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Written & Produced by



# B2B PAYMENTS Survey Report

2021

Exclusive Report

- ▶ Payments Intensity
- ▶ Payables Services, Etc.
- ▶ Payables Technology
- ▶ Payments Security
- ▶ Planned Payments Tech
- ▶ Payments Modernization
- ▶ Working Capital & AP/AR

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## Survey Contacts

**CRAIG JEFFERY, FLMI, CCM**

Founder & Managing Partner,  
[craig@strategictreasurer.com](mailto:craig@strategictreasurer.com)

**BRIAN COCHRUM**

Director of Marketing,  
[brian@strategictreasurer.com](mailto:brian@strategictreasurer.com)

**KYLENE CASANOVA**

Marketing Manager  
[ky@strategictreasurer.com](mailto:ky@strategictreasurer.com)

20  
21

# B2B PAYMENTS SURVEY REPORT



DEVELOPMENT



RUN TIME



ANALYSIS

April

May

June

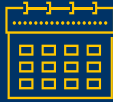
July

August

September



**340+**  
respondents



**10-week**  
survey runtime

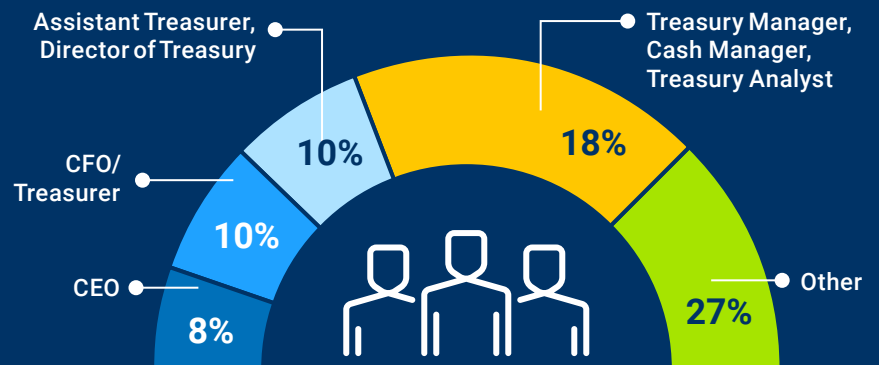


**5th** year  
of research

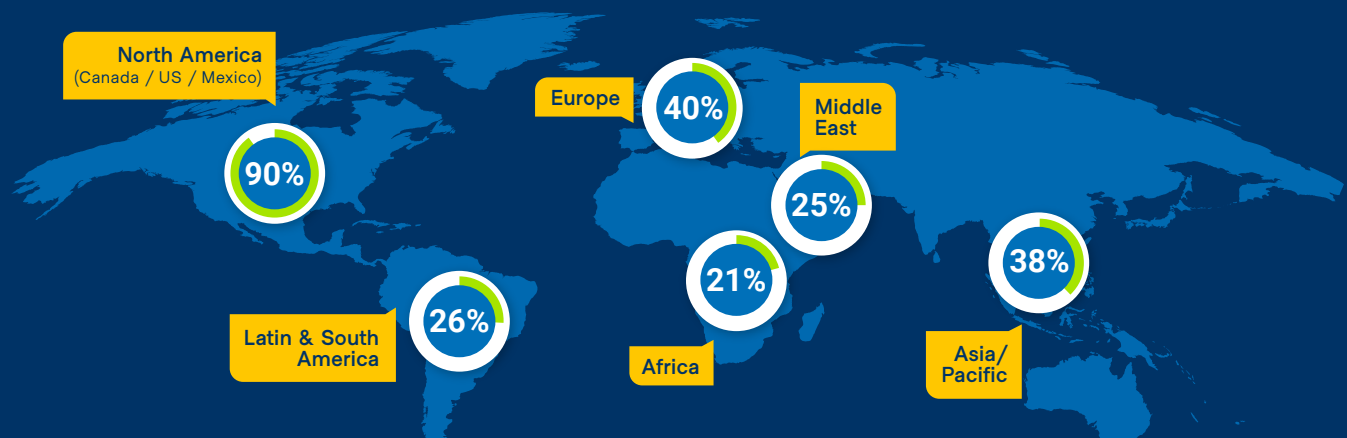


**80+**  
questions

## TOP CORPORATE ROLES



## RESPONDENT REGIONS OF OPERATION



# Executive Summary

The fifth annual B2B Payments Survey was taken by 340+ respondents from 06/02/21 to 08/09/21. The survey was underwritten by Bottomline Technologies and powered by Strategic Treasurer. Common to much of our research, the survey contained branching logic allowing corporate responses to be captured in a distinct manner from bankers. This allows different questions to be offered to each group while providing opportunities to identify both convergent views and divergence of outlook.

## In this report, you will find a few different sections:

- **Survey & Firmographic Information**  
This section highlights key survey statistics and data about survey respondents and their organizations.
- **Key Findings**  
The top 10 findings from this year’s research are summarized on two pages for rapid consumption of this material.
- **Detailed Reporting**  
There are additional survey findings that are presented with graphics and minimal commentary or explanation where warranted.

## The key findings are nearby, but for a more executive style summary:



### CORPORATES

- **Payment Growth Emphasis: Virtual Card and RTP**  
This section highlights key survey statistics and data about survey respondents and their organizations.
- **Checks Still Exist and Are Proving Stubborn.**  
Most companies make the majority of payments electronically. Almost one-third of firms still make a majority of payments using non-electronic means.
- **AP’s Banking Information Challenge.**  
Top of the issue list for AP was updating vendor banking information and dealing with missing vendor information.



**GUNITA BINDRA**  
*Vice President of Product Management & Partnerships  
Bottomline*



**CRAIG JEFFERY,**  
**FLMI, CCM**  
*Founder & Managing Partner  
Strategic Treasurer*

- **Half of Firms Had Serious Payment Fraud Attempts.**

Forty-nine percent of firms reported they had serious fraud attempts against them. Fifteen percent of all companies indicated they suffered a loss.

- **B2C Payments: 74%.**

In this survey on B2B payments, 74% of companies indicated they are asking their banks to provide Business to Consumer (B2C) payment capabilities.

- **API Moving Towards Full Adoption.**

Over 80% of corporations expect to use APIs for five activities. Current use is at or above 37% currently.



## CORPORATES AND BANKS

- **Fraud: Escalating Concerns and Attempts**

Corporate concern about fraud increased heavily over last year (+52%), and even more so among banks (+70%).



## BANKS

- **APIs Are the Top Bank Priority.**

Fifty-nine percent of banks listed API as their #1 priority, exceeding mobile, AI/ML and RPA. This further increases API's lead over other methods from last year (54%).

As you examine the key findings and explore the larger set of survey responses and various cuts of data, you may think of additional questions or areas you would like to better understand. Are there notable differences if we look at the size of companies? How have these practices or perspectives changed over time? We invite you to submit your questions or additional areas you'd like to learn more about. We will either provide a detailed response with data or feed this into our 2022 research plans.

Finally, for those who took the survey—thank you. Those who took the survey receive a more comprehensive report as a token of appreciation for your investment of time. As always, your survey responses remain confidential. Our thanks to Bottomline, as well, for their ongoing underwriting of this research and their invaluable contribution in updating the survey questions to be more responsive and interesting each year.

Read, think and enjoy.



## Additional resources related to this survey:

- [Infographic report](#)
- [Webinar replay](#)

# Key Finding Analysis

Within the following pages, the following icons indicate whether the questions were asked of corporate respondents, bank respondents, or both within the survey's branching logic.

 **CORPORATE**  
 **BANKS**

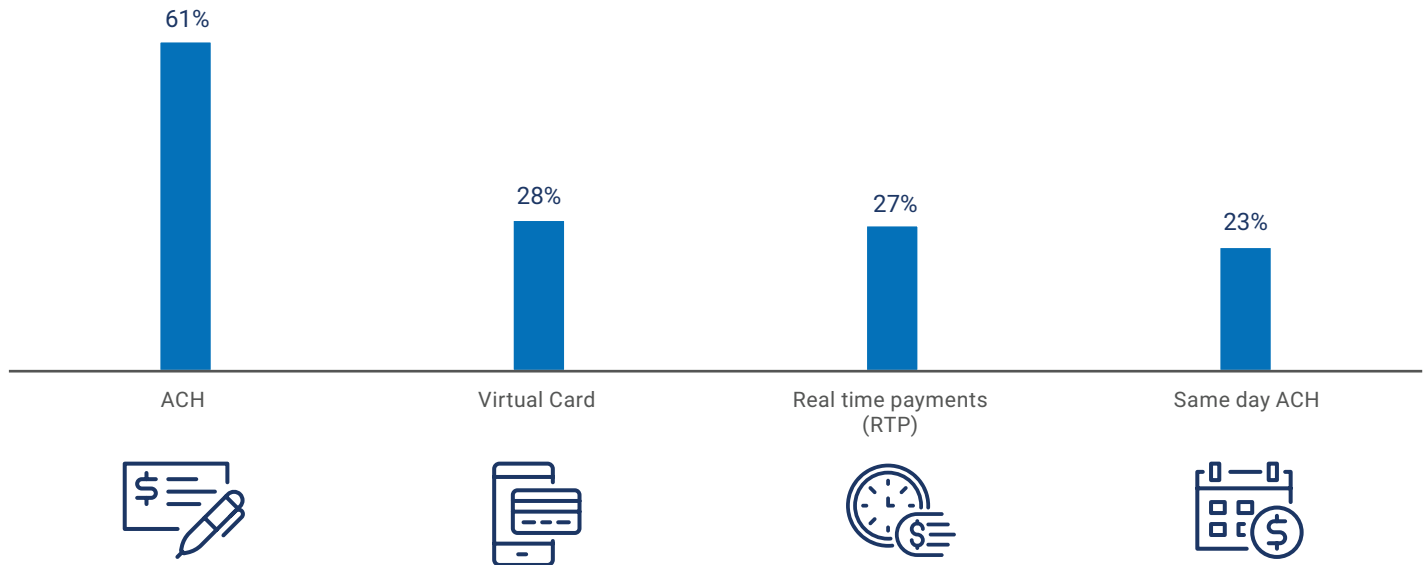
## 1 | Payment Type Growth Aimed at Virtual Card (28%) and RTP (27%).

ACH leads handily at 61% and Same-Day ACH sits in 4th position with 23% of firms indicating plans to increase their use here.



**Which of the following payment types do you plan to increase your use of over the next 12 months?  
(Select all that apply)**

Only top four respondent choices are shown below.

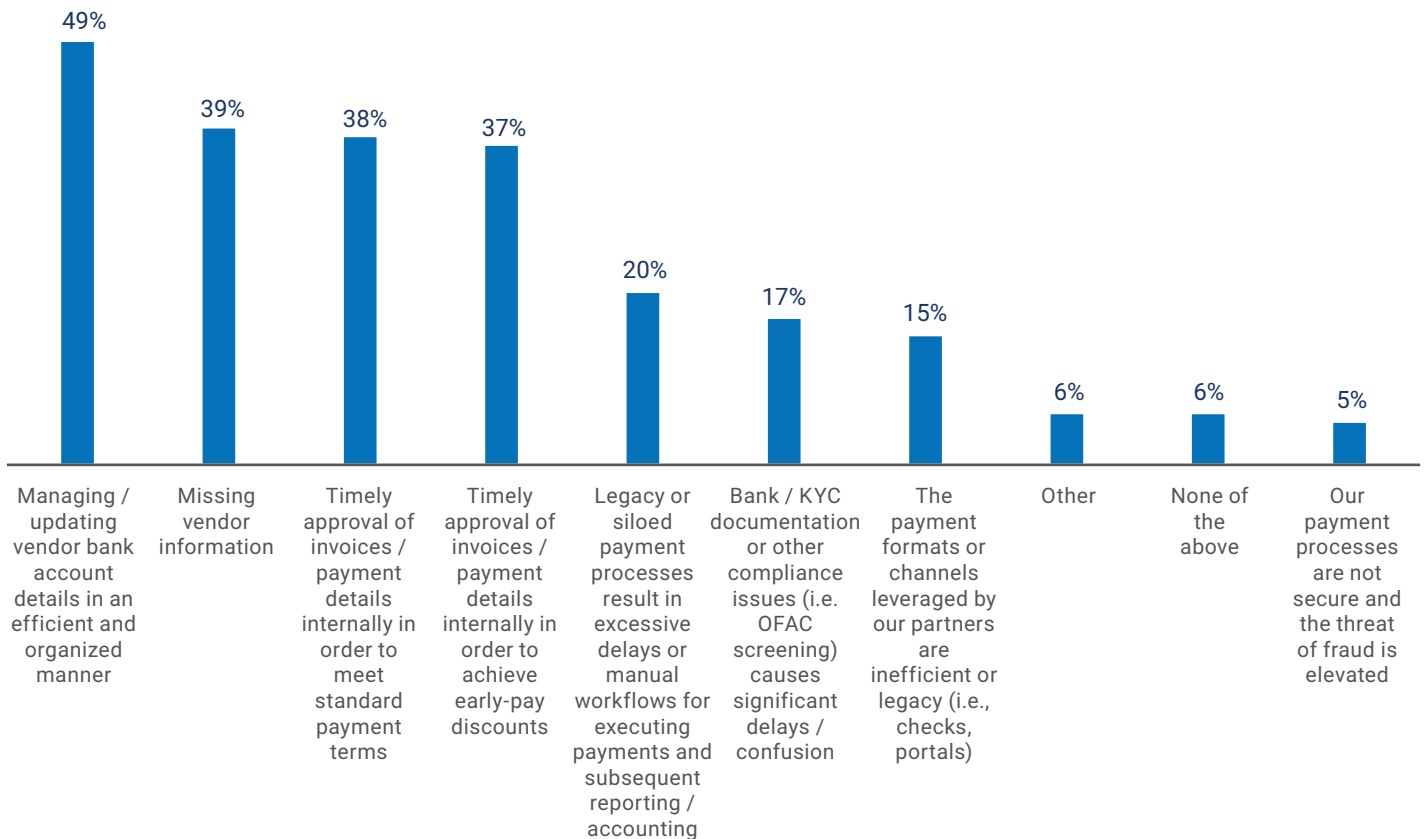


## 2 | AP Challenges with Paying Vendors: Updating Vendor Bank Information; Missing vendor info; x2 Timely approval of invoices

38% indicate timeliness issues in order to pay vendors according to terms and another 37% indicate the extended time to approve invoices is impacting their ability to receive early-pay discounts. Surprising to us it the last place response at 5%: 'Our payment processes are not secure and the threat of fraud is elevated'.

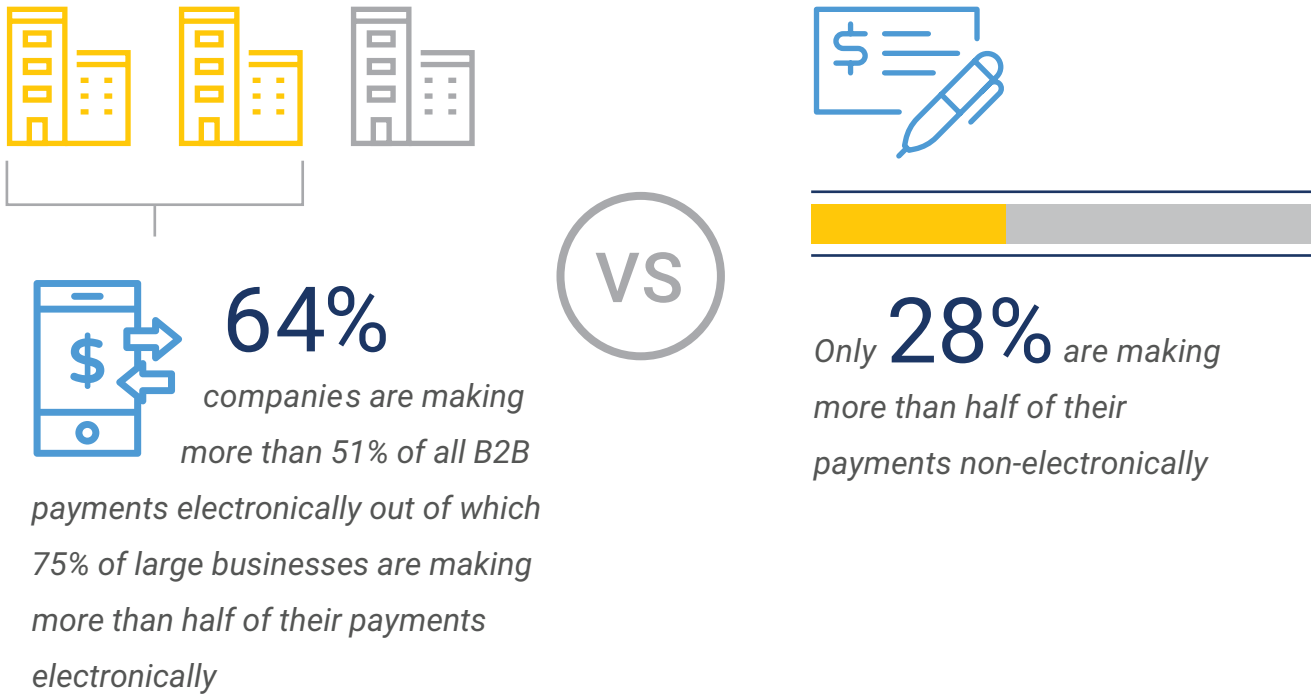


Please select up to the top 3 challenges AP experiences when it comes to PAYING vendors:  
(Select no more than three)



### 3 | Most companies are making the majority of their B2B payments electronically.

Nearly two-thirds of companies (64%) are making more than 51% of all B2B payments electronically. Only 28% are making more than half of their payments with non-electronic means.



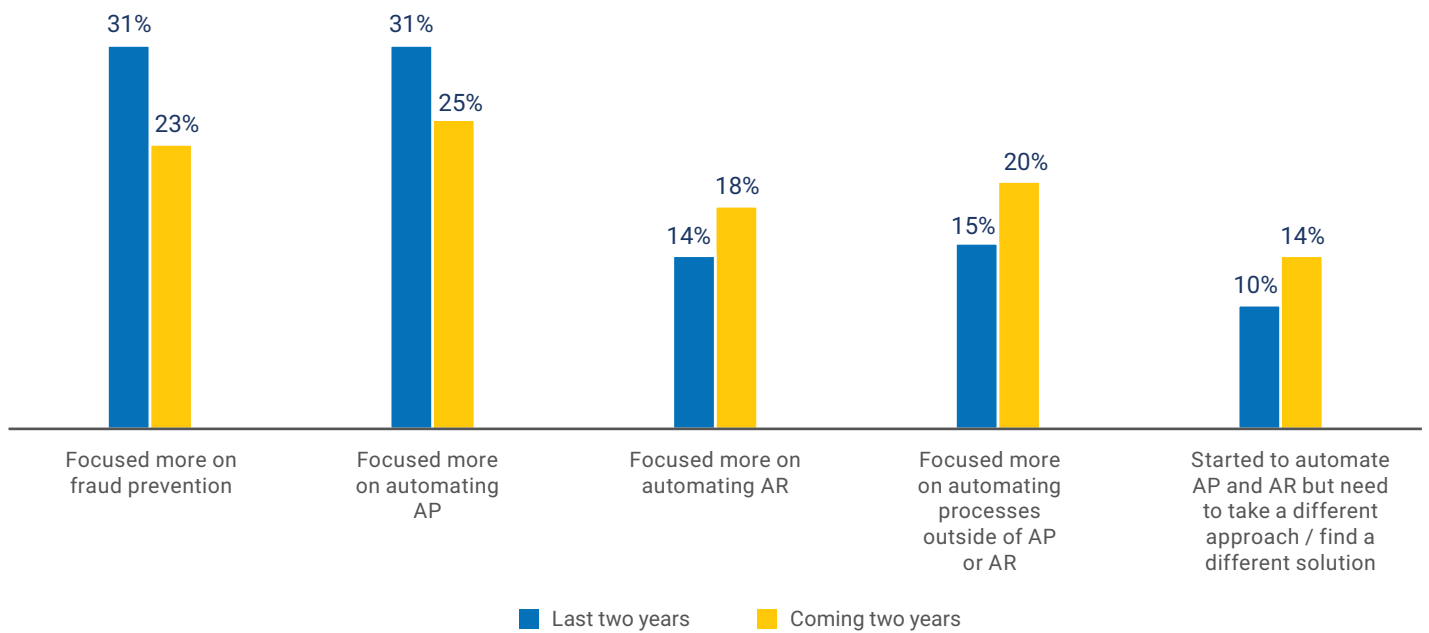


## 4 | Two Year Look at Changing Approach to Payment Improvement indicates shifting to more automation and less fraud prevention.

31% were focused more on fraud prevention over the past two years than they will be over the next two years 23%.



Select the statement that best describes how your organization's approach to payments has changed in the last two years / will change in the coming two years.






## 5 | Efficiency Metrics is the top driver of firms to evaluate new payment solutions.

The top 3 drivers are ordered as follows:

-  **#1 EFFICIENCY/PRODUCTIVITY METRICS (47%)**
-  **#2 UPPER MANAGEMENT DIRECTIVE (32%)**
-  **#3 PAYMENT SECURITY/CONTROL REQUIREMENTS (29%)**

The top 3 most inefficient components of a company's financial operations are ordered as follows:

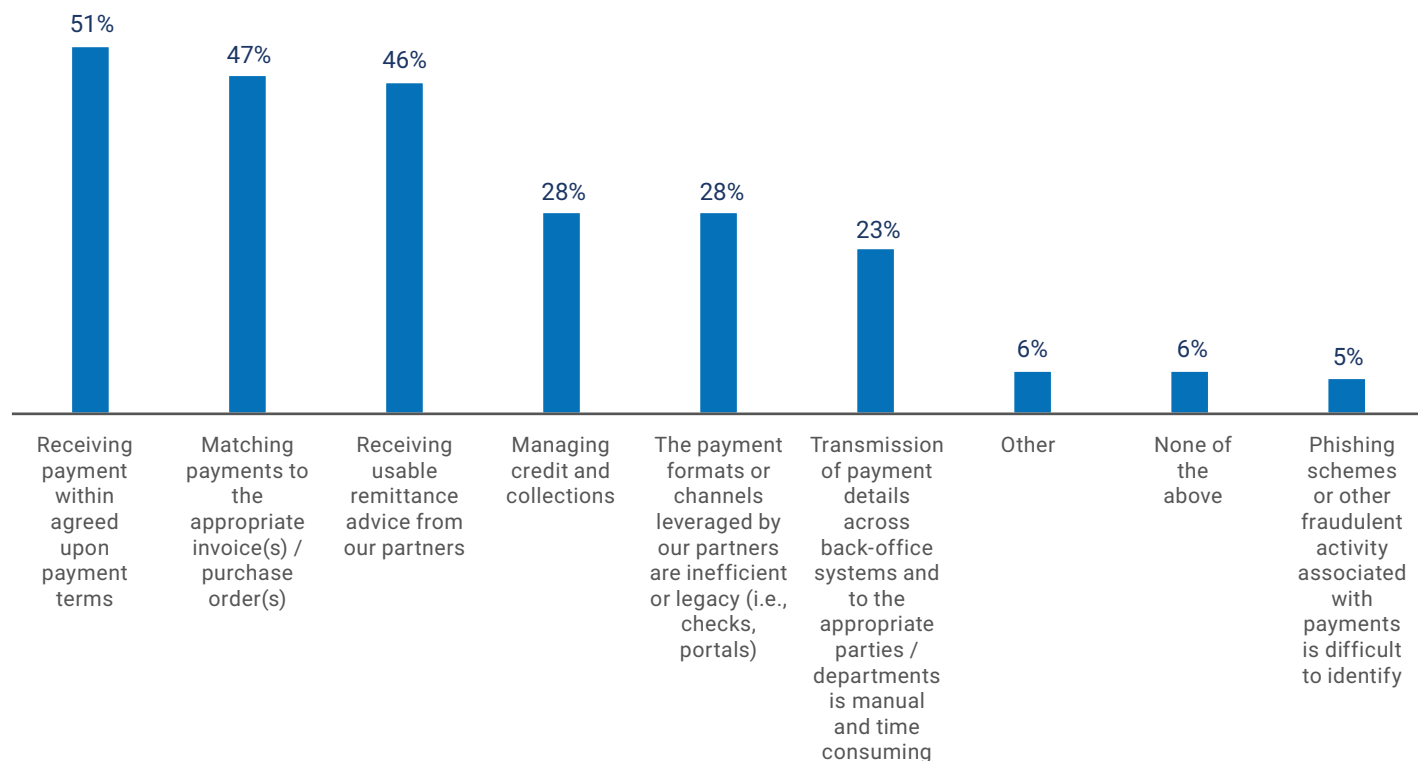
-  **#1 CASH FLOW FORECASTING (33%)**
-  **#2 INVOICE PROCESSING (29%)**
-  **#3 ACCOUNTS PAYABLE (28%)**

## 6 | AR: Timely Payment and Remittance Clarity are the top two AR Challenges.

The top AR challenges with receiving payments: 51% indicated receiving payments according to terms. Payment detail challenges included: 47% problems matching payments with invoices/ purchase orders and 46% receiving usable remittance information from partners.



Please select up to the top 3 challenges AR experiences when it comes to RECEIVING payments from customers and business partners: (Select no more than three)



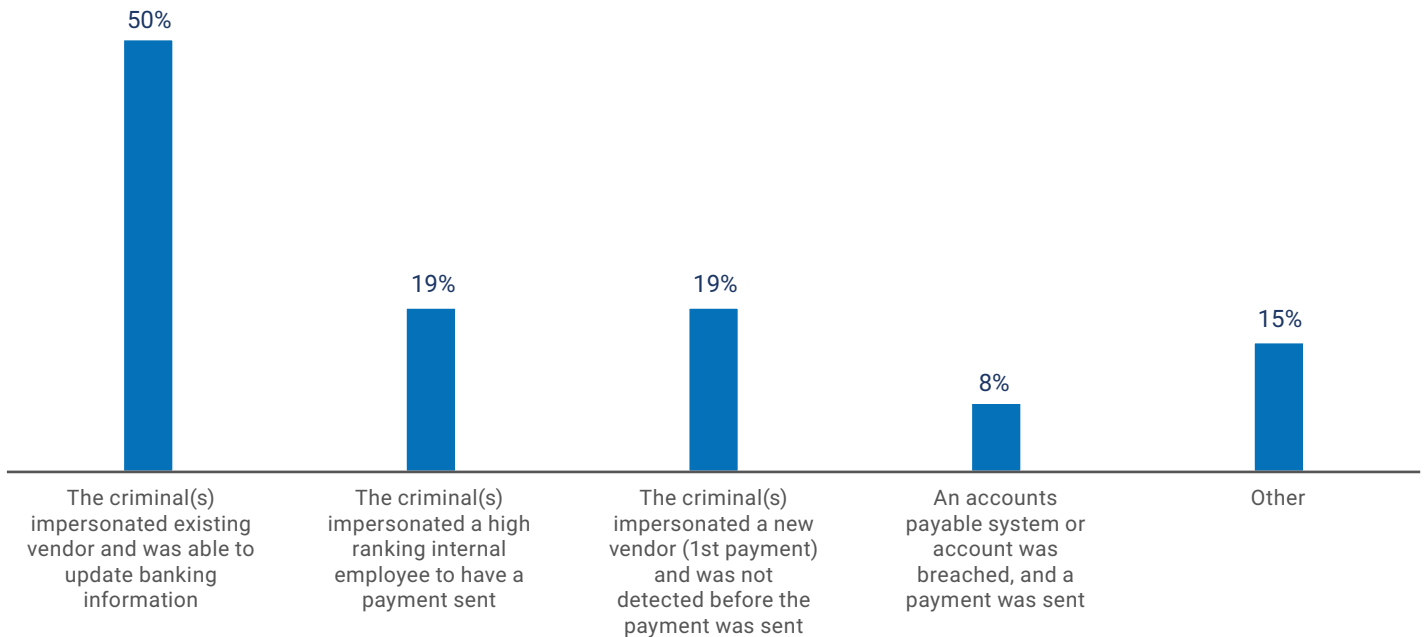
## 7 | Payment Security Concerns Escalate along with Fraud Attempts.

Bank concern has increased more rapidly than corporate concerns over the past year. 70% of banks have higher or significantly higher concern over the past year compared to 52% of corporates.

- **49% of Corporations had serious attempts (34%) or loss(es) (15%).** AP was the most common victim at 54% followed by AR (23%) and Payroll (15%).
- **Methods used to perpetrate the payment fraud included:**
  - Impersonating vendor
    - Existing vendor 50%
    - New vendor 19%
  - Impersonating an executive 19%
  - System breach 8%



### In what way was the fraud perpetrated against your organization? (Select all that apply)



## 8 | B2C: 74% of Corporations are asking banks to provide B2C payment solutions.

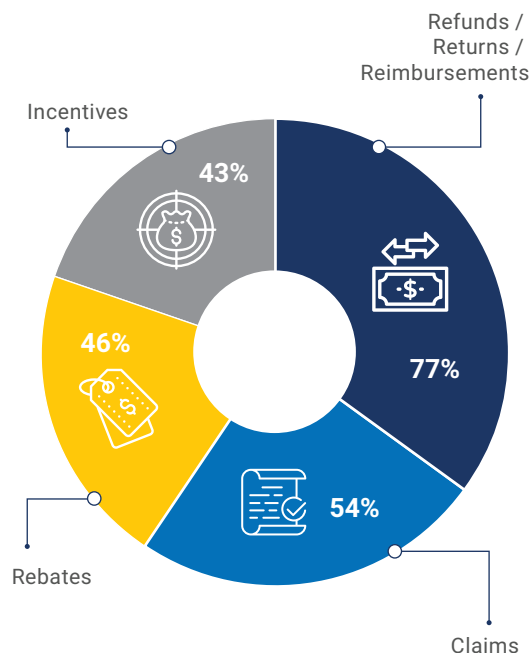
The reasons: 77% to manage refunds/returns; 54% for claims; 46% rebates.

- **92% of banks are paying attention:** 41% of banks are already offering solutions while 51% are evaluating. Which ones? RTP and Zelle (61%), Paypal 23%, Mastercard Send and Venmo (21%) and Visa Direct (20%).
- **51% of corporations have no significant need to automate B2C payments.** But, 12% have already automated their B2C payments and 38% indicate they have manual or paper-based processes that need to be digitized.

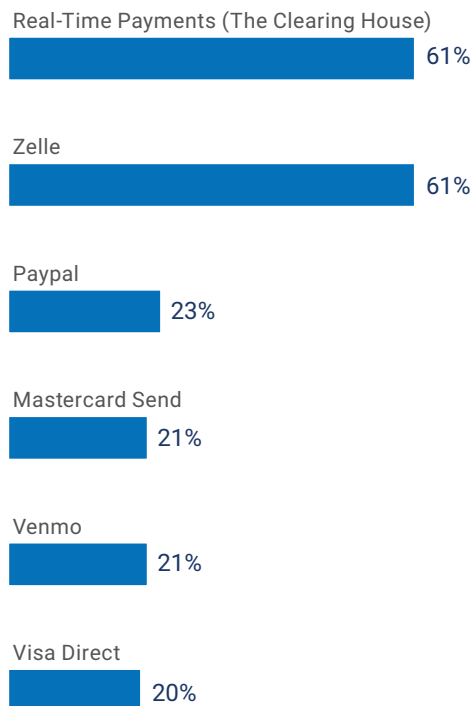


### What type of B2C payments are your customers seeking to automate? (Select all that apply)

Only top four respondent choices are shown below.



### Which of the following B2C payment technologies are you using / evaluating? (Select all that apply)



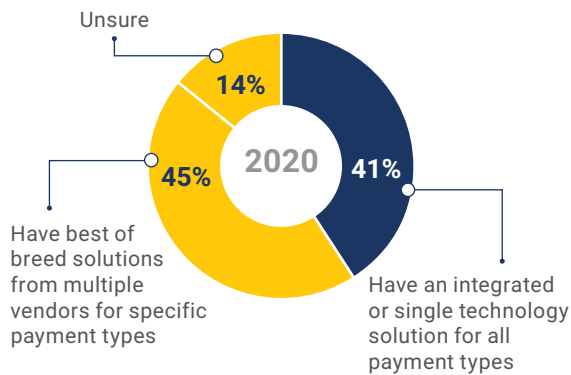
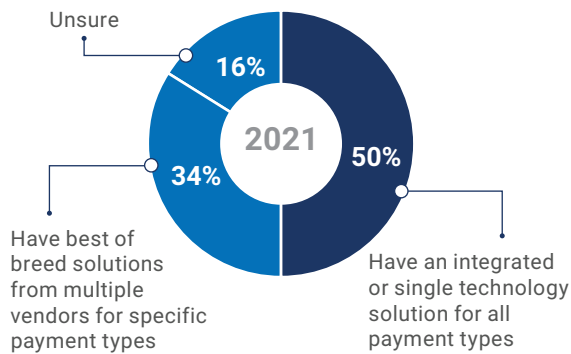
## 9 | Single Payment Solution Over Best of Breed with Banks via moving to match the corporate view.

Single payment solution dominant.

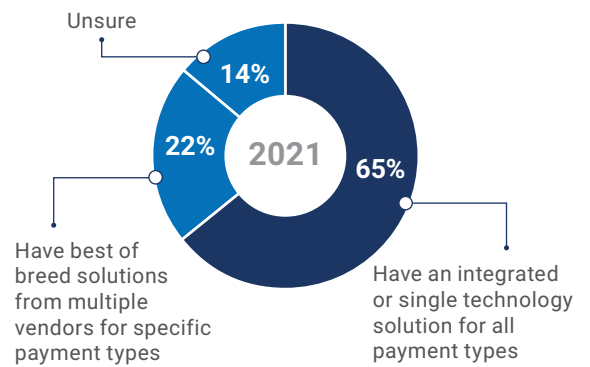
- 50% of banks say their clients prefer this (vs. 34% preferring best of breed ). In 2020 41% of banks indicated their clients preferred single solution.
- 65% of corporates prefer a single solution vs. 22% preferring best of breed.



Which statement best describes your clients' views on deploying payments technology:



For B2B payments, is it preferable to:

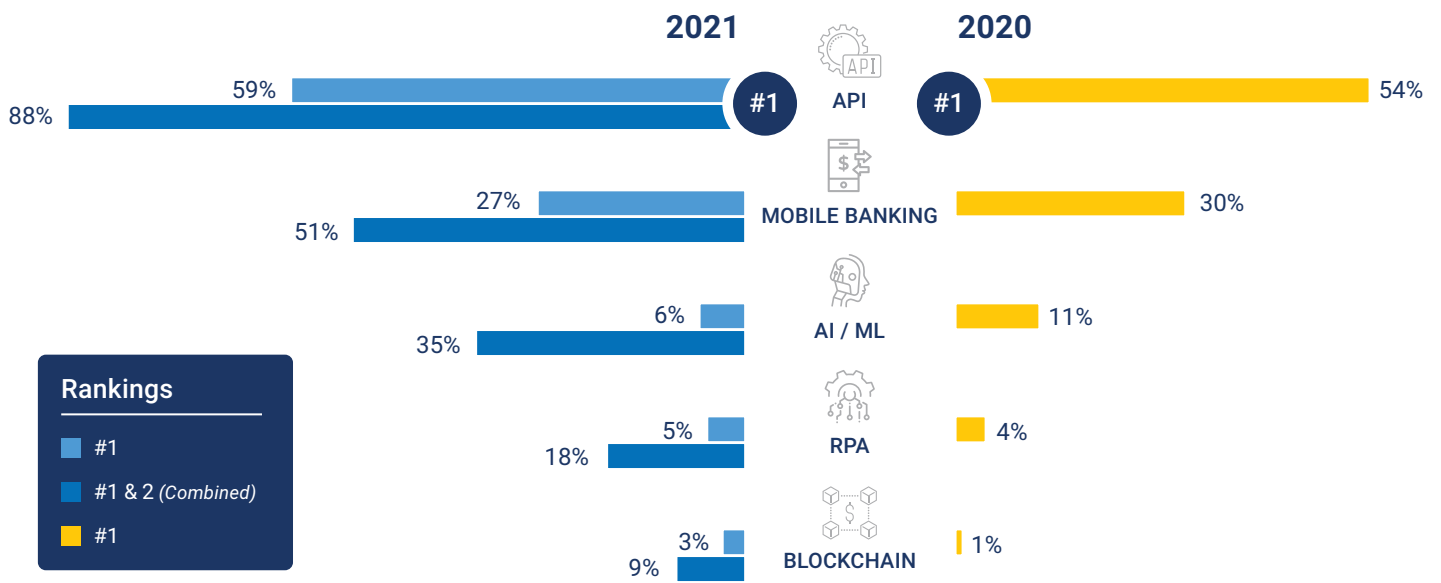


## 10 | API and Mobile Top Banking’s List of Technology Priorities above the use of AI/ML.

This view covers the next 2-3 years as banks believe these technologies will have the largest impact on B2B payments.



Please rank the following technologies or services in the order that you believe they will impact B2B payments over the next 2-3 years: (Drag and drop to arrange order)



# Action Items

## ■ GIVE FASTER PAYMENTS A LOOK

Maybe there are no urgent demands for faster payments today. However, with almost everything in our personal and business lives, there is a demand for speed. As an example, the monthly accounting close process often ended 15 days or more after month-end around twenty years ago. Now, many organizations have reduced the time to close to three or five business days. We are used to Zelle and other instant payments in our personal financial lives. No one wants to wait. Take some time to look at the faster payment options even if you don't have partners clamoring for it today.

## ■ ACCELERATE YOUR MOVE TO MORE DIGITAL PAYMENTS

The move to digital payments has reached the point where most firms are making the majority of their payments electronically. Where is your organization on this journey? There is measurable value for moving to digital. Those firms that maintain their focus and intentionality in the move to digital will benefit.

## ■ LISTEN TO BANKERS' CONCERNS ABOUT FRAUD

Your corporate peers have escalating concerns about fraud. These concerns come along with the experience of significant attacks and losses. Your peers are taking fraud seriously. An individual banker works with many clients and has a very wide view of fraud attacks. If those with a more comprehensive view are more concerned about the escalating threat, we should listen carefully.

## ■ ASK ABOUT APIS AND THE EMBEDDED EXPERIENCE

The ease and speed of making secure connections via APIs is influencing the uptake of this technology among corporate treasury groups and throughout organizations. Where are your banks and technology partners on this journey? Make this part of the ongoing conversation. Optimizing your business processes means more than just a better connection or a series of connections. Conversations with your partners need to extend from just an update on individual API development and use to a discussion on how they are using this technology to create a more seamless experience. An embedded experience. One where the technology moves into the background of a clean experience even when it moves across various providers.

## ■ MANAGING PAYMENT INFORMATION UPDATES

As payment information changes, the validation and confirmation processes are a significant challenge. Ensuring these changes are both correct and valid is vital for security. These processes absorb significant time. As companies wrestle with managing these changes gracefully, it is worth exploring the power of a network that takes care of maintaining the banking information along with the attendant headaches. Other companies will look at a more build-it-yourself approach by sourcing and integrating a range of services into every payment platform to support this vital function.



Have a concern  
or need the  
answer to a  
question?

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**Contact an expert.**

**Bottomline**  
[info@bottomline.com](mailto:info@bottomline.com)

**Strategic Treasurer**  
[info@strategictreasurer.com](mailto:info@strategictreasurer.com)



# Appendix

## Exclusive Report

### (Ambassadors & Respondents)

This next chapter of the report contains a subset of questions asked within the major sections of the 2021 B2B Payments Survey. While this information is not made available to the general public, for those individuals that completed the survey, we have provided additional data and analysis. This is intended as a token of appreciation for those who take the time to make our market research so valuable.

## How Can I Access the Full Results?

Although a significant amount of data is included in this appendix, we do not display the results from every question. However, individuals wishing for further analysis on any point of interest are encouraged to contact Strategic Treasurer for more information. Please reach out to Brian Cochrum at [Brian@strategictreasurer.com](mailto:Brian@strategictreasurer.com).

## Appendix Breakouts

Within the following pages, the following icons indicate whether the questions were asked of corporate respondents, bank respondents, or both within the survey's branching logic.

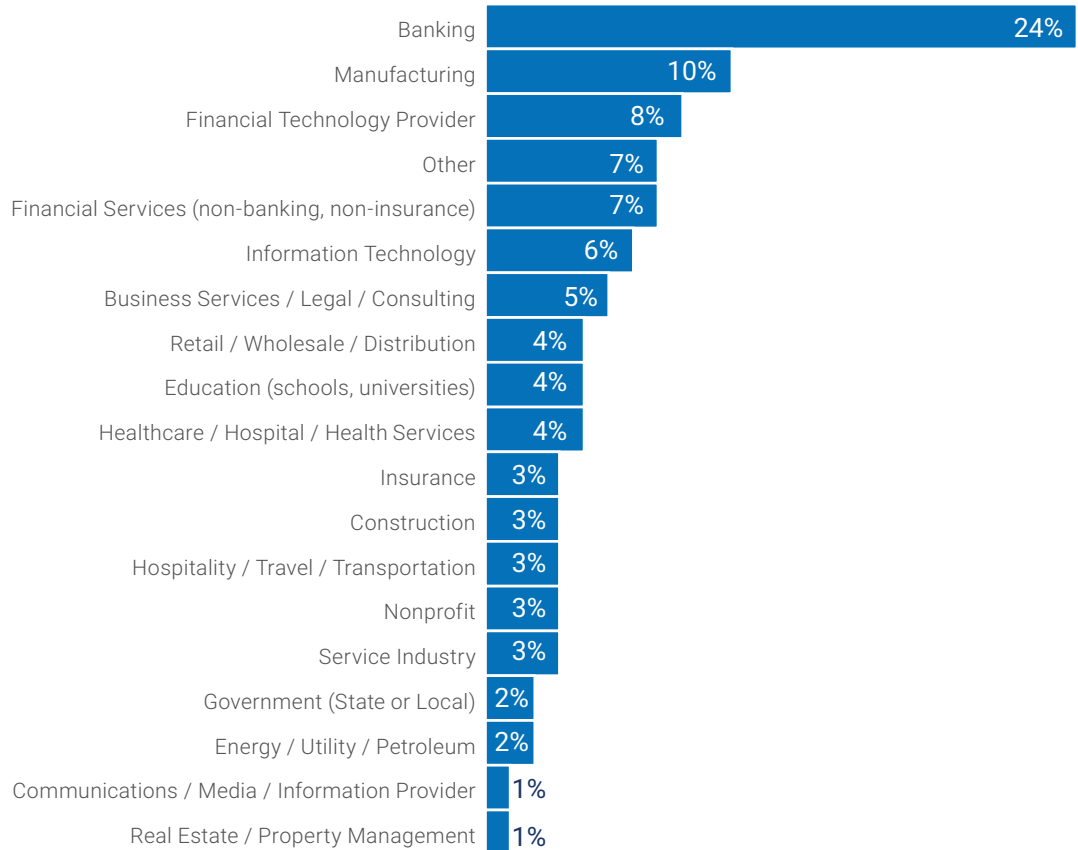




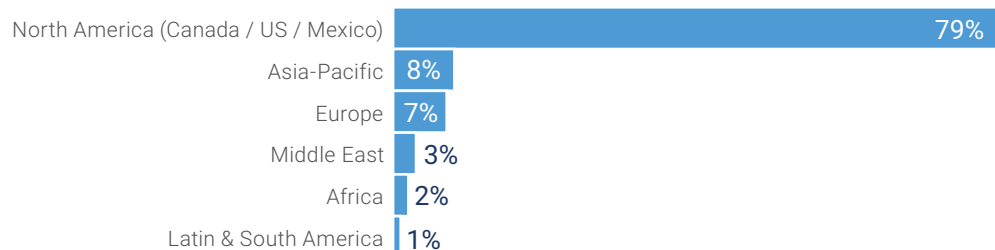
# DEMOGRAPHICS



## What is your organization's industry?

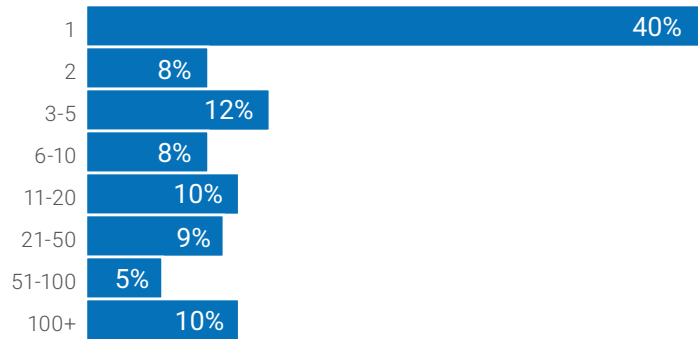


## In what region is your organization headquartered?

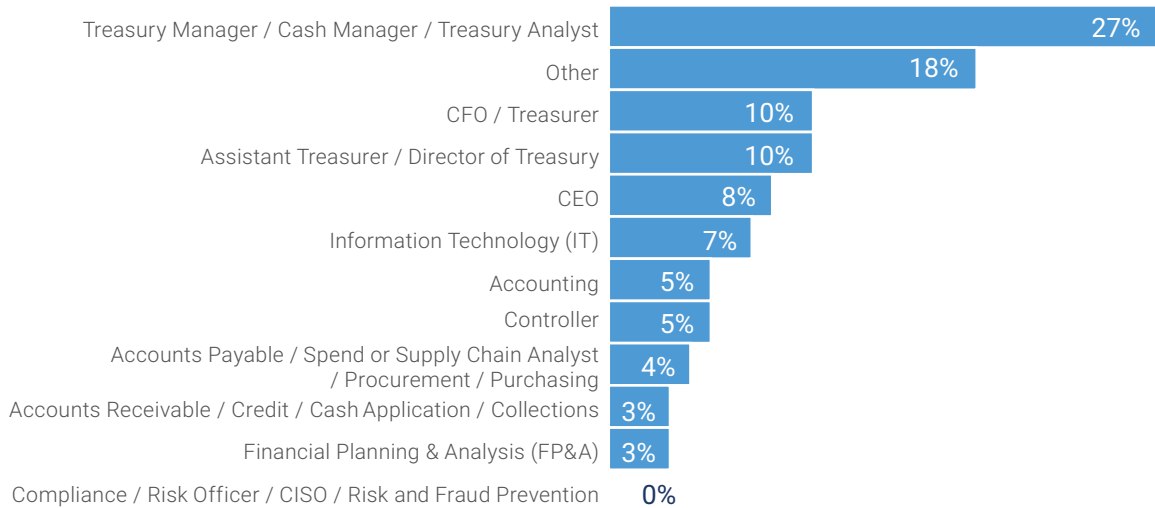




### Our business operates in this many countries:



### What is your role?

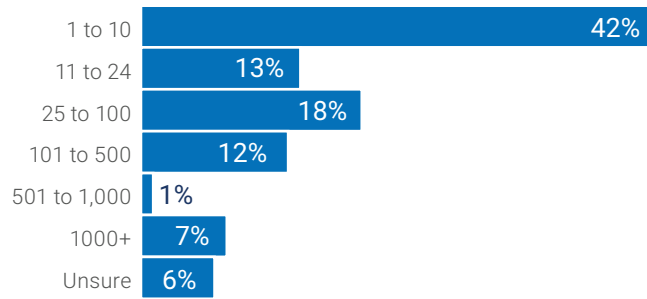




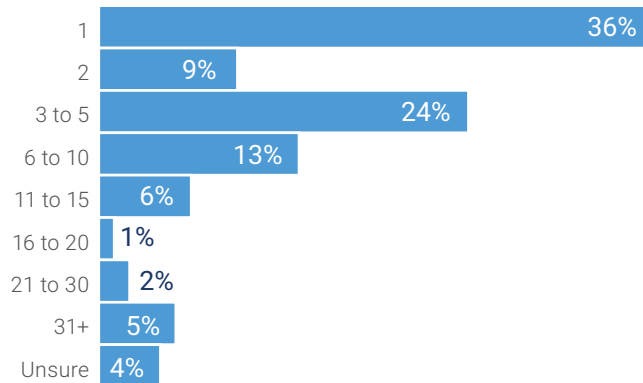
# PAYMENTS INTENSITY



How many bank accounts does your organization have?



How many currencies do you regularly make payments in?

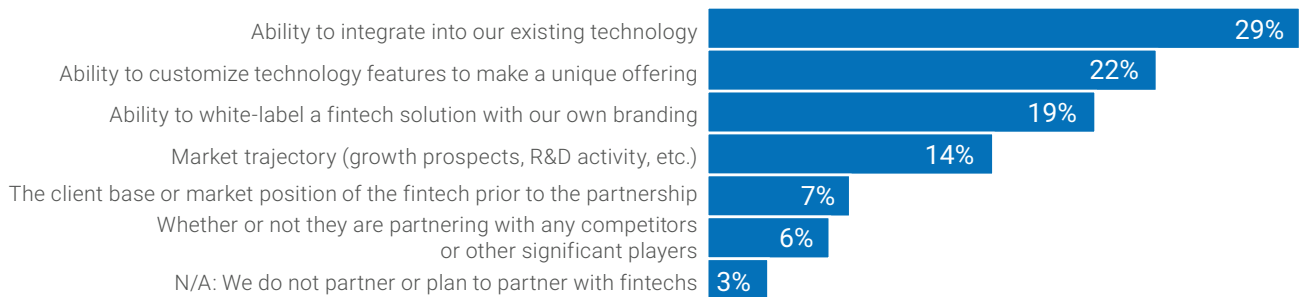




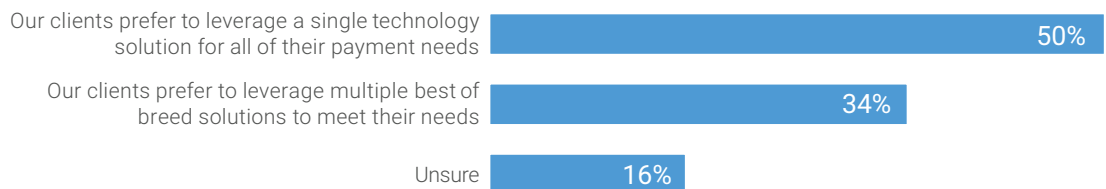
# PAYABLES SERVICES, ETC.



When selecting a fintech to partner with, which three attributes are, or would be, most important to your bank? (Please select THREE choices or "N/A")

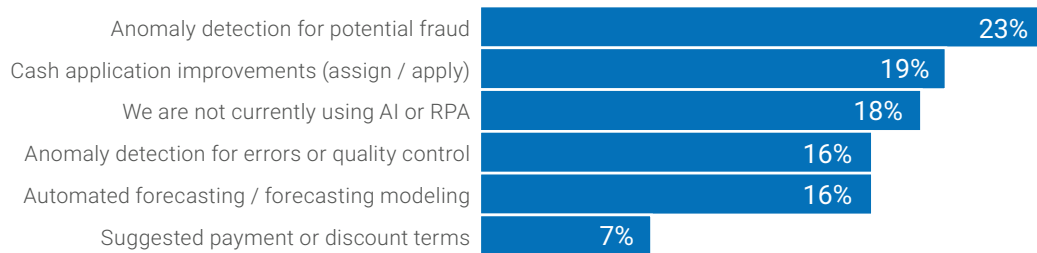


Which statement best describes your clients' views on deploying payments technology:

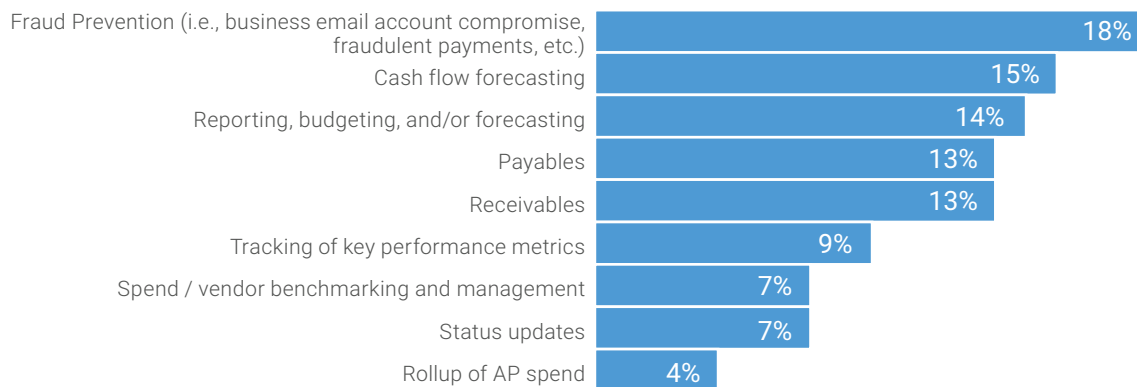




How is your bank currently using artificial intelligence (AI) and / or robotic process automation (RPA) to streamline and automate AP / AR processes for your customers? (Select all that apply)

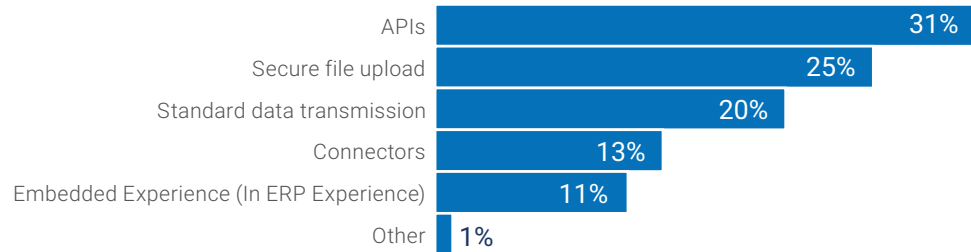


In what area do you think your customers have a significant need for improved data and analytics? (Select all that apply)





What types of ERP / business system integration options are your customers asking for? (Select all that apply)

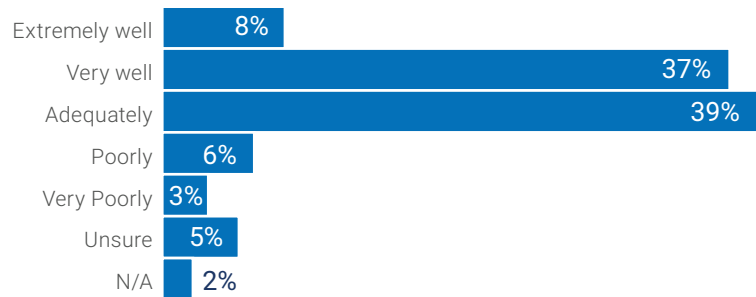




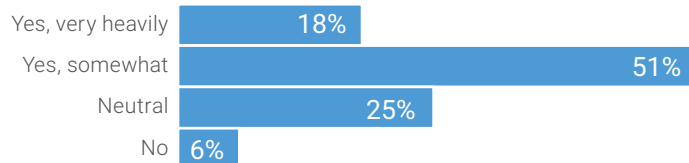
# PAYABLES TECHNOLOGY



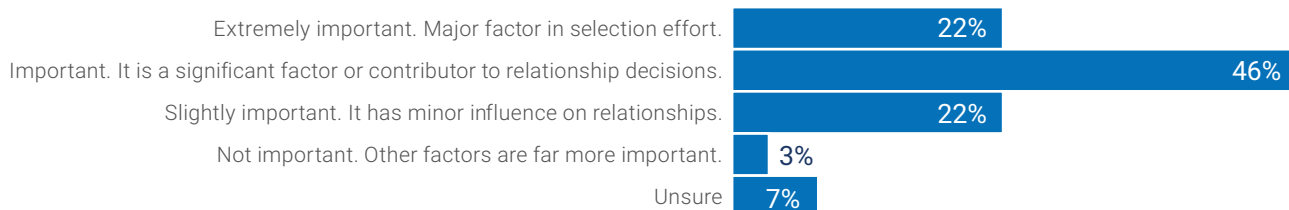
How well do your banks' B2B payment solutions address your needs?



Do you believe your bank(s) are investing in innovative B2B payment solutions?



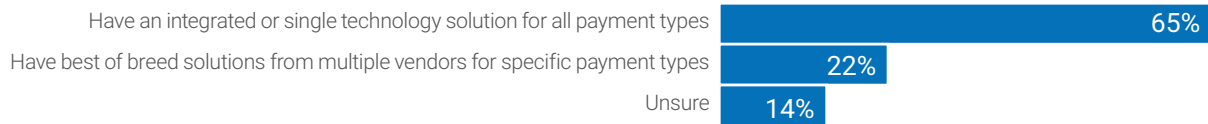
How important are B2B payment solutions when it comes to selecting a bank?



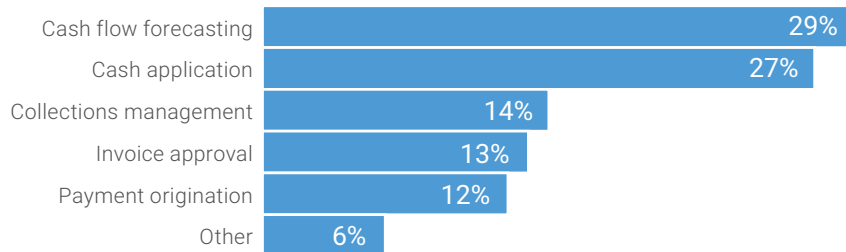




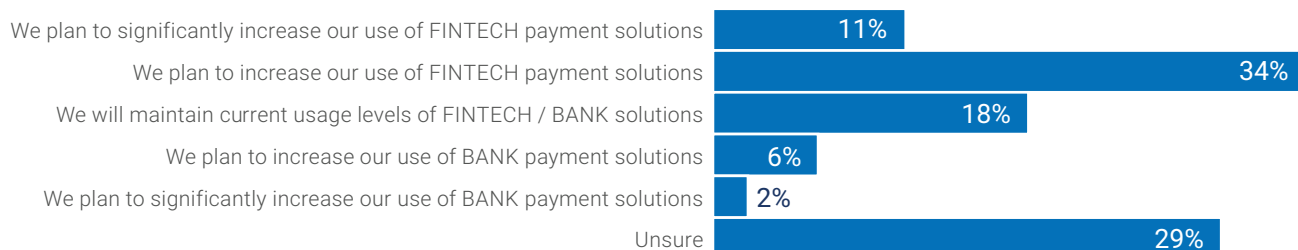
### For B2B payments, is it preferable to:



### Select the payment-related process you would be most interested in applying artificial intelligence (AI) and / or robotic process automation (RPA) to in order to reduce manual work and achieve related benefits:

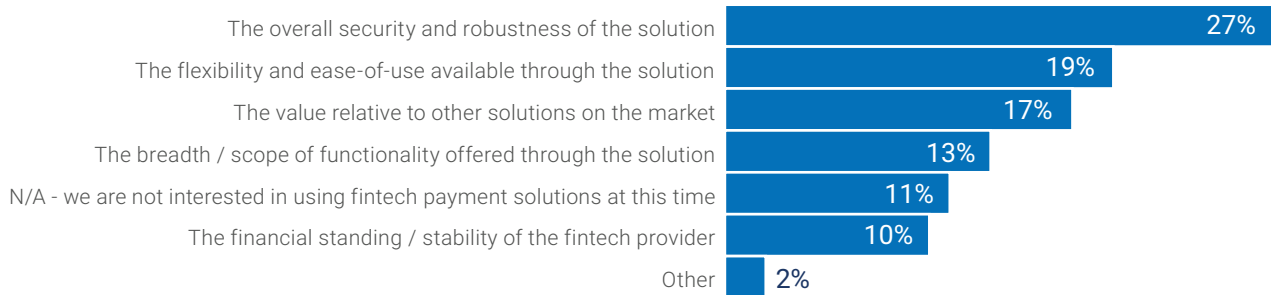


### Over the next 1-3 years, how do you expect your use of fintech payment solutions vs. those of banks to change?

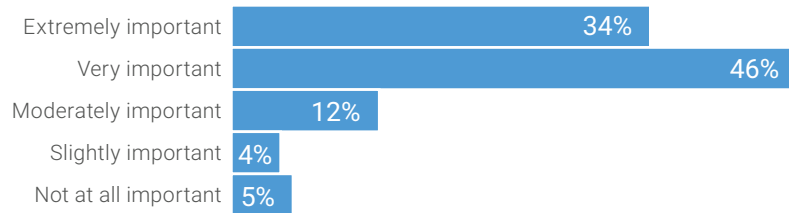




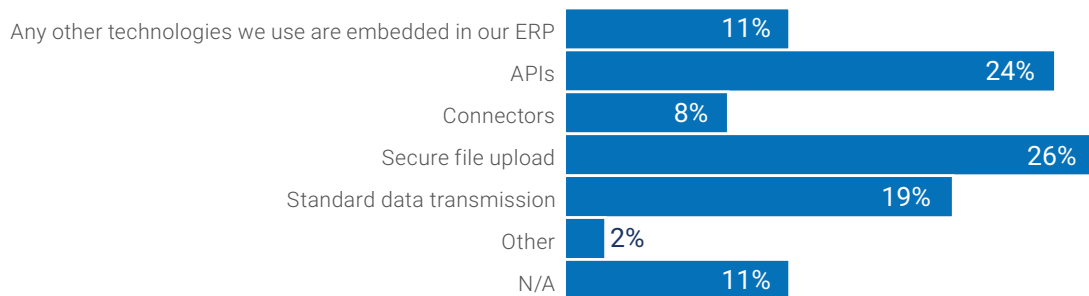
### What TWO options would most impact your decision to use a fintech payment solution? (Please select two options or "N/A")



### How important is user interface and experience when selecting a fintech payment solution?



### How does your business integrate payment technologies with your ERP? (Select all that apply)

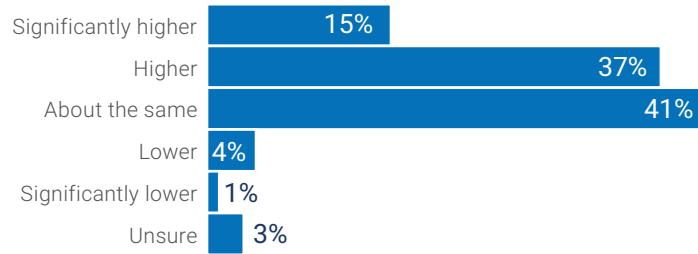




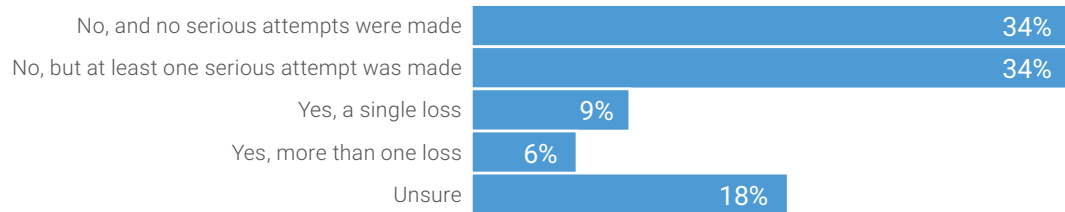
# PAYMENTS SECURITY



Our current payment security concerns, as compared to the prior year, are:



We have suffered a loss on B2B payments due to fraud in the past year:

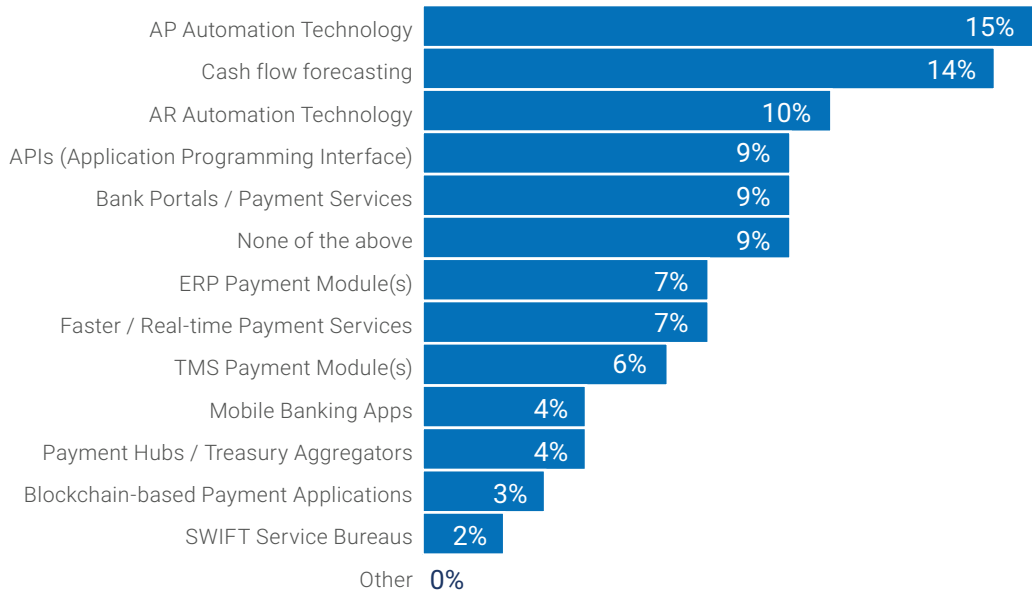




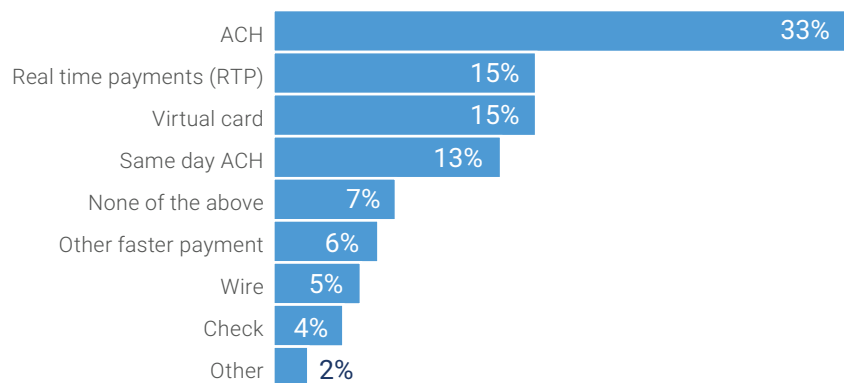
# PLANNED PAYMENTS TECHNOLOGY



What types of payment technologies do you intend to invest significantly in over the next 12 months? (Select all that apply)



Which of the following payment types do you plan to increase your use of over the next 12 months? (Select all that apply)

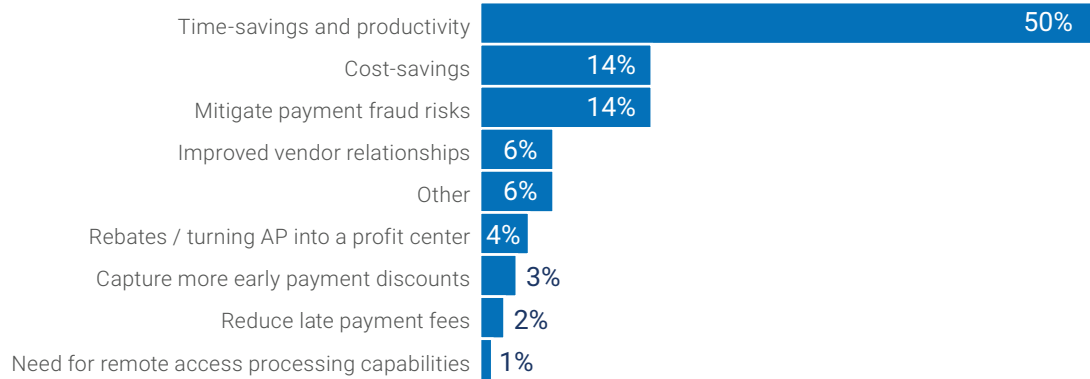




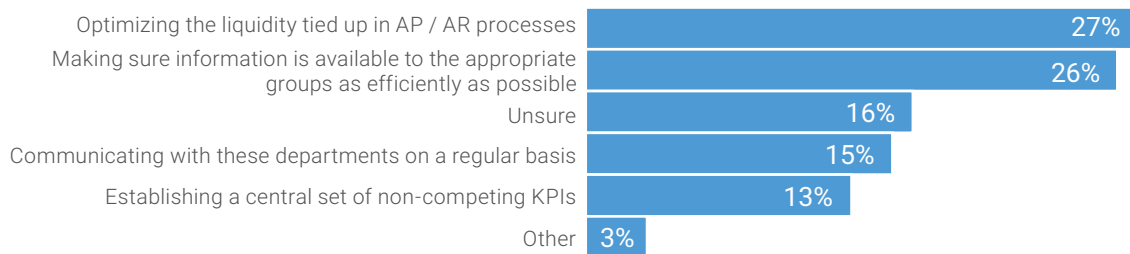
# WORKING CAPITAL & AP/AR



With regards to accounts payable, which MOST drives the desire for process automation?



When it comes to AP / AR, what is the PRIMARY challenge that treasury faces?



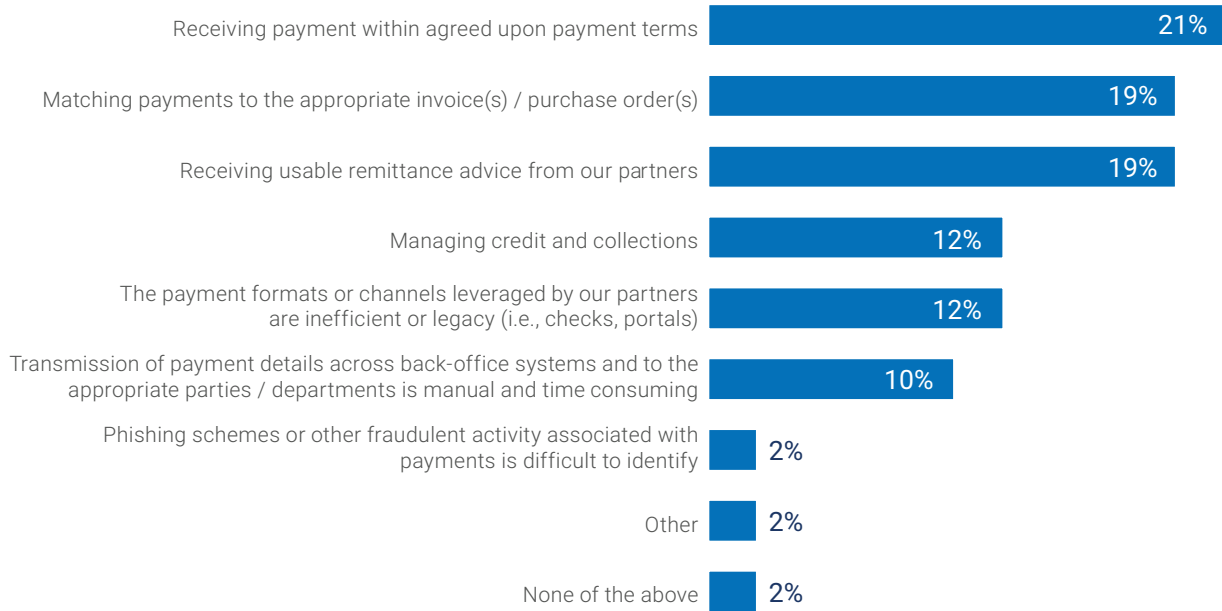


Please select up to the top 3 challenges AP experiences when it comes to PAYING vendors: (Select no more than three)





Please select up to the top 3 challenges AR experiences when it comes to RECEIVING payments from customers and business partners: (Select no more than three)



# About the Firms

## Bottomline

Bottomline (NASDAQ: EPAY) makes complex business payments simple, smart, and secure. Corporations and banks rely on Bottomline for domestic and international payments, efficient cash management, automated workflows for payment processing and bill review, and state of the art fraud detection, behavioral analytics and regulatory compliance solutions. Thousands of corporations around the world benefit from Bottomline solutions. Headquartered in Portsmouth, NH, Bottomline delights customers through offices across the U.S., Europe, and Asia-Pacific.



+1 800.243.2528 (US)  
+44 118 925 8250 (EMEA)  
[bottomline.com](https://www.bottomline.com)  
[info@bottomline.com](mailto:info@bottomline.com)



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## Strategic Treasurer

Strategic Treasurer was founded in 2004 by Craig Jeffery, a financial expert and trusted advisor to executive treasury teams since the early 1990s. Partners and associates of Strategic Treasurer span the US, the UK, and continental Europe.

This team of experienced treasury specialists are widely recognized and respected leaders in treasury. Known for their expertise in treasury technology, risk management, and working capital as well as other cash management and banking operations, they efficiently identify issues, creatively explore ideas and options, and provide effective solutions and implementations for their valued clients.



+1 678.466.2220  
[strategictreasurer.com](https://www.strategictreasurer.com)  
[info@strategictreasurer.com](mailto:info@strategictreasurer.com)







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