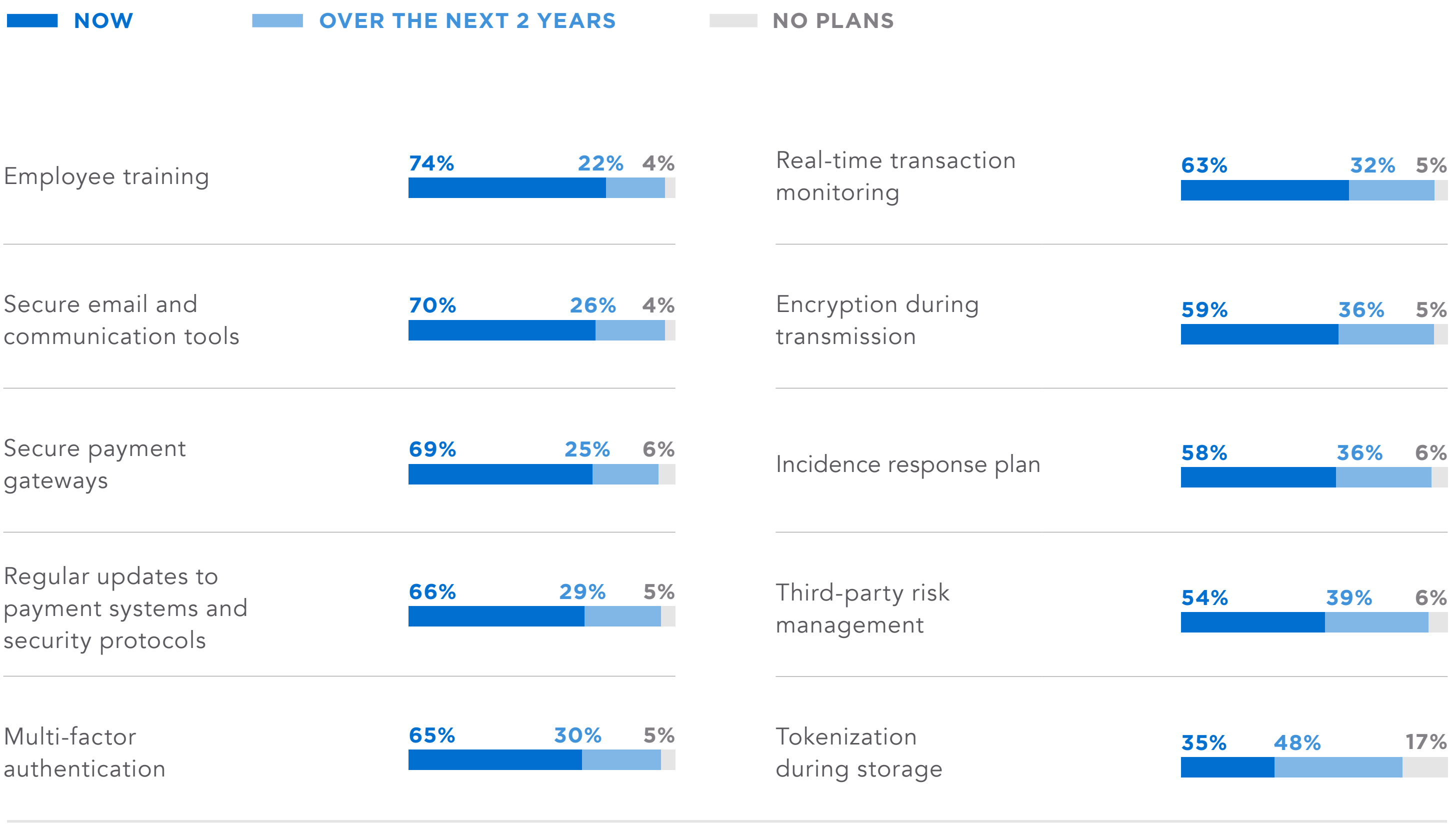
"Identity and access management matters more where there is direct control over payments, where you've connected your accounting software directly to your bank, and payments can be authorized out of the software package," said Jeenah. Yet, only 35% of executives surveyed named identity verification as one of their top three B2B payment security concerns, and only 38% employ behavioral analytics in an omnichannel environment.

Human error, phishing and social engineering are also not perceived as major threats by the vast majority of respondents; however, the ability to generate deepfakes could change that perception.

To meet the challenges of security and fraud prevention, organizations are prioritizing employee training, securing communication tools and using secure payment gateways. Over the next two years, 48% said they plan to implement tokenization during storage to bolster security.

FIGURE 4.

What measures has your organization implemented to enhance security? Which ones does it plan to take over the next two years?



Respondents selected one option per row.

SECTION III

Preparing For What's Next In B2B Payments

Payments between businesses may become faster and cheaper, driven by deeper integration with back-office software systems.

Faster money movement will have a profound impact on the way companies manage their working capital, said Jeenah. Financial service providers are finding ways to help clients optimize cash flow and maximize working capital by automating invoices, timing payments more carefully and deploying dynamic discounting, where a supplier offers a buyer a discount for paying sooner. Executives recognize the value in fine-tuning payment timing on multiple fronts. Seventy percent of surveyed executives noted that offering discounts for early payment is an effective way to improve customer and supplier relationships.

With the rise of electronic payments, Jeenah also expects to see a drop in the persistence of paper-based checks in North American B2B payments. Just over half of respondents can now accommodate API-based payments, and another 38% plan to do so within the next two years. They will rely on merchant acquirers, who act as intermediaries between businesses, payment processors and issuing banks, to ensure that electronic transactions are authorized, processed and settled securely. "Their systems are fairly agnostic, except they don't like paper," he said.

Major changes will also happen in cross-border payments over the next three years, predicts Jeenah. "There is a cross-border revolution that began in the retail world," he said. However, the vast majority of cross-border payments occur between businesses, rather than between individuals. The survey revealed that 46% of organizations can now accommodate cross-border and multi-currency payments. That number is expected to nearly double in the next two years, with 43% of respondents planning to add cross-border capabilities.

Currently, there is a significant variance in the fees that large companies pay to transfer money internationally and those that smaller companies pay. "There are a variety of fintechs, but also infrastructure providers, who are opening up new channels in cross-border payments," he said.

These innovations are expected to eventually phase out traditional methods of transferring funds.

"The classic cross-border wire that takes days and gets lost in the middle somewhere and then reappears on the other side will slowly go away and be replaced by near real-time transactions that are much cheaper," he said.

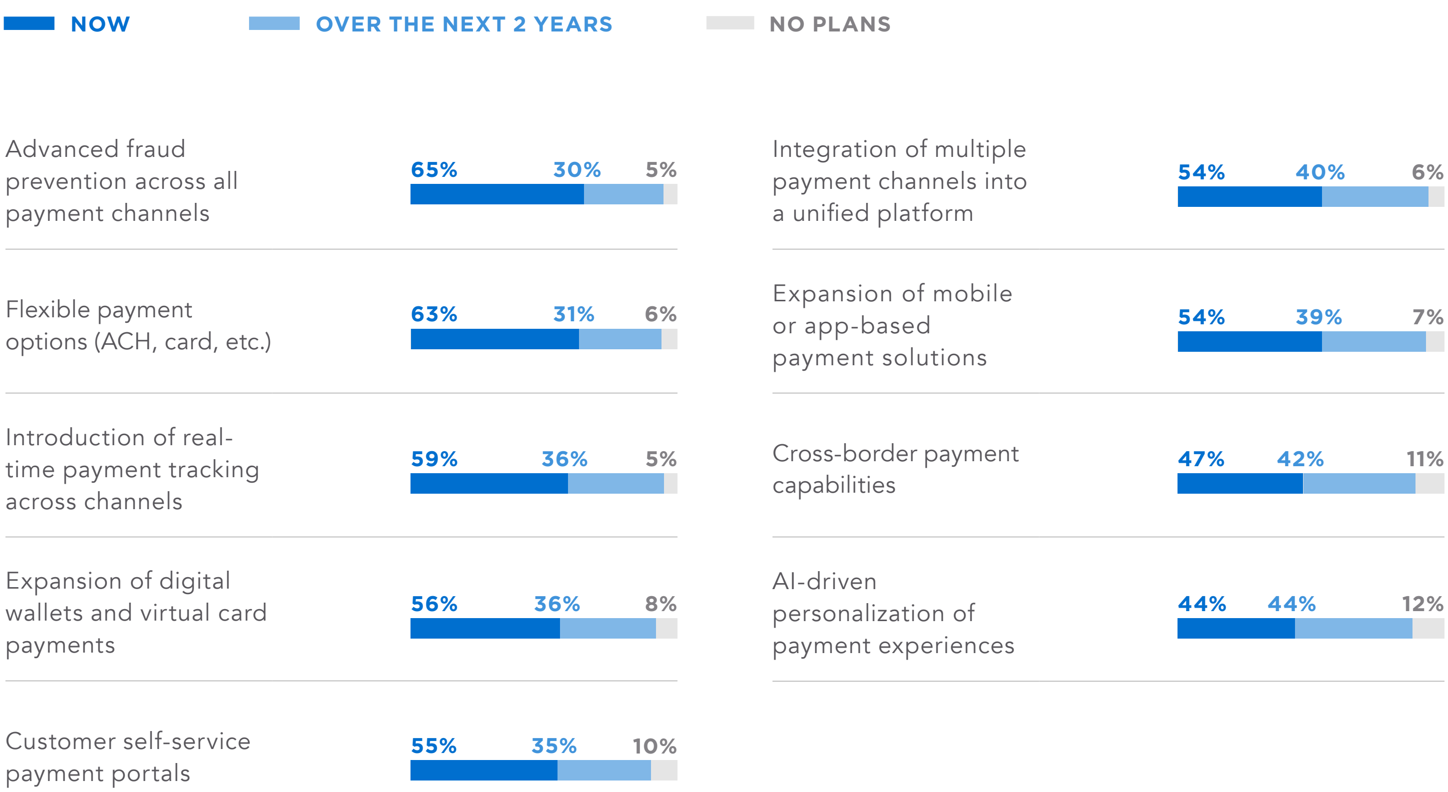
AI is another area that is top of mind for executives. Embedded AI will impact many aspects of the business payment process, operating in the background. Currently, 44% of respondents report that their organization has taken steps to innovate AI-driven personalization in their omnichannel B2B payment experience, and another 44% plan to do so in the next two years. Just over half (55%) of surveyed executives believe that AI-driven fraud protection will have the greatest impact on securing B2B transactions in the next five years.

The evolution of agentic AI — systems that can make decisions independently with little human input — will demand more attention from business leaders. There are many questions surrounding how agentic AI would operate in a corporate environment, including whose models will operate and who will be responsible for their actions. These would need to be addressed before organizations can safely deploy agentic AI.

"We're moving into an era that looks remarkably different from where we are today," said Jeenah.

FIGURE 5.

Which of the following steps has your organization taken to innovate its omnichannel B2B payment experience? Which ones do you plan to take over the next two years?



Conclusion

Compared to the consumer payments sector, the business payments sector has moved toward modernization at a slower pace.

That is changing now as innovation accelerates across the business payment universe. Organizations need the right strategy to be ready for the changes to come.

Forward-looking executives are taking steps now to build a payment ecosystem that rationalizes workflows, protects against evolving security threats and looks to a more integrated future. Key among these steps are:

Recognizing the strategic value of modernizing payment infrastructure. Integrating payments into business processes unlocks opportunities to reduce costs and enhance cash flow and treasury management.

Enhancing efficiency through automation. Automation streamlines back-office workloads, reducing the need for manual tasks in areas such as reconciliation and expense management. Automation is also one of the most effective ways to improve customer and supplier relations.

Continuously evolving security and fraud prevention. New capabilities are bringing new threats, and enhancing the means to combat those threats. Integrated systems, in particular, require special attention to who can gain access. Modernization might not succeed if it doesn't address security head-on.

The new era of B2B payments is being driven by technological advancements and opportunities for innovation and growth. Integrating payment infrastructure more deeply into business processes can create groundbreaking strategic possibilities across the financial landscape and redefine how organizations interact financially.

The material made available for you on this website is for informational purposes only and is not intended to provide legal, tax or financial advice. If you have questions, please consult your own professional legal, tax and financial advisors.

DEBORAH ORR
Forbes Insights Contributor, Report Commissioned by American Express

Methodology

The survey was commissioned by American Express and conducted by Forbes Insights in May 2025 among a sample of 520 U.S.-based business leaders across the following sectors: financial services, technology and software, manufacturing and industrial chemicals, construction, automotive, food and beverage, healthcare and pharmaceuticals, consulting and accounting, e-commerce, entertainment and events, hospitality and travel, publishing and media, retail, nonprofit, telecom and energy, and oil and gas. Sixty percent of respondents were C-suite executives. All respondents represent organizations with at least $300 million in annual revenue, and 57% are from organizations with an annual revenue exceeding $1 billion. The interviews were conducted online, and results from the full survey have a margin of error of plus or minus 5 percentage points.