

Veems steps into B2B BNPL as small businesses seek flexible lending solutions

Article

The news: Veem, which provides payment solutions for small and medium-sized businesses (SMBs), [introduced](#) two new short-term lending products as part of its Veem Capital business

line.

- **Pay Later:** SMBs can apply for short-term loans quicker and with less documentation than banks require. Loans can be repaid in equal installments over a three-month period.
- **Pay with Card:** SMBs can pay for goods and services on Veem's platform using a credit card, which lets them take advantage of rewards and likely consolidate cash flow into one platform.

Why this matters: SMBs need more flexible payment solutions as they recover from the pandemic—the US Census Bureau's "Small Business Pulse Survey" [found](#) that **67.6%** of SMBs (businesses with fewer than 500 employees) experienced a large or moderate negative effect from the pandemic.

Many SMBs have [trouble](#) getting bank loans—or simply don't qualify for them—and many banks don't offer short-term loans. And the SMBs that do qualify for bank loans often face a time-consuming and costly process.

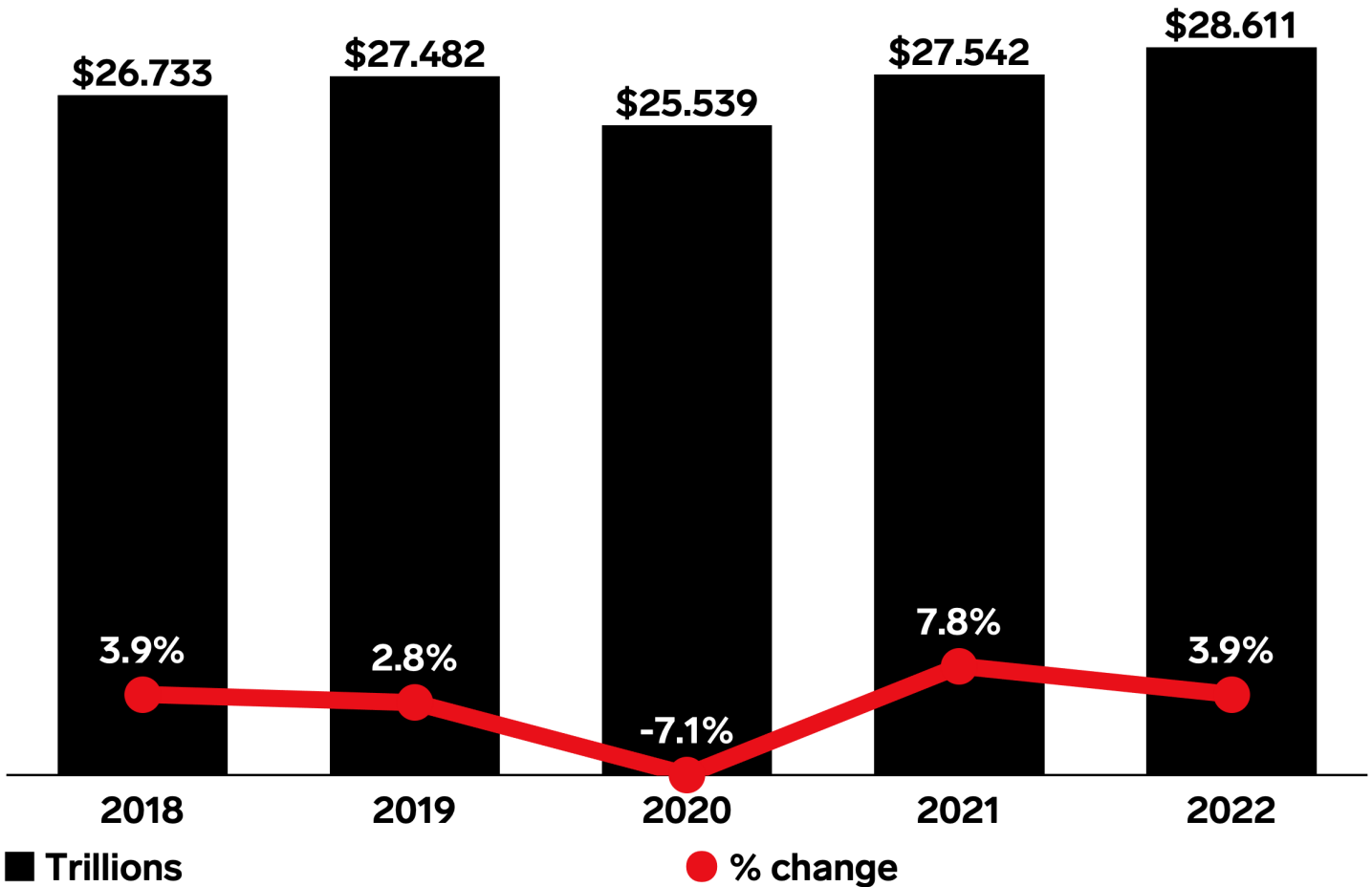
The bigger picture: The buy now, pay later (BNPL) industry is extending into new areas as competition in the mainstream consumer-facing BNPL market grows more intense.

BNPL provider **Uplift** made a name for itself by targeting the travel industry, and last fall, **Splitit** began offering its flexible payment solution at law and accounting firms across the US and Australia. But B2B BNPL remains largely untapped—though it's starting to gain steam: B2B financing solutions provider **Behalf** just raised **\$100 million** to build out its B2B BNPL product. Jumping into this segment lets Veem avoid the competition in the consumer-facing BNPL space as players like **Klarna**, **Afterpay**, and **Affirm** vie for market share.

The big takeaway: Veem's new financing solutions are a golden opportunity to capitalize on two lucrative segments. It can tap into the B2B payments as the space grows and digitizes: US B2B payments are expected to hit **\$27.542 trillion** this year, [per](#) our forecasts. And it can also capitalize on the rapidly expanding [BNPL space](#) as business owners embrace the tech.

B2B Payment Transaction Value

US, 2018–2022



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: eMarketer, July 2021

Methodology: Estimates are based on the analysis of survey and traffic data from other research firms, historical consumer adoption trends, company data, internet and mobile adoption trends and demographic adoption trends.

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