Capital One Trade Credit

Why Best-in-Class Organizations are Digitizing Their B2B Payments

IT'S NO SECRET—THERE'S BEEN A MAJOR SHIFT TO e-commerce between business-to-business (B2B) buyers and their suppliers over the past two years.

B2B transactions are larger and more complex than business-to-consumer (B2C) transactions.

And although B2B represents massive spending, traditional B2B payment solutions lag behind consumer payments in terms of speed, ease and customer satisfaction.

According to a January 2022 article by McKinsey & Co, 35% of all business buyers are willing to spend $500,000 or more in a single remote or online transaction and **77% of B2B customers are willing to spend $50,000 or more.**[1]

Top organizations are seizing this opportunity to optimize their digital purchase-to-payment experience, boosting satisfaction and reducing manual processes.

However, this move to e-commerce can create challenges for suppliers—their time-consuming AR processes and outdated technology can delay cash flow and expose them to the risk of fraud and nonpayment. B2B buyers already expect their offline purchasing to seamlessly integrate into their online buying experience with their supplier—only now they expect it to work in real time with the ability to get credit, make a purchase, receive billing details and make payments all electronically. For suppliers who have largely managed these processes in house and manually, it creates a big challenge and customer dissatisfaction.

Offering trade credit—the near universal payment expectation for business buyers—as an online payment option can really set businesses apart. As a popular payment option for business buyers, trade credit is a convenient way to give customers the purchasing power they need. For suppliers internally managing their trade credit program, however, there can be obstacles to successfully executing a transition to an online trade credit program.

Many best-in-class organizations are choosing the convenience of a managed trade credit program.

How does it work? A third-party managed trade credit program gives buyers the stability of traditional net terms and revolving credit along with the convenience and efficiency of a modern digitally integrated platform, regardless of whether customers buy online or off.

The managed credit provider takes on credit decisioning and associated risks, reducing the risk of nonpayment and credit fraud for the supplier.

And by working with a managed provider who can tech-enable the purchase-to-payment process, customers can purchase seamlessly and get the same experience—including billing detail, terms, and payment flexibility—regardless of channel.

Capital One Trade Credit offers managed B2B credit solutions tailored to your business, seamlessly integrated into your existing systems and workflow, creating a more efficient, digital customer experience.

[1] *B2B buyers and sellers put digital commerce on a faster track*

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B2B credit on your terms

Explore the many benefits that come from partnering with Capital One Trade Credit.

Gain efficiency with a program that seamlessly integrates with your workflow and automation

Grow sales with larger credit lines and extended terms

Delight customers with a digital purchase-to-payment experience

Modernize your **Trade Credit Program**

Prescreening—Improve sales targeting with credit quality and spend predictors

Online application—Buyers get instant decisioning with higher approval rates for immediate purchasing

Flexibility—Choose terms, fee treatment and billing options to meet each customer's needs

Risk protection—Enjoy peace of mind knowing you're protected from the risk of fraud and nonpayment

Customer self-servicing—Give your customers 24/7 account access to view statements and make payments

Supplier online tools—Enjoy full visibility and control with the SmartView® dashboard

About Capital One Trade Credit

Capital One Trade Credit offers best-in-class B2B credit management, backed by the financial strength and technology advancements of Capital One. We help businesses grow sales by providing the tools and terms customers need while taking on the risk of fraud and nonpayment. Our customized programs delight customers by providing a flexible and modernized experience.

To explore a partnership with Capital One Trade Credit, visit **capitalone.com/trade-credit**.