

Maximizing Value: Driving SME portfolio growth



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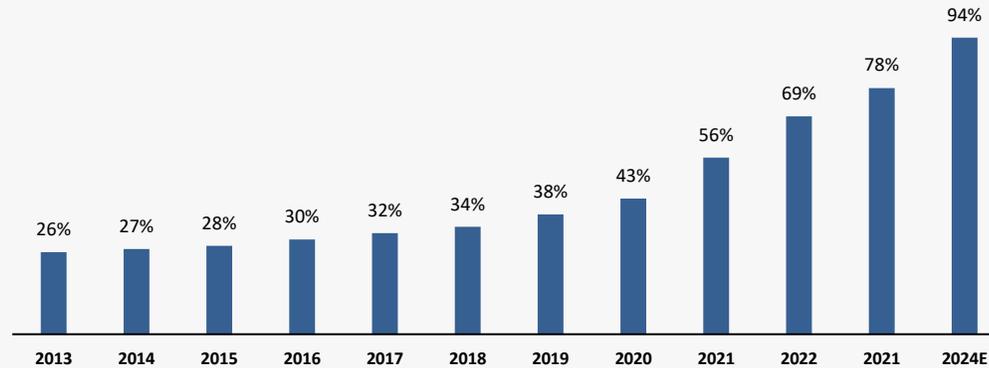


As the consumer business faces significant growth hurdles and shrinking margins, financial institutions will be looking for new ways to drive revenue and growth

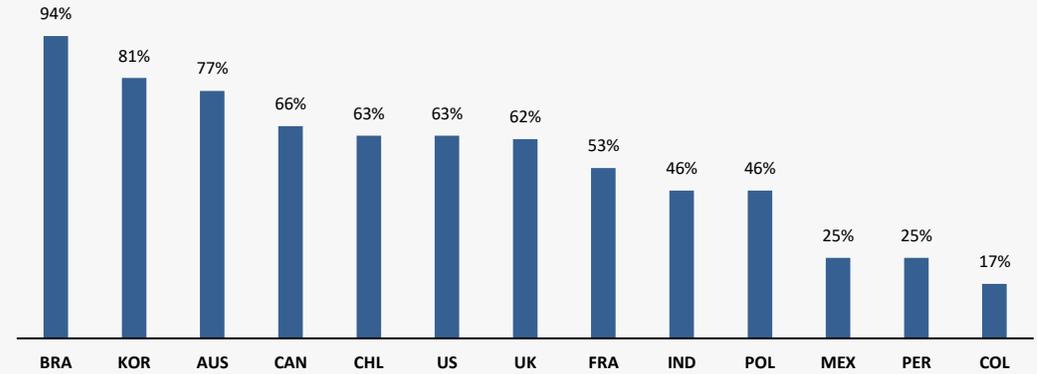
Brazil will become the first economy worldwide to achieve saturation in digital payments

Some countries are coming rapidly behind and are sure to borrow from Brazil's example

Brazil Digital Payments Penetration of Personal Consumption (PCE)



Digital Payments TPV Penetration of PCE, 2024e



Key Drivers

- ▶ More efficient local RTP developments
- ▶ Interest-free credit installments
- ▶ Fintech growth driving inclusion (e.g., Nubank, Revolut)

Implications

- ▶ Aggressive competition in consumer space, limiting growth and impacting profitability
- ▶ Diversification of revenue streams, where the SMEs is likely to benefit the most



The SME segment presents a significant opportunity for financial services providers, as it is both highly profitable and largely underpenetrated

There is a significant opportunity for increased SME spend



SME cardholders spend more than twice as much as consumers¹

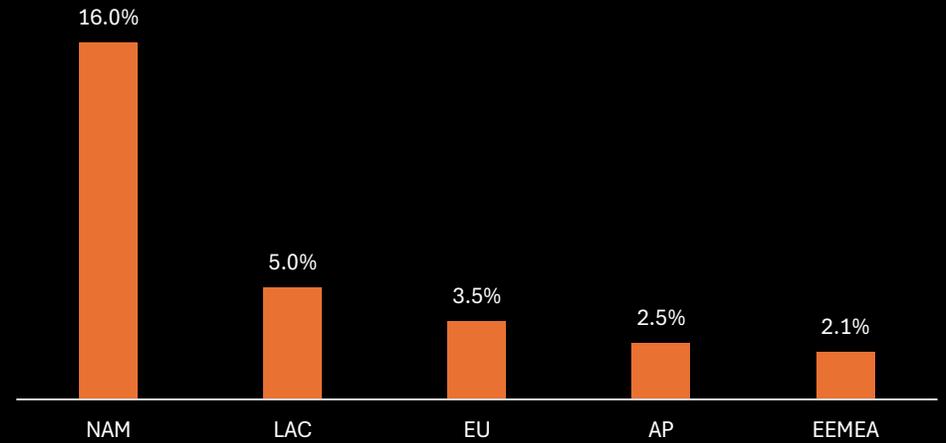


Those enterprises using business cards spend over four times more on their cards annually than consumers¹



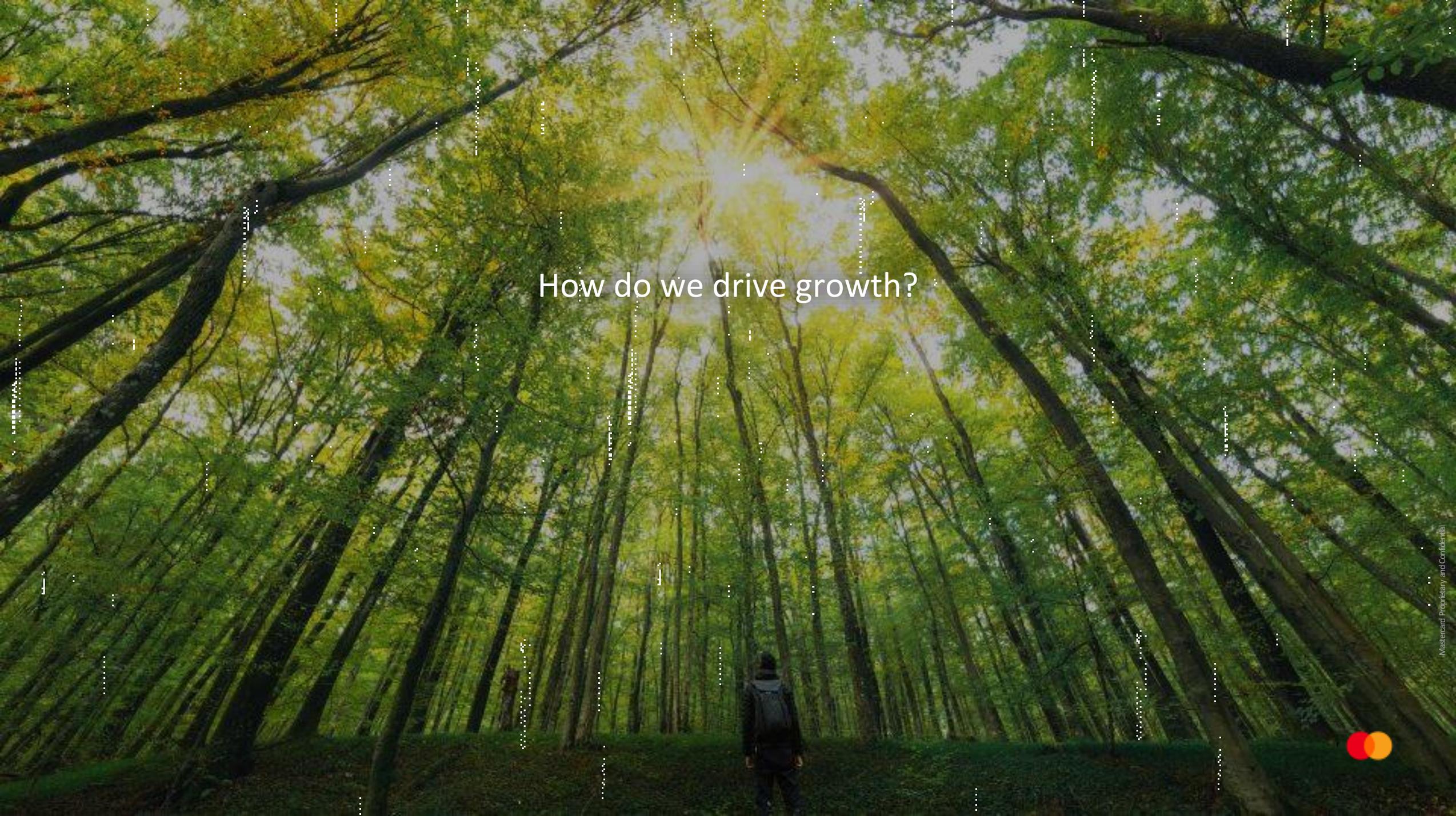
In emerging markets, SMEs contribute around 40% of national GDP, with this figure to be expected to grow as economies continue to digitize

Current Card Penetration of SME Spend



Issuers can grow incremental revenue by up to 3x by investing in the Small Business segment

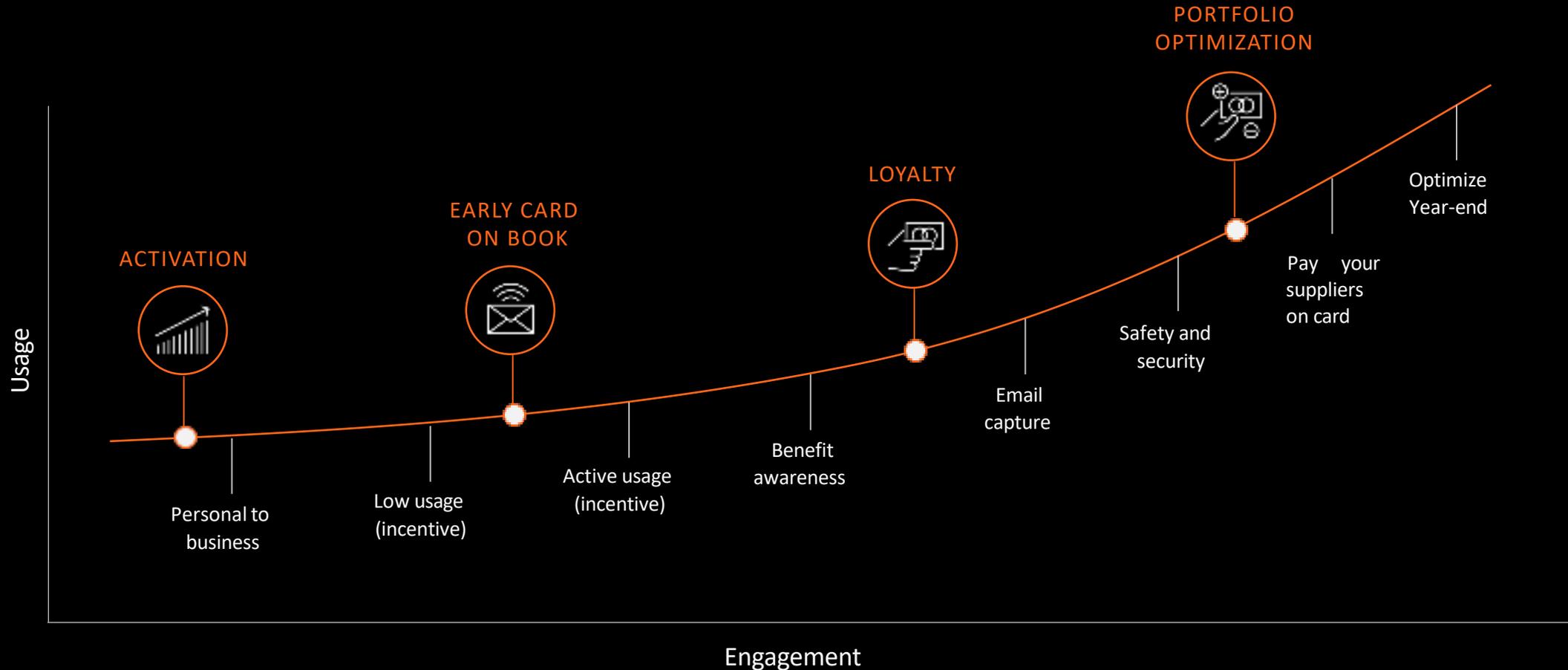




How do we drive growth?



SMEs progress through a cardholder lifecycle, with each stage presenting unique needs and opportunities to deliver value



Lifecycle marketing is critical to capture the full value of SMEs

Each stage presents an opportunity to deliver value

SMEs are dynamic, fast-moving, and resource constrained. Lifecycle marketing helps you meet them where they are – turning every interaction into measurable growth. Your approach should adapt to SME needs in real time – driving relevance, trust, and impact.

2.4x

conversion uplift driven by lifecycle-based campaigns, along with a 27% boost in engagement



ACTIVATION

To acquire successfully, issuers need to understand and serve SME needs while speaking their language. Personalized engagement increases activation by 20%.



EARLY CARD ON BOOK

Opportunity Identified

To build sustainable growth, early engagement is critical. ~2.5x increase in revenues when the average SME becomes more engaged



LOYALTY

Building loyalty will make the card indispensable to SME's day-to-day business. ~4.5x increase in spend when SMEs use their card for digital payments.



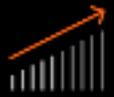
PORTFOLIO OPTIMIZATION

It is increasingly expensive to acquire customers, making retention more critical than ever. Profit lift can be driven by 95% by a 5% increase in retention.





Maximize SME spend and engagement



Identify **lifecycle stages** within your SME portfolio to tailor marketing efforts effectively



Create automated marketing journeys **triggered** by SMEs actions



Personalize marketing based on SMEs needs, industry, challenges, and lifecycle stage



Continuously **measure** campaign results to **optimize** strategies



SME LIFECYCLE MANAGEMENT

Make Every Experience Count

Lets build SME growth together (DISCUSSION)



Scaling SME Impact Together

Fireside Chat



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Commercial & New
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Paula Arregui
Senior Vice President Mercado
Pago



Karthik Kaimal
General Manager
SME Credit Cards
Nubank



From Legacy to Embedded: Innovating to Drive Secular Shift in B2B Card Flows



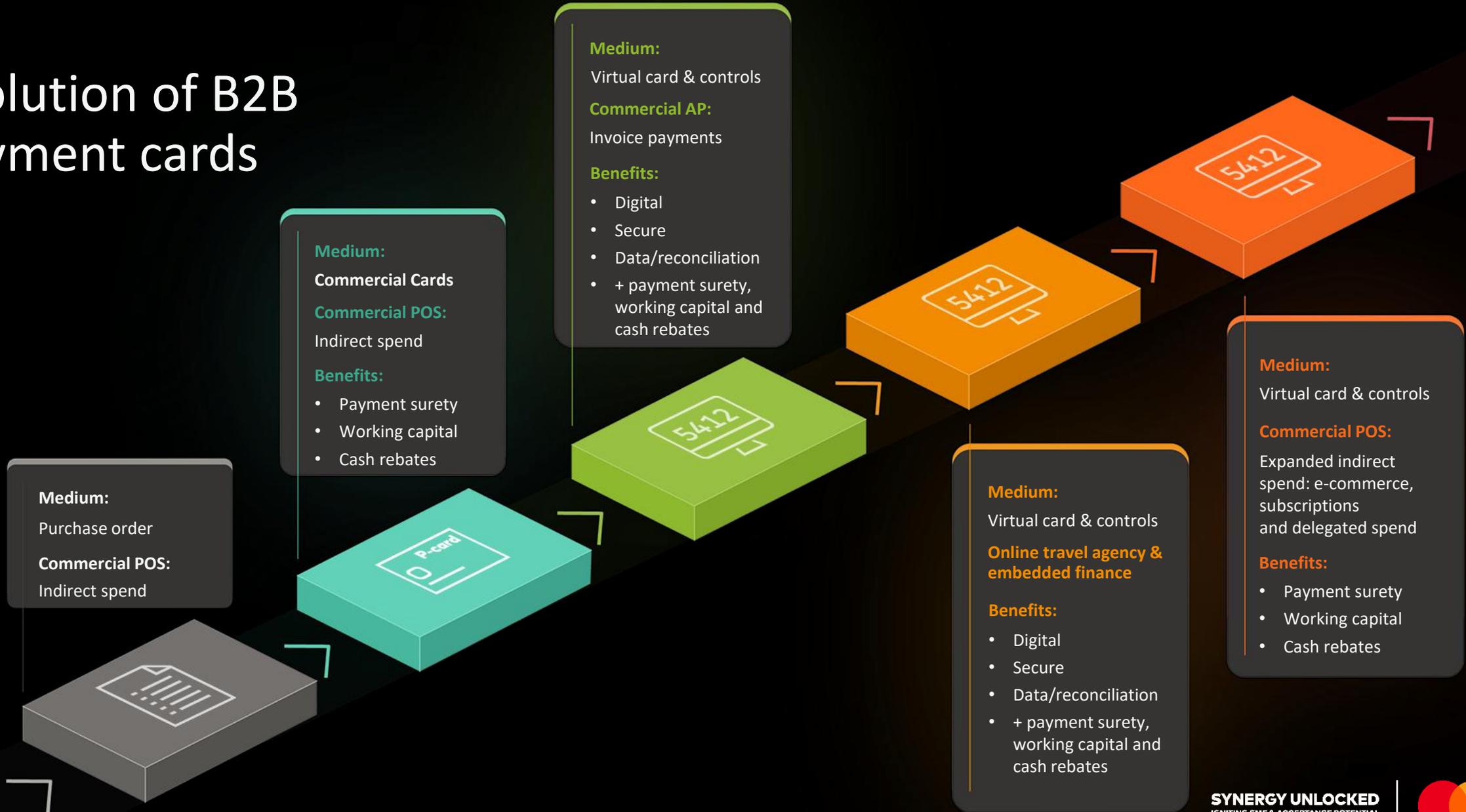
Shlomo Mayer
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Revenue Officer
SWAP



Evolution of B2B payment cards



SYNERGY UNLOCKED

IGNITING SME & ACCEPTANCE POTENTIAL



Shaping Tomorrow's Payments: Designing Winning Value Propositions



Maria Barreiros
Senior Vice President
Small & Medium
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SMEs are diverse and operate across industries with evolving priorities and needs.

“One size fits all” is not the best approach

Industry



Tradesmen

- ✓ Keep business running
- ✓ Become more efficient
- ✓ Cash management



Professional services

- ✓ Controlled growth
- ✓ Marketing
- ✓ Growing business



Retail

- ✓ Maintain relevancy
- ✓ Attract and retain customers
- ✓ Online payments



Content creator

- ✓ Monetization
- ✓ Digitization & tools
- ✓ Networking



Agriculture

- ✓ Manage cash flow effectively
- ✓ Diversify
- ✓ Accessing new markets



Gig worker

- ✓ Fast payments, visibility and benefits
- ✓ Money management
- ✓ Income uncertainty

✓ Main pain point

Other segmentation



Business Size

- ▶ Micro Business
- ▶ Small Business
- ▶ Medium Business



Life Stage

- ▶ Startup
- ▶ Growth
- ▶ Mature



Founder

- ▶ Women Business Owners
- ▶ Affluent Entrepreneurs



Mastercard is committed to serving this segment by helping address pain points and needs

Small & Medium business needs



Digitization & cybersecurity

72%

are unprepared for rising cyber threats¹

Access to capital

60%

face significant credit constraints²

Business Management Solutions

40%

lack a robust digital frontdoor³



Shaping Tomorrow's Payments: Designing Winning Value Propositions



Mastercard Business card



Mastercard Business Platinum and Executive card



Mastercard Business Black and World Elite Business

<h3>Cybersecurity</h3>	<ul style="list-style-type: none"> ID theft protection <small>NEW 2026</small> My Cyber Risk <small>NEW 2026</small> 	<ul style="list-style-type: none"> ID theft protection <small>NEW 2026</small> My Cyber Risk <small>NEW 2026</small> 	<ul style="list-style-type: none"> ID theft protection <small>NEW 2026</small> My Cyber Risk <small>NEW 2026</small>
<h3>Protection</h3>	<ul style="list-style-type: none"> Mastercard Global Service Purchase Protection Master Rental SME recovery at Home <small>NEW 2026</small> 	<ul style="list-style-type: none"> Mastercard Global Service Master Travel Master Rental Master Assist Plus Trip Inconvenience Missed Flight / Connection <small>NEW 2026</small> 	<ul style="list-style-type: none"> Mastercard Global Service Master Travel Master Rental Master Assist Black Trip Inconvenience Luggage Protection Missed Flight / Connection <small>NEW 2026</small> Hotel/Motel Protection <small>NEW 2026</small>
<h3>Support</h3>	<ul style="list-style-type: none"> Legal and Tax Orientation <small>NEW 2026</small> 	<ul style="list-style-type: none"> Concierge + MTLs Legal and Tax Orientation <small>NEW 2026</small> 	<ul style="list-style-type: none"> Travel Assistance Services Concierge + MTLs Legal and Tax Orientation <small>NEW 2026</small>
<h3>Digitization</h3>	<ul style="list-style-type: none"> Digital presence optimizer by beedigital <small>NEW 2026</small> LinkedIn Business Premium Memberships reimbursement <small>NEW 2026</small> 	<ul style="list-style-type: none"> Digital presence optimizer by beedigital <small>NEW 2026</small> LinkedIn Business Premium Memberships reimbursement <small>NEW 2026</small> 	<ul style="list-style-type: none"> Digital presence optimizer by beedigital <small>NEW 2026</small> LinkedIn Business Premium Memberships reimbursement <small>NEW 2026</small>

Discount platforms



Cashbacks, Global and Local Merchant Offers programs

Training tools



Educational, E-learning and Mentoring Platforms

Solutions



Expense Management, Virtual Cards - Business Payment Controls, XB Services + Transfer solutions



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Solutions Mastercard
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SMEs Unplugged: The Real Stories Behind Financial and Digital Transformation



Ximena Baeza
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Sergio Cruz
Founder & CEO
AC Logistics
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**Jacqueline
Tenenbaum**
Co-Founder
Lulis & ZELU
Guatemala



Contact your Mastercard Sales representative
today!

Let's get started

