



The awakening of small and medium enterprises



Small and medium enterprises (SMEs) are the lifeblood of Latin America's economy and are fundamental to economic expansion.

18M

SMEs in Latin America¹...

67%

make up 67% of LAC employment²...

\$2.3T

and spend \$2.3 trillion each year³

Many hurdles discourage SMEs from using business payment solutions. SME still make most payments with personal products by cumbersome bank transfers (63%) and risky cash (61%)⁴

Top reasons LAC SMEs use personal over business banking products⁴

64%

Fees are too high

50%

Easier to manage

50%

Not big enough to qualify for a credit card

SMEs going digital and embracing ecommerce seek smart, tailored tools

Seamless

74%

of LAC SMEs say a seamless and frictionless digital experience is critical to their business⁴

Digital operations

75%

of SMEs globally state they are using digital services in the day-to-day operations⁵

Banking app

69%

of LAC SMEs say a seamless and easy customer service via a business banking app is critical⁴

Online experience lags

49%

of LAC SMEs feel their business banking online experience is lagging behind personal banking⁴



Top reasons SMEs are motivated to switch financial providers



Faster credit approval



Lower interest rates



Lower/ no fees

Top services their bank provides keeping SMEs from switching



A good network of branches/ATMs



Good online banking/mobile app experience



Good customer service experience

SMEs look to their financial providers for a wide range of features to better manage, grow and protect their businesses⁴



Real-time payments



Loyalty/rewards programs



Auto/scheduled payments



Secure message alerts



Cashback/merchant offers

Investing in small business delivers big rewards⁶

2x

Outspend consumers

SME monthly spend is more than double that of consumers

2.5x

Growing revenue

Banks see a 2.5x increase in revenue when SME becomes more engaged

4.5x

Higher spend

Increase in spend when SMEs use their card for digital payments

Supporting SMEs is a win-win for everyone

For more insights into the needs of over 10,000 SMEs, view our full white paper.

1. Kaiser Associates Analysis, 2020
2. Atlantic Council, 2022
3. Kaiser Associates, Commercial and Government Spend Analysis, small and middle market businesses, commissioned by Mastercard, March 2021.
4. Small business needs drawn from survey of more than 10,000 SMEs in 24 countries, conducted by a third party May-June 2022.
5. Accenture®, Embedded finance for SMEs: Banks and digital platforms, 2021
6. Mastercard Economics Institute. Recovery Insights: Small Business Reset. 2021

