



» White paper

SME banking:

# Business banking done differently

# Welcome to business banking done differently

Small and medium-sized enterprises (SMEs) are a big deal in almost every country. Around 90% of businesses worldwide are SMEs and they provide more than half of all jobs, according to the World Bank. SMEs also make an outsized contribution to national income, ranging from up to 40% in emerging economies<sup>1</sup> to around 55% in Europe.<sup>2</sup>

Despite their prevalence and importance, the smallest businesses — companies with fewer than 250 employees — face some of the biggest daily struggles. Issues range from accessing finance and getting paid on time to dealing with time-consuming administration while planning for their future.

Legislators and regulators seem intent on giving SMEs a better deal — not only because they are major employers, or due to coronavirus relief they might have received — but because economies are changing. Shifting demographics, digitalisation, and the desire for greater autonomy and job satisfaction are changing the world of work.

People are working until they are older. They are also supplementing their main income in the gig economy or with a side hustle. The number of freelancers in the European Union (E.U.-28) doubled between 2000 and 2014, making them the fastest-growing group in the E.U. labour market.<sup>3</sup>

In many ways, small businesses are similar to large businesses. Their primary day-to-day concerns include managing stock, expenses and cashflow, delighting customers, and paying their staff and bills. However, unlike large businesses, SMEs cannot necessarily be segmented by industry sector, size, or turnover.

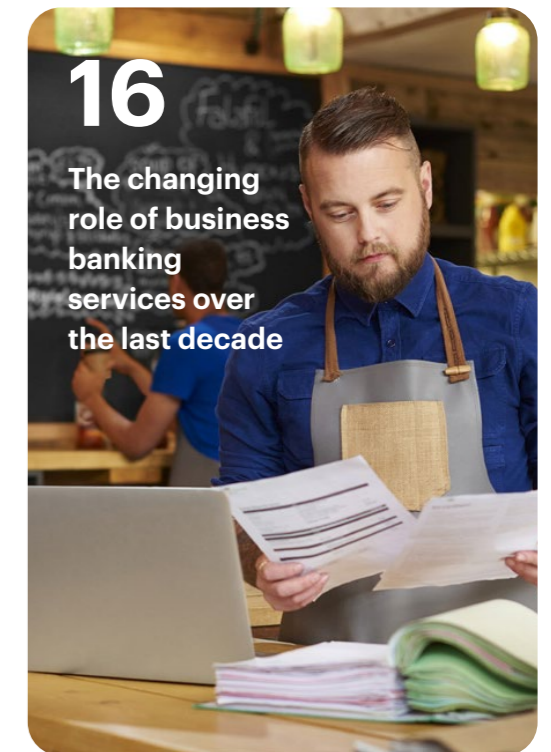
Historically, banks and payment providers have often found it difficult to address this diverse cohort in a meaningful way: product design has often been a one-size-fits-no-one approach; communication has not effectively spoken the SME language; and offers have been digitized rather than digitalised. This created a service gap between what banks offered and what SMEs wanted. Fintechs and challengers, who have had the luxury of a blank page, modern systems, and a digital-first mindset, stepped in to fill the gap.

To effectively reach SMEs, we believe banks and payment providers must align their interests with those of their customers. They must strive to be transparent and trustworthy. They must find ways to deliver fast and collaborate smart to remain relevant. This challenge raises fundamental questions about product design, but also about corporate values, culture, and vendor selection.



**Ian Johnson**  
Managing Director,  
Europe, Marqeta

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Around  
**90%**  
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The number of freelancers in  
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# The changing business landscape

A combination of changes to the nature of employment, consumer expectations, technology, regulation, and competition mean a perfect storm is brewing for business banking done differently — and better.

## The business population in Europe is changing

It's becoming more heavily skewed towards sole traders and micro businesses — those with up to nine employees. In the U.K., three-quarters of SMEs do not employ anyone apart from the owners.<sup>4</sup> And in France, the Netherlands and U.K., freelancer growth has outpaced overall employment growth.<sup>5</sup> But it's not just the SME landscape that's changing.

## Customer expectations are changing

Those owning or working in small businesses are consumers, too. When they can send an e-mail halfway around the world in seconds, they wonder why it takes several days to send a payment the same distance. Small business owners are not comparing banks with banks, or payment providers with other payment providers. They may be comparing banks with consumer technology brands and other facilitators of ease in their lives. And they should or may expect more.

## Technology can deliver more

The average person is equipped with more computing power in their smartphone than the guidance system that put a man on the moon 50 years ago. Internet connectivity and smartphone ownership in Europe is high. Business-to-business (B2B) technology has also changed apace. More automated banking and payment infrastructure is available, making more functionality possible via APIs, and accelerating both speed to market and competition.

## Governments and regulators expect more

According to World Bank estimates, 600 million jobs will be needed by 2030 to absorb the growing global workforce. As SMEs provide more than 50% of jobs worldwide, SME development is a high priority for many governments.<sup>6</sup> The Revised Payment Services Directive (PSD2) is driving the regulatory agenda in Europe. Faster, cheaper, more transparent and inclusive banking and payment services to benefit end users are global themes.

## Competition is changing

Intelligent, real-time, contextualised, social, and human financial services will always be needed. If they are not careful, incumbents may be outplayed — by the big brands and deep pockets of Big Tech on the left, upstart startups and fintechs cherrypicking profitable lines on the right, and look-alike competitors who already "got digital" in the centre.

It's not just about banking and payments or even banking and payments done faster. It's about how to add value to SMEs.



## Number of SMEs in the European Union in 2018 by size<sup>7</sup>

Micro (1-9 employees)	Small (10-49 employees)	Medium (50-249 employees)	Total SMEs
23,232,900	1,472,400	235,670	24,940,970

## The four biggest frustrations for small businesses



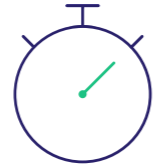
### Complex

Whether it's accessing credit, opening a bank account, or evidencing eligibility, complexity is a conversion killer. It's no wonder 60% of U.K. SMEs who would like to borrow funds resort to using personal funds instead, and 70% of SMEs would rather grow more slowly than borrow funds.<sup>8</sup> So, there is huge commercial value in simplifying complexity for SMEs.



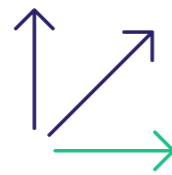
### Manual

Processing payments and expenses often still involve paperwork and manual reconciliation, as can opening accounts and proving creditworthiness. However, fintechs are finding new ways to automate accounting and expense processes, streamlining verification of businesses and individuals, and combining data with advanced analytical techniques to enrich credit scoring and open up lending to new customers.



### Time-consuming

Given their limited resources and experience, small and newly-created businesses can suffer more under the weight of red tape and administration than larger, more established businesses. Anything that minimises cumbersome compliance, regulatory requirements, or annoying administrative tasks would be welcome.



### Expensive

More than 50% of U.K. SMEs consider only one provider when seeking a loan, and 25% are put off from shopping around by the time required or hassle<sup>9</sup>. They know that they are probably paying over the odds, but see no real alternative. Similarly, SMEs seem peeved by business banking charges — not only by the high costs, but also the lack of transparency as to how they are levied.

With the downward pressure on consumer card interchange, the small business sector represents a big opportunity for providers looking to diversify income streams.

# A decade of change: new banking services create choice for Europe's businesses

Thanks to an era of unparalleled innovation in financial technology, SMEs across Europe have never had so many options when it comes to choosing a business banking provider. It's all down to ambitious startups who marvelled at the power of consumer-facing propositions and then applied the same approach to the commercial world. The result is a young yet thriving ecosystem of challengers, established players — and now challengers to the challengers.

2011



An all-in-one business banking service for all self-employed who want to manage their finances quickly, easily and digitally.

2015



A French mobile phone-based neobank for professionals and individuals.



Launch a business account for global entrepreneurs designed to lessen the burden of business administration.

2016



A mobile-first platform that gives entrepreneurs and small business owners time to do what they love.



TransferWise has branched out from international money transfer solutions to offering accounts for business banking.

2017



An app, a card, and a business account that helps creative small businesses and startups with their financial admin.



A Berlin-based digital bank for startups and SMEs, leveraging Solarisbank's infrastructure.



Designed by French entrepreneurs to help SMEs save time.



A business account for freelancers, startups, and SMEs in addition to or instead of their business bank account.

2018



An all-in-one expenses, invoicing, and tax tool for self-employed people.



A simple business account with no hidden costs. Acquired by Société Générale in July 2020.



The U.K.'s first mobile bank to launch business cards in March 2018.



Allows customers to manage their business and personal finance in one place for a fixed price.

2019



NatWest's standalone digital subsidiary Mettle is aimed at sole traders and small businesses.



The business service offering from the app-based banking alternative Revolut.

2020



Small and medium-sized firms have the choice of a free or paid business account with Monzo.



N26's business account is geared towards self-employed people and freelancers trading under their own name.



## Traditional banks respond to challengers

A slew of acquisitions, including Shine by Société Générale and Anytime by Orange Bank, as well as homegrown initiatives like NatWest's Mettle, shows established banks are taking digital innovation seriously.

## Early challengers venture into B2B space

The likes of Revolut, Starling, and Monzo have all developed B2B accounts.

## Increased choice boosts switching activity<sup>10</sup>

Q2 2018	vs.	Q2 2019
<b>8,000</b>		<b>17,687</b>
business accounts switched		business accounts switched

# One size fits no-one

Does size really matter? Look up and down the nearest high street. Or consider the freelance economy conducted from home offices and kitchen tables. No two businesses are the same, nor do they have similar needs or aspirations. So, as we begin a new decade, has segmenting by business size, turnover, or employee numbers passed its useful-by date?

Some companies are excellent at developing products and services that fit their own capabilities and retrofitting customer needs to them. But that's not how modern product or proposition development works.

## Starting up a business

Lack of finances is one of the biggest reasons for not starting a business or becoming self-employed. SMEs may find it more difficult to access bank loans or other forms of credit than larger businesses. Instead they often rely on internal funds, personal credit cards, family and friends, or crowdfunding.

Advice and mentorship are important at every stage in business, but particularly at the startup stage. Approximately 50% of new businesses fail during the first five years. Banks and payment providers have a vested interest in the success of their small business customers, so investing in advice and mentorship could pay dividends.

## Lifecycle needs

- Give me advice on starting a business so I can learn hard lessons the easy way
- Access finance so I can turn my idea into a real business
- Register the company so I don't have to waste time dealing with red tape
- Open a bank account quickly and easily so I can start to make and receive payments
- Create a website/e-commerce presence to show I'm open for business

Fintechs and disruptive challengers have taken an outside-in rather than an inside-out approach. They often laser-focus on SME needs and innovate forward for them in order to achieve a commercial advantage.



More than 50% of U.K. SMEs consider only one provider when seeking a loan ... this results in 60% of those who would like to borrow resorting to personal funds instead.<sup>11</sup>

### Managing the day-to-day

Getting paid is crucial, irrespective of business size. As is assigning payments to the correct account and knowing cashflow at a glance. However, handling money is not the main focus of most businesses. Many small and medium-sized business owners find themselves having to upskill to deal with banks, finance, and payments. They often regard it as a necessary evil, and one they may resent: It's time-consuming, onerous, not in their language — and critically — not their core business.

There's huge value in taking the pain out of payments. Similarly, complex administrative procedures are a time killer. Saving SMEs time is as important as saving them money — sometimes more so. Anything banks and payment providers can do to minimise cumbersome compliance and regulatory burdens would be welcome. This includes streamlining tax reporting, VAT registration, and cross-border trade requirements.

### Scaling up a business

More than 50% of U.K. SMEs consider only one provider when seeking a loan, and 25% of SMEs are put off from shopping around by the time required or hassle. This results in 60% of those who would like to borrow resorting to using personal funds instead, and 70% of SMEs would rather grow more slowly than borrow funds.<sup>12</sup>

Businesses often lack an appropriate support network and ecosystem to enable them to grow. Providing advice and mentorship to move from business clients from startup to scale-up stage is critical. This could be around mergers and acquisitions, international expansion, or how to attract and retain the right staff.

### Lifecycle needs

- Manage cashflow so I have the liquidity to trade and keep trading
- Manage expenses so staff are reimbursed promptly and I can keep a close eye on costs
- Manage stock so I never miss a chance to make a sale
- Know how the business is doing financially to anticipate potential problems
- Send out invoices because getting paid is critical
- Accept payments quickly and easily from customers
- Pay staff and suppliers promptly because it's important to stay on good terms with them
- Do the books so everything is up to date for my accountant
- Pay taxes and VAT so I'm compliant and up to date with the taxman

### Lifecycle needs

- Access finance to grow my business
- Give me advice on how to grow/mentorship to help me decide what's best for my business
- Forecasting so there are no nasty surprises
- Buying/selling own or other businesses because sometimes it's right to invest/divest

# 5 top tips for delivering business banking done differently

Traditionally, there's always been a tension between what banking and payment service providers offer and what SME customers want. Here are our top five tips for delivering digital-first propositions and delighting SME customers.



## 1 Focus on customer needs

The best solutions start and end with people. They consider the things that are hard which should be simple. They consider the worst customer experience and strive for the opposite. Pinpointing these things and innovating forward from them is the means to commercial advantage.

Consider the durable values, insights, and needs of SMEs that are not dependent on particular features. For instance, consider the difference between Nokia and Apple's approach to smartphones. Nokia's research showed the customers wanted smaller, lighter, handsets with long battery life; while Apple's insight showed that customers wanted to support their lifestyle. Deploy laser-like focus on real customer needs. Don't be feature-locked.

## 2 Disrupt your business and thinking

Disruptors come with disruptive ideas. For example, fintechs that see themselves firstly as data companies, secondly as tech companies and thirdly as banks. Incumbents are advised to disrupt themselves and their thinking on their own terms, before they are disrupted — and possibly disintermediated — on someone else's.

ISMEs come in all shapes and sizes, so disruption in the SME space can't be one-size-fits-all. The winners in the world of business banking and payments will have disrupted their organisations, thinking, product development, and servicing model, among other factors.

## 3 Take advantage of Open Banking

Better business banking helps SMEs save time. This may be paperless account opening in minutes, at-a-glance financial overviews, automatic receipt capture for expenses, or simple in-app transfers. Faster on-boarding, loan decisions, and payments are important. But on its own, this is not enough.

Faster service with better data is transformational. Open Banking is enabling this. Under the revised PSD2, banks must grant third-parties access to account data, if the customer allows this. If providers have better access to data, they can take a business process and interact with payments or another value-added service at the right point for truly transformational digital services.

## 4 Develop value-add

Automating a manual process saves time, increases efficiency, and adds value to the overall workflow. However, when businesses start to automate and remove costs, services become more like utilities. Profitability has to come from other sources, called value-added services. These may be (for example) factored loans based on turnover, supply chain financing, corporate-like payout methods, and better data insights.

## 5 Partner smart

No man is an island — and nor is any organisation. By collaborating and specialising, organisations can achieve outcomes that they could never have achieved on their own. But it also means that no organisation today has direct control over every aspect of its operations or reputation. It's time to partner smart.

All organisations must consider how they can work together better, partnering smarter. What value can they bring? How symbiotic can they be? And how do they connect to others and operate in co-petition mode across an ecosystem of potential partners? Those who adapt to this mentality will win out.

"The back end needs to be very flexible to enable flexible front-end integrations. As the market moves faster and faster, this will be a competitive advantage."



A man in a blue shirt and apron is looking at papers in a cafe setting. In the background, another person is visible, and there are coffee-making equipment and a laptop on the counter.

# The changing role of business banking services

# Business bank accounts are due a digital makeover

While it is clear the business banking landscape is changing, we wanted to better understand the banking challenges and expectations of today's SMEs. To do this, Marqeta conducted a study of 400 U.K. SME business bank account holders.

## Digital banking tops the SME agenda

One of the key findings of this study is how much SMEs now value digital banking. The onset of the COVID-19 pandemic forced many of us, including SME owners, to become more reliant on online banking services. No longer able to go into the local branch, digital channels became the only way to manage finances, apply for loans, and make payments. As a result, SMEs say it is important for banks to offer digital services to meet future needs.

Clearly, digital banking has increased in importance for SMEs, meaning the experience offered over those channels is now mission critical. A bad experience can make or break relationships between banks and customers. In fact, more than two thirds (67%) of SMEs surveyed say that if their business bank account provider is unable to provide better digital capabilities, they are more likely to switch to another provider.

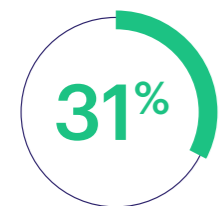
Overall, almost three in ten (28%) SMEs surveyed have changed business bank accounts in the last two years, with the most common reasons for switching being better online and digital customer support and better services.

**78%** of SMEs surveyed say the COVID-19 pandemic has seen them become more reliant on digital banking than ever before

**89%** of SMEs surveyed say it is important that banks offer more digital services within business banking post-COVID-19

**75%** of SMEs surveyed think banks "must do more" to offer a better digital experience to business banking customers

### Surveyed SME's primary reasons for changing business bank accounts:



Better online and digital customer support



Better services



Better pricing



Better digital features

## Business banking frustrations

This shift to digital channels means every business banking provider must now double down on digital to retain customers. While consumer banking has become increasingly digitalised, SMEs surveyed view business banking as lagging behind. There is also confusion around digital platforms, with many SMEs surveyed struggling to understand the differences between digital banking products, or why they have to pay extra to access some digital banking services.

Overall, 84% of SMEs surveyed said they are frustrated with their business banking experience. Surveyed SMEs were most frustrated by 'pay for play' restrictions that limit what they can do on digital platforms unless they pay extra fees. Additionally, SMEs surveyed feel that lending decisions take too long and the credit on offer is inflexible to their needs. Given the popularity of accounting tools like Xero and

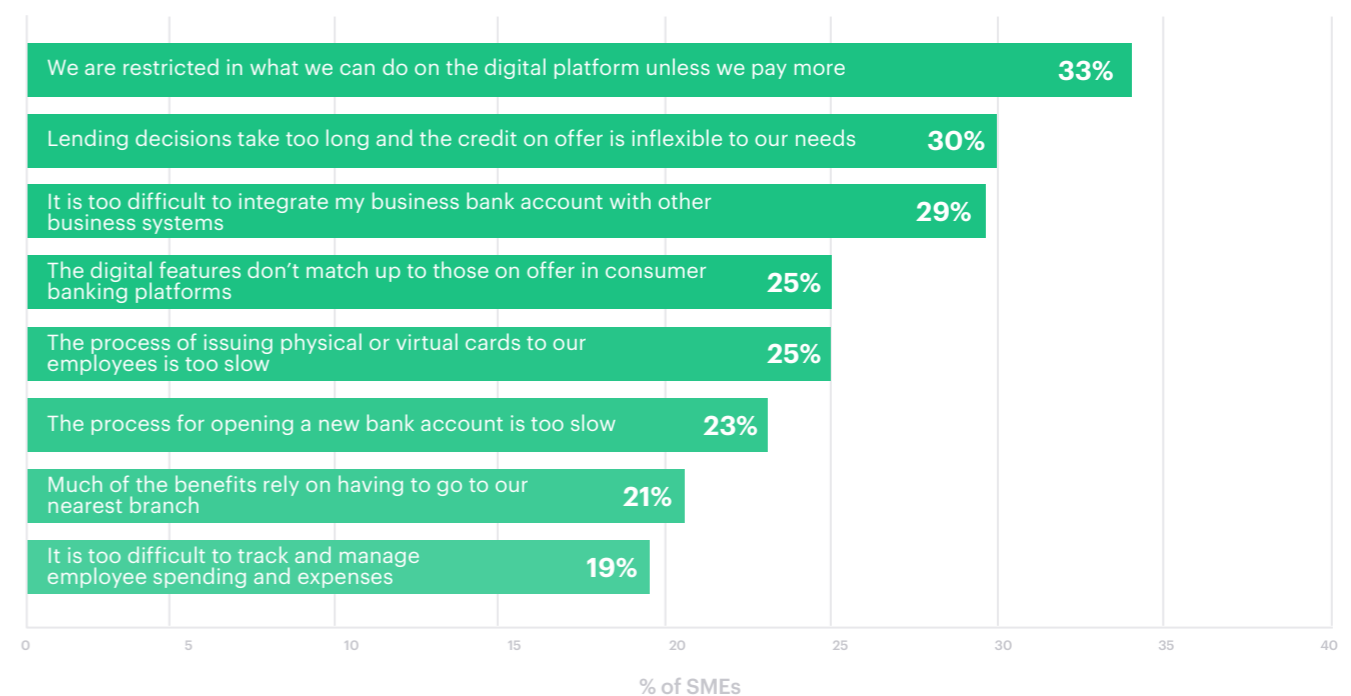
QuickBooks, it's no surprise to see that SMEs surveyed were also frustrated by difficulties integrating their business bank accounts with other business systems.

**68%** of SMEs surveyed say the digital features of business bank accounts aren't as advanced as consumer bank accounts

**57%** of SMEs surveyed find it confusing to understand the differences between digital banking products

**71%** of SMEs surveyed are frustrated that they have to pay extra to access some digital banking services

### Surveyed SME's frustrations with the overall business bank account experience:



## SME banking demands

Thinking about their future banking needs, the most important features SMEs we surveyed would like to see from their business bank account provider are: the ability to track income and expenditure in real time from a business bank account; the ability to send, pay, and track invoices directly from a business bank account; and the ability to integrate business banking with other systems like accounting to help speed up decision making on loans.

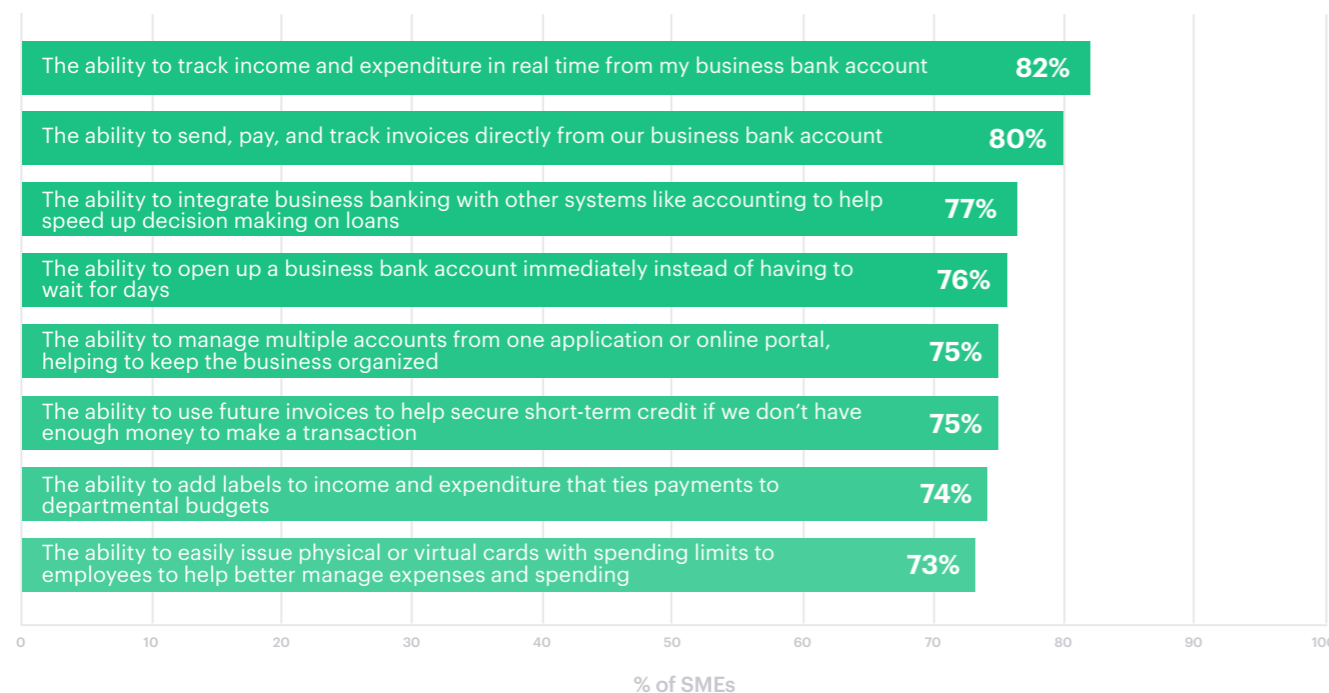
Interestingly, the SMEs we surveyed were open to sharing more data with their bank, provided they get something in return. The study found that SMEs would be willing to give banks access to business systems such as accounting, invoicing, or payroll software, if that meant they could spend less time filling out forms to apply for loans and get quicker approvals.

There is similar demand with short term credit. According to the findings, 70% of SMEs have an overdraft facility and on average they dip into this once a month. Surveyed SMEs would like their bank to use real-time data, such as payments, remittances, and invoices due to be paid, to help better inform lending decisions, offering quicker, frictionless decisions on short-term loans or overdrafts.

**76%** of SMEs surveyed are willing to connect other business systems and share more data with their bank, if it means getting quicker loan approvals

**80%** of SMEs surveyed want their bank to use real-time data to help inform lending decisions and offer quicker, frictionless decisions for short term loans or overdrafts

### Surveyed SME's want business bank accounts to offer:



# SME banking needs to move beyond a one-size-fits-all approach

It's clear from the survey data that SMEs crave digital banking but are frustrated with today's offerings. SMEs want their providers to offer more digital services to help them better manage their finances, quickly access funding, and link up with existing business systems.

A gap seems to exist between what SMEs want and what banks are offering. Too often banks provide a vanilla service, but businesses today are looking for many flavours. Banks need to differentiate their offering for different segments of the market, catering for SMEs at different stages of their lifecycle.

Giving business banking a digital makeover can help solve this by allowing banks to customise their products to suit the needs of the SME community. This is vital because as more SMEs embrace digital

banking, they may expect more from their account providers, and digital features or customisation could become a key customer retention battleground.

To succeed in this fight, banks should be supported with modern core banking and payment platforms that can help them rapidly develop and launch digital business banking products tailored for SMEs.

Modern payment platforms like Marqeta enable innovation by simplifying the payment process, with an API-driven approach that empowers banks to quickly build and launch card programmes; turning vision to reality, faster. We believe those that are able to turn vision into reality and double down on digital to address SME frustrations will be well placed to gain an advantage in a confusing, complex market.



\*Methodology: Marqeta commissioned Censuswide to interview 400 UK SME business owners who have a business bank account. SMEs were defined as businesses with 10-250 employees.

Companies which  
are doing business  
banking differently



Kristin Kirštein  
Head of Growth

In the space of five short years, Estonian innovators Xolo have developed a compelling international business administration proposition for small firms and “solopreneurs,” — a business management platform for freelancers that currently handles €900m worth of transactions across more than 60,000 accounts. Services include invoicing and payments to suppliers, and the proposition is neatly designed to follow a solopreneur’s trajectory from a simple side business to established company. Marqeta caught up with Xolo’s head of growth Kristin Kirštein to find out more about the ways in which the business is improving life for its customers.

**1. Was there a defining experience/frustration that led to the creation of a new payment solution for freelancers?**

It’s probably safe to say that Estonia has one of the most business-friendly legislative environments in the world. In fact, Estonia ranks 14th for the ease of starting a business according to the World Bank. So in a way, what led to the creation of Xolo, was the wish to export the Estonian way of doing business to other countries in Europe and beyond.

Today, we are helping our customers to start and run their businesses in two ways. First, we are using an innovative partnership model that enables customers to use a virtual slice of our legal framework to start invoicing their customers in 10 minutes. Secondly, we also support customers in founding their own fully fledged companies with the help of Estonian e-Residency.

**2. You describe Xolo’s target customer as a solopreneur: What is a solopreneur, and what are their daily challenges?**

A solopreneur is a person running a business of one. While solopreneurs report more flexibility and a better work-life balance as an upside of the freelancer lifestyle, there are also tons of negative aspects weighing them down, such as the huge administrative burden or loneliness.

Since solopreneurs are running a business on their own, it is almost expected that they are professionals in their respective field, accountants, lawyers, and tax experts in one. This results in a disproportionate amount of time spent on business admin tasks even if those are somewhat outsourced. With Xolo, we want to remove the administrative burden that freelancers are facing so they could unlock their true potential in building their business.

**3. Xolo has customers in over a hundred countries. What challenges does that present to offering a personalised and localised customer experience?**

Indeed, we currently have customers in 119 countries all over the world, which makes Xolo one of the truly global freelance service providers.

When Xolo was launched in 2015, we believed that freelancers around the world were facing similar challenges in starting and running their businesses which led us to a global strategy focusing on solopreneurs who were running an international business. Today, we can see that the topic is much more complex and solopreneurs in different countries also face unique problems.

Our customer base is very versatile — not only based on location but also the customer’s lifestyle. We have a great following of digital nomads and expats but we’re also seeing more and more “local” entrepreneurs interested in our products.

This is why we are looking into ways of making our messaging and product more suitable for local markets as well. This includes launching location-specific landing pages, downloadable tax pdfs and more.

**4. Do you involve your customers in the evolution of the product offering and how do you stay close to better understanding the customers’ needs or frustrations?**

Xolo is a customer-centric organisation, meaning that we highly value customer feedback and also make it a rule to test new product ideas on our target groups before actually committing to bringing a new product to the market.

We even have a strategic position called head of customer research in place so that we’d be best equipped with customer-related data and also on top of conducting user interviews or other research. Of course, there are also automated processes in place, whether it’s quarterly NPS popups or surveys within the platform.

**5. What do you think the next big evolution is in serving the self-employed/sole trader audience?**

As freelance business is becoming international in its nature, people are more free than ever to choose where their business is located.

Countries are realising the need to raise their competitiveness regarding serving freelancers. We can see this in more flexible legislation and taxation being rolled out especially for new freelancers in many European countries such as Spain, Portugal, or France. In addition, there’s the concept of a digital nomad visa or e-Residency popping up in different countries with Estonia often being one of the first to move, and other countries such as Barbados or Georgia following closely behind.

So all in all, countries will be becoming more competitive to get their share of the rapidly growing freelance economy.

**6. Fast forward five years’ time. How do you envisage that Xolo may have evolved?**

Xolo’s vision is to build a world of solopreneurs by making freelancing a magical experience. This means that starting a business and managing one should be easy enough for anyone to do it. So in our ideal world, everyone will have the opportunity to freelance in 5-10 years, enjoying the freedom and flexibility of the solopreneur lifestyle should they choose.

Thanks to Kristin Kirštein and the team at Xolo for taking the time to share how they’re improving the lives of freelancers.

The views and opinions expressed are those of the respondent and do not necessarily reflect the views or opinions of Marqeta.

Learn more about Xolo  
[Xolo.io](https://xolo.io)

Learn more about Kristin  
[Connect on LinkedIn](#)



French B2B innovator manager.one is on a mission to eliminate complicated prices and time-consuming processes from the corporate banking experience.

Resulting out of a partnership between Banque Wormser Frères and SaGa Corp, the online platform was founded in 2017 by former entrepreneurs who felt business banking clients deserved more transparent pricing and greater service personalisation.

### 1. What inspired you to launch manager.one?

The genesis of manager.one is simple: it's the brainchild of our four French partners, who have been entrepreneurs for more than a decade. In 2015, following the sale of their last company (the publisher of the successful Télé-Loisirs mobile app which reached more than a million users in a few short months), the four reflected on their experiences in business. And there was a single, recurring frustration: banking, and specifically banks' failure to offer any features to improve their daily lives as entrepreneurs.

These observations led to the birth of manager.one, a simple intuitive banking platform, available on the web and mobile, and in constant evolution to offer bespoke functionality to entrepreneurs.

### 2. Tell us more about the audience you're serving and its needs?

Essentially, our audience is twofold. manager.one is an online bank for professionals in France and is designed for all types of business. Currently, we receive between 50 and 100 requests to open an account each day. Abroad, our web banking technology is available as a white-label product to all financial players. The aim is to help all banks around the world to offer truly innovative services to their customers.

### 3. What kinds of features does manager.one offer to help professionals?

Our product offering is being enriched all the time and some of the features delivered so far include: customers are able to open an account online in just five minutes and make regular, conditional and international transfers, which can be tracked in real time. We're also delivering payroll efficiencies, giving businesses the ability to pay all employees in just two clicks, and have added functionality that enables business owners to require staff to justify transactions with a document (e.g. a receipt or invoice). We also offer exports for accounting, sharing and customisable access rights. And of course, our Visa corporate card is simplifying expense management.

Furthermore, our corporate card has more than 60 features for controlling expenses in real time. It's possible to set up cards according to each employee's profile, define ceilings by day, week and month, and limit the card's use to certain days and time slots, block withdrawals, or even define the nature of authorised expenses.

We empower the teams while ensuring finance managers retain complete control and visibility over their spending.

### 4. How do you go about ensuring that a product feature you launch is valued and that the user experience is exceptional?

Each function we develop is driven by real need, which is often identified by our customers. This is so important to our proposition and overarching philosophy that we have a team dedicated to user experience, with designers who conceive simple interfaces and then test and constantly improve their iterations.

### 5. Which brands does manager.one look to for inspiration?

We're inspired by any brand that dares to break the rules and bring innovation to their sector. This is why we are partners with Marqeta, our DNA is the same.

### 6. What's next for manager.one?

Innovation never stops, whether this is for customers in France, or for financial institutions around the world who rely on our white-label solution. We'll continue presenting new functionality and features that deliver efficiencies for our customers and spur positive change in banking for entrepreneurs.

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Learn more about manager.one  
[manager.one](#)

Learn more about Adrien  
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## Antti-Jussi Suominen CEO

Since 2011, digital banking innovator Holvi has been delivering impressive money management tools and user-friendly business accounts to freelancers and entrepreneurs across the globe. Its proposition also features accounting and bookkeeping tools — all of which are aimed at helping small business owners save time and focus on growth. We spoke to Holvi's CEO Antti-Jussi Suominen to learn more about business bank accounts for freelancers and other services for the self-employed.

### 1. Did you have a defining experience that drove you to set up Holvi?

We founded Holvi in Helsinki in 2011. Self-employed people ourselves, we had had enough of being forgotten by traditional banks and left alone with the management of our finances. There were no banking products designed to meet the needs of freelancers. Today our team consists of over 140 employees from 30 countries. In our offices in Helsinki, Berlin, and Madrid, we work every day to make life a little easier for the self-employed. We want them to spend less time handling their business finances, bookkeeping, and tedious paperwork — and more time on everything else.

### 2. Is there a company you see as a mentor that has a vision which really resonates with what Holvi is trying to achieve?

We're big fans of Atom Bank. The team is great, and they are also in the business of transforming banking for small businesses. In that sense, we share the same mission. And from our perspective, they're doing a great job.

### 3. What are the core ingredients of building a digital bank that can scale and constantly innovate?

First, you need to decide on your licensing from the start.

Naturally, financial services is an inherently regulated industry in which consumers are rigorously protected; therefore, it is extremely important to understand and comply with the regulatory laws and licensing requirements when building a fintech startup.

Second, a well-rounded team is critical.

Holvi's technology platform has a full retail banking capability that our team built completely in-house. Our success in this can be largely attributed to our diverse team, which specialises in code, design, finance, compliance, and operations. It cannot be overstated: if you want to get into fintech, start by building a well-rounded team with skills in these areas.

Third, compliance is your best friend.

If you think compliance is secondary and can wait until the most important things are done, think again! Don't wait too long to hire a compliance officer to implement effective compliance policies and procedures. The basic starting point is to show an intention to put consumer protection at the heart of your startup.

Fourth, shape your product around your customers' needs.

Create a banking product that your customers will love. For example, we want to offer the best bank account for freelancers. Put your time and effort in understanding your customers' needs, and form your product and messaging from there.

### 4. What are the hardest lessons you have learnt from designing a business banking experience for the self-employed?

Banking has been very local for decades, so there aren't a lot of banks that are both international and digital, providing services across borders without having physical offices. When we started our expansion, there wasn't an existing playbook for market entries. It's been interesting and exciting — with a lot of rough learning.

One hard lesson we've learned is that passporting our banking licence across Europe is not as easy as said. It's a beautiful idea, but it doesn't work in practice due to local regulations.

We've also learned that increasing operational efficiency is hard through automation and few fintechs have figured this out. Most companies are still scaling by increasing headcount. This is both challenging and rewarding at the same time as we try to find ways to scale our business through automation and technology.

### 5. How do you stay close and anticipate the future needs of your core audience — entrepreneurs?

Every company wants to understand its customers in order to develop its business and drive growth. So do we. Here at Holvi, we want to have a deep understanding of our customers' wishes and pain points — and preferably in real time — which we do by talking frequently to our customers as well as doing research within our customer target group.

Today, automation is the core of our customer feedback collection and analysis. Product managers can see in real time which areas of our service and offering get positive or negative comments and gain a better understanding of what the feedback means. This way, we can easily make the data actionable.

As we turn customer feedback into actions, we want to ensure that our customers know that their feedback matters and that they are up to date on what's coming up in product development.

### 6. What do you think the next big evolution in business-to-business (B2B) banking will be?

In terms of serving our customers, there's still so much work to be done. We, as Holvi, are not there yet. Other providers are not there yet. Just as an example: The ultimate freelancer mortgage product is not there yet. So there is a lot to be done and a lot that we and the industry as a whole, the financial service industry, can do to support freelancing as a valid career path.

The views and opinions expressed are those of the respondent and do not necessarily reflect the views or opinions of Marqeta.

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[Holvi.com](https://holvi.com)

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## About Marqeta

Marqeta is the first global modern card issuing platform, providing advanced infrastructure and tools for building highly configurable payment cards.

With its open API, the Marqeta platform is designed for businesses who want a simple and tailored way of managing payment programs so that they can create world-class experiences and power new modes of commerce.

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