

# Driving outstanding SME banking success for a leading multinational bank



Small and medium-sized enterprises (SMEs) continue to face huge financial challenges. These include access to credit, cash flow management, expenses, and payments, among many other areas of business finance. However, achieving financial wellness is impossible without a positive cash flow and the people necessary to help the business grow.

In today's rapidly evolving market environment, SMEs need a bank that is able to provide them with real-time, easy-to-understand banking data to help them make quick decisions and pivot their operations.

Data collection and analytical advances have enabled banks to gather and analyse information, and make better decisions, offers, and actions than ever before using customer data from a variety of sources, both internal and external. Due to the current financial technology revolution, banks have an unprecedented opportunity to harness SME banking's enormous potential in terms of customer acquisition and revenue generation. Moreover, banks can establish professional relationships with these SMEs by providing strong data-driven SME financial services, helping them to better focus on their businesses and achieve real financial wellness.

## NEW VALUE PROPOSITION FOR SMES

One of the world's largest banking and financial services organisations with a strong presence in Europe and Asia has created an innovative mobile app that offers SMEs all the benefits of digital-first banking, along with all the reassurances of being a part of an established challenger bank.

The company is undergoing a complex digital transformation programme focused on SMEs, and it engaged CRIF Group and its end-to-end solutions, Strands BFM and Strands Engager, to provide the engine for a mobile-first app as opposed to an app for a bank account. Businesses are offered a wide range of much-needed financial services solutions that truly meet their evolving needs and reimagine the SME banking experience. It is designed to be fast, intuitive, and highly responsive to the SME customer's business needs. By providing a comprehensive, all-in-one, single sign-on solution based on data-driven capabilities, this high street bank aimed to meet the requirements of modern businesses.

Based on Strands' proven track record, the solution can deliver the expected level of personalisation. For example, 47% of SMEs anticipate running out of cash due to the pandemic. It provides real-time cash flow analysis, giving SMEs the ability to gain a comprehensive macro- and micro-overview of their financial situation at any time. This includes precise details on historical and future accounts payable and receivable. Furthermore, Strands Engager empowers the app to process transaction execution in real time, whether as an incoming cash disbursement or an outgoing expense. For example, if a customer is due to make a payment on a specific date, the app is able to quickly predict if it will cause cash flow problems and offer next best action proposals such as a loan or payment delay, among other possible financial solutions that the bank may offer.

As a result of these data-driven insights, financial institutions can analyse and learn about SME business needs in a much broader and holistic way. Banks are then well positioned to cross-sell and upsell financial products that are highly relevant to the unique needs of each SME.

Through this collaboration with CRIF Group, the bank intends to enhance this feature in 2022 and beyond, ensuring that customers can see their forecasted cash flow for the current month, as well as view their forecasted cash flow over extended time periods to plan ahead and avoid future issues. Over 3,000 small business owners have provided insights in the development of this solution since its launch in Europe in 2021, and the features continue to improve, with the intention of expanding into Asia in the coming months.

Retaining customers and increasing revenue are two benefits of customer centricity. A commercial and technological model that enables third parties to contribute insight-driven personalisation is necessary for banks and all financial institutions to serve the needs of SMEs.

CRIF is a global company specialising in credit & business information systems, analytics, outsourcing and processing services, as well as advanced digital solutions for business development and open banking. Through continuous innovation, the use of state-of-the-art technology and a strong information management culture, CRIF supports 10,500 banks and financial institutions, more than 600 insurance companies, 82,000 business clients and 1,000,000 consumers in more than 50 countries across 4 continents.

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