

Amex taps into SMB digitization with B2B payments solution

Article

The news: The card network rolled out American Express Global Pay, a digital solution that lets US businesses make domestic and cross-border business-to-business (B2B) payments directly from the Amex app, per a press release.

All eligible US Amex Small Business Card members can send payments funded by their business bank accounts to suppliers in more than 40 countries across a range of currencies.

Why this can succeed: Amex Global Pay can streamline B2B payments and meet B2B payment preferences.

- Cardholders can send B2B payments where they manage their cards, creating a consolidated experience for SMBs to manage their business expenses. And **23% of SMBs** are interested in using an all-in-one payment solution to make payments, per a July PYMNTS and PlastiQ survey.
- Amex Global Pay offers same-day business payments for eligible purchases, feeding into supplier demand. **Eight in 10 suppliers would take a payment discount** if they got paid 30 days sooner, AP solution provider **Nvoicepay's** president, Josh Cypher, told Insider Intelligence.
- The B2B solution also offers rewards on foreign exchange payments, adding to merchant appeal. Users can earn one Membership Rewards point for every \$30 equivalent in foreign exchange payments.

Zooming out: Amex has strengthened its B2B offerings with several recent partnerships.

- It partnered with virtual card fintech Extend in September 2021 so Amex Business cardholders can enroll and create their own virtual cards, which are growing in popularity. B2B payments are expected to account for **71% of global virtual card transaction volume** by 2026, per Juniper Research.
- And Amex partnered with accounts receivable solutions provider Billtrust in April to make it easier for suppliers to accept Amex virtual card payments.

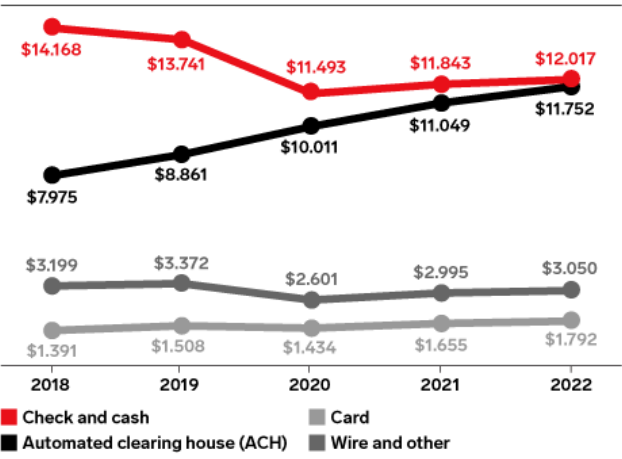
The key takeaway: Amex's push into digital B2B payments can grow volume for the network and issuer as more SMBs digitize. **Eighty-two percent of SMBs in the US and Canada** changed how they transmit money—and just more than half transitioned clients to digital methods at the onset of the pandemic, according to an August 2020 Mastercard study.

All-in-one solutions like what Amex is striving for can be attractive to these smaller merchants and opens up the card network to a massive volume opportunity: **US B2B payments transaction value is expected to hit \$28.611 trillion in 2022**, per Insider Intelligence forecasts.

Related content: Read our [US B2B Payments](#) report to learn more about the digitization of the industry and where it's headed next.

US B2B Payment Transaction Value, by Transaction Method, 2018-2022

trillions



Note: payment transaction value for products or services from one business to another; includes payments for goods and services made via cash, check, ACH, card, wire, and other methods; net of cash advances, chargebacks, and balance transfers
Source: Insider Intelligence, July 1, 2021