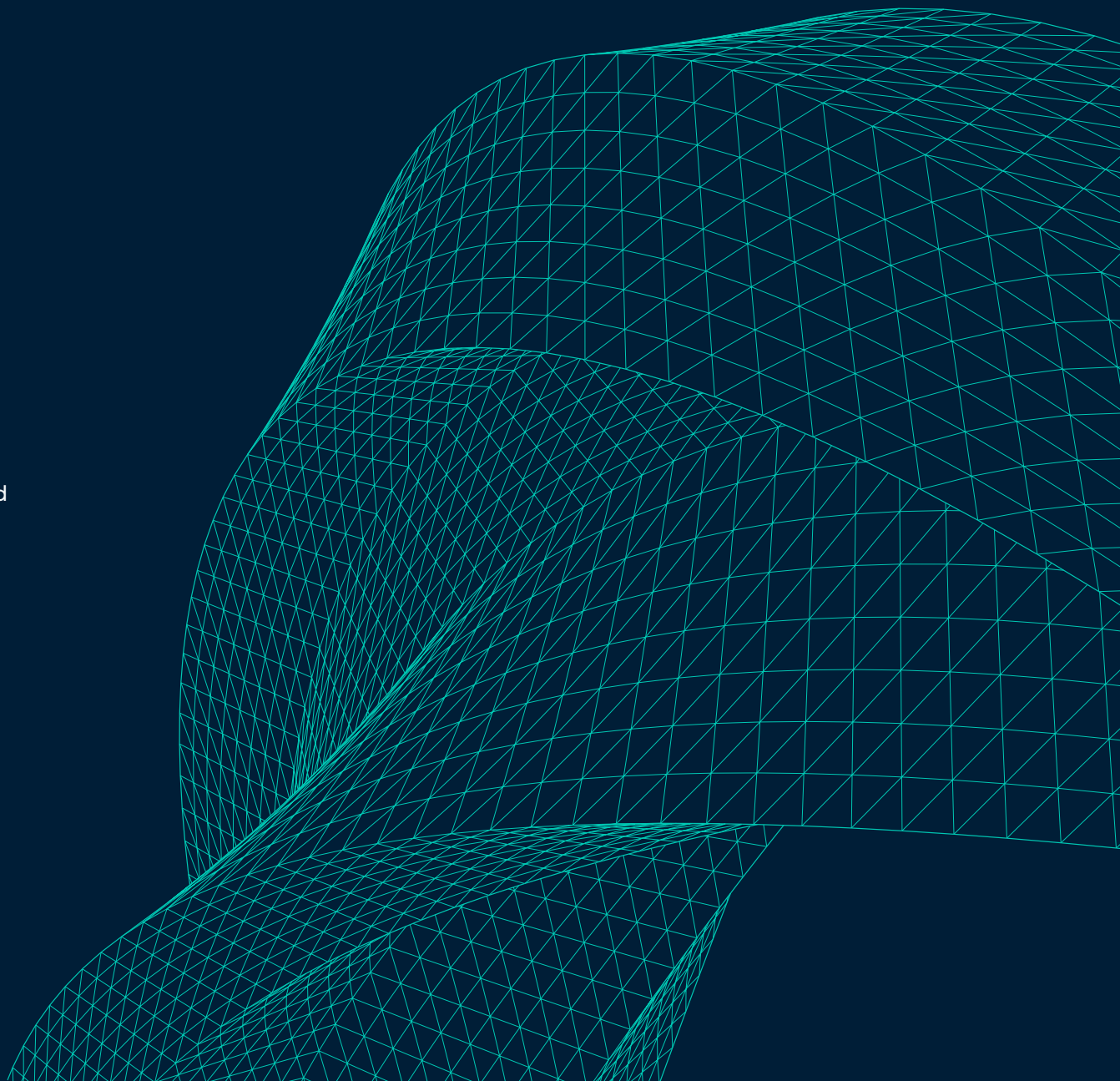




The SMB cross-border payments opportunity

A strategic guide for regional banks and credit unions

The cross-border payments market is experiencing unprecedented growth, with small and medium-sized businesses (SMBs) representing one of its most lucrative yet underserved segments. However, many regional banks and credit unions aren't capitalizing on this compelling opportunity to capture new revenue streams while deepening relationships with their core customer base. By partnering with a specialized provider to offer seamless and transparent cross-border payment solutions, institutions can not only meet the evolving needs of their SMB clients but also differentiate themselves in a competitive financial services landscape.



The global SMB opportunity: Why this market matters

The global market for cross border payments is projected to exceed \$290 trillion by 2030, with B2B transactions alone representing a \$56.1 trillion opportunity. Meanwhile, the United Nations on Trade and Development has reported that global trade reached an all-time high of \$33 trillion in 2024, experiencing 3.7% growth. As globalization, digital transformation, and regulatory reforms, including ISO 20022 reshape financial services, institutions must modernize to meet evolving customer expectations.

In a post-pandemic world, SMBs have increasingly stretched their operations across borders. According to Mastercard, 50% of SMBs are doing more business internationally than in 2021, with 65% sourcing suppliers, partners, and employees on a global scale. Furthermore, the SMB cross-border payments market reached \$13.8 trillion in 2024 and is projected to grow to \$21.2 trillion by 2032.

“These numbers represent substantial revenue potential for financial institutions who find themselves in a unique position to meet the needs of a traditionally underserved market,” says Joe Higginson, Director GTM – Financial Institutions – Americas, Convera. “SMBs face an array of hurdles when it comes to managing cross border payments through traditional channels. This can range from a lack of access to digital platforms, transparency, and optionality around payment delivery, to managing their foreign currency exposures. These scenarios and challenges present an opportunity for regional banks and credit unions to tap into and expand their services, to retain and grow their businesses.”



Learn more about the rapidly evolving cross-border payments market in Convera's 2025 report, The Payments Pulse.

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Cross-border payment challenges for SMBs

Managing domestic payments is already a complex task for small businesses juggling limited resources. Adding international partners, customers, and suppliers into the equation equals a significant increase in risk and complexity which many SMBs aren't able to take on. Cross-border transactions introduce a host of operational and financial pain points that can hinder growth and profitability, including:



Treasury equals complexity

Juggling liquidity across time zones, currencies, and regulatory environments is a drain on resources. Many small businesses now operate on a global scale whether they're selling to international customers, sourcing from overseas suppliers, or managing remote teams. However, while the rewards for global growth are significant, managing international payments can be challenging. Without the right tools, these transactions often become complicated, expensive, and a source of frustration for business owners.



Poor FX rates

In general, larger firms with high transaction volumes experience preferential exchange rates, while SMBs have fewer negotiation advantages.



Opaque fees

Hidden charges from intermediary banks often go unnoticed until after the transaction, impacting cost control.



Slow settlement times

International transfers can take days, or even weeks to settle due to legacy systems and multiple bank hops.



Regulatory complexity

Navigating diverse compliance requirements across jurisdictions creates administrative burden and risk.



Lack of visibility

Limited transparency into payment status, conversion rates, and timelines make cash flow planning difficult.



Why regional banks and credit unions have a competitive edge

While big banks may dominate in size, regional banks and credit unions offer something far more personal. “Their customer or member base aren’t just account numbers,” says Higginson. “They’re neighbors and community members who have come to trust their institution. That local connection matters. Community banks thrive on these relationships, offering the kind of personalized service that SMBs truly value.”

Regional banks and credit unions also tend to be more agile. Less red tape means quicker approvals and the ability to roll out services like cross-border payments with ease. Their deep understanding of the local economy means they understand the market trends and customer nuances that large banks often overlook. Insights like this can help identify which SMBs are ready to grow globally and tailor support accordingly.

In a world where speed, trust, and relevance matter more than ever, community banks are uniquely positioned to deliver when it comes to the international needs of small businesses.



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JOE HIGGINSON

DIRECTOR GTM – FINANCIAL INSTITUTIONS – AMERICAS
CONVERA

Cross-border payments are a strategic move

Providing international payment services to SMB customers is about more than adding another product line to the mix. They are a fundamental opportunity to strengthen competitive positioning and create new revenue streams.



Competitive differentiation

Fintechs and other specialist providers have made international payments faster, cheaper, and more transparent. They also tend to offer exchange rates at lower margins than large financial institutions. For regional banks and credit unions, partnering with a trusted cross-border payment provider is a smart way to differentiate themselves in the market and level the playing field against large competitors. With the right technology in place, it's possible to offer a digital-first experience that matches customer expectations without sacrificing a community-first service model.



Increasing share of wallet

Cross-border payments are an opportunity for smaller institutions to capture revenue that might otherwise flow to competitors, especially enterprise banks. Offering this service can also help increase customer loyalty and create additional opportunities to support the growth of SMB customers over time.



Revenue diversification and growth

Providing a cross-border payments service to SMB customers provides new revenue opportunities for innovative regional banks and credit unions. And most importantly, this revenue is often recurring and relationship based. Once a business establishes international trade relationships, or employs staff in remote locations, they typically continue making cross-border payments regularly, creating a steady revenue stream. This also opens doors for cross-selling additional products such as currency risk management tools.



Customer retention and acquisition

SMBs that engage in international trade are typically growing and profitable businesses, making them the ideal customers to attract and retain. Offering a full suite of financial services, including cross-border payments, is not only an opportunity to increase the stickiness of existing customers but can also help attract new customers looking for a one-stop-shop solution for all their finances.



Bypass implementation challenges with a strategic partnership

As demand for cross border payments continues to rise in today's hyper-connected economy, many smaller financial institutions lack the infrastructure, compliance resources, and technology to deliver this service on their own. Legacy platforms may require costly upgrades, and training frontline staff can be a significant burden.

That's where partnering with a cross-border payments specialist can make all the difference. The right provider can deliver efficient access to digital-first cross-border payment options that won't break the proverbial bank. Here's how the right partner can help your institution expand its offering:



Extend global reach without building it

Establishing an international payments network takes years of investment and complex relationships with institutions across the globe. Cross-border specialists come with this infrastructure already in place, giving your institution immediate access to

hundreds of currencies and markets without the overhead.

Instead of navigating the complexities of SWIFT connections, foreign currency accounts, and in-country clearing systems, regional banks and credit unions can plug into a specialist's platform and offer customers efficient access to the world.



Integrate and empower your brand

Modern cross-border payment providers offer white-label solutions that enable institutions to provide international payment services under their own brand. The best providers offer a range of integration options—hosted, web integrated, embedded micro-services, or fully integrated via APIs.

Their implementation experts will collaborate closely with in-house teams to set up and configure a solution to fit the unique needs of the institution. No need for costly and time-intensive tech investments, meaning the institution starts generating new revenue quickly.



Deliver competitive FX and transparent pricing

Foreign exchange is one of the most scrutinized parts of the cross-border payment experience. Customers want competitive rates, clear fees, and confidence that their money will arrive on time and in full.

The best payments partners will offer institutions competitive FX pricing, real-time exchange rate visibility, and transparent markups, helping build trust with customers as reliable and modern provider of international services.



Explore how IDB improved customer experience and staff efficiency with a customized integration of Convera's cross-border payments platform.



The future of cross-border payments will be shaped not just by speed and convenience, but by the strength of compliance infrastructure behind each transaction. As fraudsters become more sophisticated and regulatory expectations continue to evolve, partnering with a trusted, secure, and compliant payment provider has become an essential part of practicing international business.”

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CHIEF RISK AND COMPLIANCE OFFICER
CONVERA



Keep pace with the ISO 20022 standard

The global transition to ISO 20022 messaging is transforming the structure of payment data and how it is shared across interoperable technology platforms. While this new standard offers richer, more structured data, adapting to meet ISO 20022 compatibility can be a major technical hurdle for smaller institutions.

By partnering with a cross-border payments specialist that understands and is ISO 20022-ready, regional banks and credit unions can meet evolving global standards without costly infrastructure upgrades, reducing the risk of disruption as the industry moves towards full adoption.

As national payment networks like the recent U.S. FedNow are built on ISO 20022, read more about how this new global messaging standard is set to transform the speed, data quality, and reconciliation of payments worldwide in The Payments Pulse.



Stay ahead of compliance requirements

Regulatory compliance is a growing burden for all financial institutions, but especially for smaller regional banks and credit unions with limited legal and compliance teams. Cross-border payments are subject to strict oversight, from sanctions screening to anti-money laundering (AML) and know-your-customer (KYC) checks. These regulations are constantly shifting too, which means staying abreast of developments can require significant resources and know-how.

Moving forward: Your path to cross-border payment success

Your institution already possesses the key ingredients for success: trusted relationships with SMB customers, deep local market knowledge, and the operational flexibility to implement new services quickly. By offering comprehensive cross-border payment services, you're not just adding a new revenue stream, you're positioning your institution as an indispensable partner in your customers' growth and success.

The final part of the puzzle is finding the right payments partner to provide the infrastructure, compliance expertise, and global reach you need to serve your customers' international payment needs.



Discover Convera

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Convera is a global leader in commercial payments and foreign exchange. With an unrivalled regulatory footprint of 60+ licenses, we provide access to more than 140 currencies across 200+ countries and territories. We help more than 1800 financial institutions around the world monetize cross-border payments through tailored solutions, and white-glove support.

Contact our expert financial institution team today and start generating new revenue through cross-border payments tomorrow.

About Convera

Convera is a global leader in commercial payments, helping thousands of Financial Institutions (FIs) navigate the challenging world of foreign exchange, risk management, and compliance. Convera is trusted by tens of thousands of customers across the globe, in a range of verticals including small business, manufacturers, medium and large enterprises, and education. Our mission is to make global business payments simple, smart, and secure to help our customers grow with confidence.

We help regional banks, credit unions, and fintechs unlock new revenue streams and expand internationally with tailored cross-border payment solutions. Backed by decades of industry expertise and cutting-edge technology, our platform moves money seamlessly across 140+ currencies and 200+ countries and territories, optimizing every transaction for speed and cost through 50+ global and regional partners.

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