



Big on helping you protect small businesses

Empowering Agile Small and Medium-Sized Businesses (SMBs) Through Innovation and Entrepreneurship

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BUSINESS**



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INNOVATION AND ENTREPRENEURSHIP IN ASIA PACIFIC

SMBs driving innovation and entrepreneurship in the region. SMBs are central to Asia Pacific, a region known for its digital connectivity, technological innovation, and disruptive trends.



SMBs in Asia Pacific are experiencing a wave of digital transformation, leveraging advancements in services, logistics, and payments to remain competitive in a rapidly evolving market. New business models are emerging alongside this digital revolution. This shift is primarily driven by changing consumer preferences, with an increasing inclination towards online purchases. By embracing digitalisation, SMBs enhance their flexibility and ability to meet consumer demands.

These changes have also given rise to the creator and gig economies. Content creators and gig workers are leveraging social media and digital platforms to reimagine how they earn. Smaller than SMBs, they operate like micro-SMBs and are highly adaptable to diverse market needs. They typically offer niche services, such as creating social media content and offering professional services, which larger enterprises often overlook.

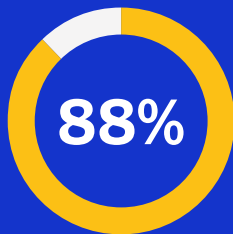
Digitalisation is also inspiring more people in Asia Pacific to found startups in areas such as digital commerce and payments. The increasing availability of support, such as industry initiatives and government funding, encourages budding entrepreneurs to embark on their business journeys.

1. Visa, Enabling Small Business - The Engine of Growth, 2023.

Asia Pacific is a hotbed of payment disruption

The rise of digital technologies is driving the region towards a cashless society. In 2023, 72 per cent of consumers in Southeast Asia have attempted to go cashless, with some managing to go an average of 11 days without cash.² The rise of mobile wallets is particularly noteworthy, with 79 per cent of consumers using them, especially in markets such as Indonesia and the Philippines, where traditional banking access is limited.³

As more consumers go digital, Asia Pacific is experiencing a significant digital payments revolution, driven by the increasing adoption of digital tools and platforms.



Across the region, 88 per cent of SMBs accept some form of digital payment, motivated by consumer demand, enhanced operational efficiency, and the desire for increased security.⁴



SMBs are also increasingly adopting digital payment solutions to tap into new markets and drive growth. In Asia Pacific, 71 per cent of SMBs that have adopted card payments have seen an increase in turnover, and 88 per cent see cross-border selling as a top growth opportunity.⁵ As SMBs continue to embrace digital transformation, they are well-positioned to be key drivers of economic growth and innovation in the region.

2. Visa, Visa Consumer Payment Attitudes Study, 2024.
3. Visa, Visa Consumer Payment Attitudes Study, 2024.
4. Visa, Visa Asia Pacific SMB Research Regional Report, 2023.
5. Visa, Visa Asia Pacific SMB Research Regional Report, 2023.

Entrepreneurship catalysing growth of micro-SMBs

Along with innovation, entrepreneurship is also on the rise as more people are redefining their attitudes to conventional employment. Traditional notions of job security and career progression are being replaced by a more fluid understanding of work that prioritises flexibility and individual choice. In Asia Pacific, nearly half of employees do not feel aligned with their company's values, such as creativity and experimentation.⁶ In particular, Gen Z employees feel the greatest disconnect. About 52 per cent of this group see their companies as becoming outdated and believe employers will survive no longer than a decade unless they transform.⁷ These shifts are encouraging more people to explore other ways of earning a living, such as starting businesses.

Governments are also tapping into entrepreneurship to drive economic growth. Across the region, the public sector is making SMB and startup growth a part of national agendas. One example is the SMEWG Strategic Plan for 2021–2024, drawn up by the Asia Pacific Economic Cooperation.⁸ Among the plan's priorities is building up the capabilities of SMBs and startups to facilitate entrepreneurship, innovation, and international trade across the region.

6. PwC, *Asia Pacific Workforce Hopes and Fears Survey 2023*, 2023.

7. PwC, *Asia Pacific Workforce Hopes and Fears Survey 2023*, 2023.

8. Asia Pacific Economic Cooperation, *Small and Medium Enterprises*, accessed September 2024.



The region's youthful population also provides a robust foundation for innovation and entrepreneurship in the startup space. With a large percentage of the population being tech-savvy Gen Zers and millennials, there is a steady influx of fresh ideas and a willingness to embrace new technologies. In particular, Indonesia has about 145 million individuals belonging to Gen Z and millennial demographics, or around 53.8 per cent of their total population.⁹ Over the next decade, this group will transition into their prime earning years, creating a fertile base of consumers and talent that will allow startups to thrive.

9. The Business Times, *Why South-east Asia still holds much promise for startups and venture capital*, 2023.

Digitalisation is an accelerant for entrepreneurship. It offers new tools, such as digital platforms, digital payment acceptance solutions, and simplified content creation solutions that help anyone become business owners and merchants readily. In a few clicks, entrepreneurs can set up shop on social media services and eCommerce platforms, and accept digital payments in an instant. In fact, Asia Pacific's eCommerce market is projected to surpass approximately USD3 trillion by 2028, with a compound annual growth rate (CAGR) of eight per cent from 2023 to 2028.^{10,11} Of this, mobile commerce makes up 80 per cent of eCommerce sales.¹²

The growing digital commerce landscape of Asia Pacific

USD3 trillion

▶ The projected size of the region's e-commerce market by 2028

8% The CAGR of Asia Pacific's e-commerce market (2023–2028)

80% The percentage of digital sales coming from mobile commerce

Source: Euromonitor International, Retail Asia, and Redline.

These numbers show the immense opportunities available to entrepreneurs today. This democratisation of commerce allows individuals to become content creators and gig workers, breaking down traditional barriers to entry and fostering a diverse and dynamic marketplace.

10. Retail Asia, *Three key trends driving Asia-Pacific e-commerce*, 2024.

11. Euromonitor International, *2024 Consumer Trends in Asia and the Impact on E-Commerce*, 2024.

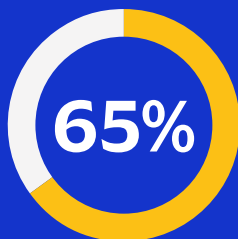
12. Redline, *Mobile Commerce Statistics 2024: Trends and Key Insights*, 2024.

EMPOWERING BILLIONS OF SELLERS

In today's digital age, anyone can become a seller or merchant. Visa aims to empower individuals and small businesses, enabling 'Billions of Sellers' worldwide to seamlessly integrate into the digital economy.

6Bn

mobile devices in the world provide consumers with versatile Near-Field Communications (NFC) technology that can interact with other devices.



At the end of 2023, Visa's tap to pay penetration reached 65% globally¹³, cementing tap as one of the best commerce experiences today, online or offline.

With frictionless payments at the core of a highly digital Asia Pacific, new ways to "tap" on a mobile device will become an integral part of commerce and entertainment. Visa's new Tap to Everything suite, will help merchants, including micro-SMBs and small online sellers, accept a wider variety of payments and cater to consumer needs.

13. VisaNet Data, December 2023, December 2019

1

TAP TO PHONE

Any device can be a Point-of-Sale (POS). With Tap to Phone, merchants can use mobile devices as payment terminals, reducing the need for traditional POS systems. For startups and SMBs, it can be invaluable in reducing equipment costs and simplify transaction processes.

2

TAP TO CONFIRM

Instead of going through layers of card verification and personal information checks, Tap to Confirm streamlines payment authentication to prevent misuse of payment credentials online. Together with Click to Pay, consumers can complete online transactions with a few clicks, creating more frictionless checkout experiences and reducing cart abandonment for merchants.

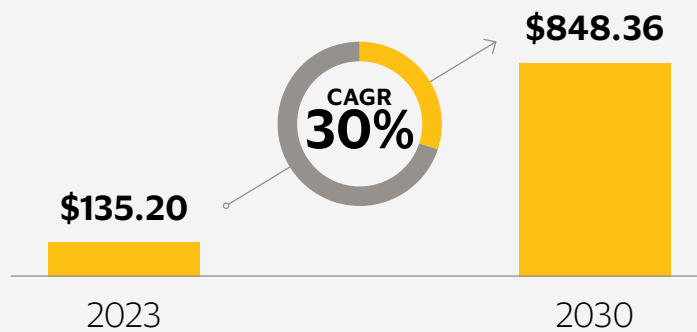
3

TAP TO ADD CARD

While the use of digital wallets continue to grow, many consumers still rely on cards to fund their wallet transactions. Tap to Add Card enhances security when consumers add a new card to their wallet or payment app.

The Tap to Everything suite was unveiled in the United States in 2024 and will gradually be introduced in Asia Pacific. For SMBs in Asia Pacific, these solutions will broaden and streamline payment acceptance, allowing them to serve customers more effectively at home and abroad.

Projected growth of Asia Pacific's creator market (USD billions)



Source: Visa, The Creator Economy, 2024.

The region's creator economy is surging

At the same time, the creator economy in Asia Pacific is booming. The size of the region's creator market will grow by a CAGR of 30 per cent from 2023 to 2030.¹⁴ One of the main factors is the rise of social commerce spending, which is expected to have a CAGR of over 10 per cent by 2028.¹⁵ This is mainly driven by consumers using social media more frequently, averaging over two hours daily.¹⁶

A key opportunity in the creator economy is the ability to monetise content in various ways. Creators engage in brand partnerships, sell directly through their social media platforms, offer subscription-based exclusive content, and use live streaming to receive fan donations and virtual gifts.

Platforms such as TikTok, YouTube, and Instagram have become crucial for content creators, enabling them to earn through ad revenue, product placements, and direct consumer payments in the form of viewer donations. Highly agile, creators on these platforms can quickly pivot their content to capitalise on viral online trends, provide personalised services, and build a loyal following.

14. Visa, The Creator Economy, 2024.

15. Visa, The Creator Economy, 2024.

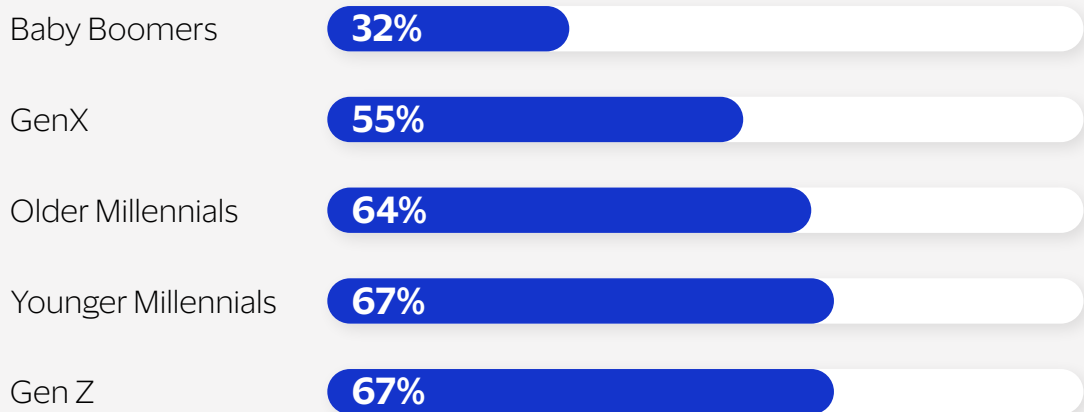
16. Visa, The Creator Economy, 2024.

Gig workers are an integral part of Asia Pacific's economy

Simultaneously, gig workers have also become a significant component of Asia Pacific's transformation, reshaping how people work, earn, and live. With work-from-anywhere and flexible work practices becoming more common, gig work offers a way to supplement incomes, pursue passions, and contribute to communities.

According to a 2024 survey, 57 per cent of respondents in Asia Pacific were engaged in gig work.¹⁷ This trend is particularly pronounced among younger individuals, with 67 per cent of Gen Z participants indicating their involvement in the gig economy.¹⁸ In stark contrast, only 32 per cent of Baby Boomers reported participating in any form of gig work.¹⁹ This generational shift indicates the growing significance of platforms in daily life as more young people work, live, and play on them, creating new employment opportunities and diverse income streams.

Generational distribution of Asia Pacific's gig workers (% of segment engaged in gig work).



Source: Visa, *Green Shoots Radar report*, 2024.

17. Visa, *Green Shoots Radar report*, 2024.

18. Visa, *Green Shoots Radar report*, 2024.

19. Visa, *Green Shoots Radar report*, 2024.

Common key gig services in the region include the sale and resale of consumer products, IT services, education, and delivery services.²⁰ As people and businesses recognise the benefits of remote and flexible work, the demand for such offerings among gig workers will continue to grow.

Key gig services in Asia Pacific

Sale and resale of consumer products

Trading of clothing, accessories, electronics, and books



IT services

Offering web development and software engineering



Education services

Tutoring, coaching, and online teaching



Delivery services

Transporting food, groceries, and parcels



Source: Visa, *Green Shoots Radar report*, 2024.

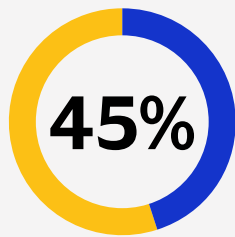
²⁰. Visa, *Green Shoots Radar report*, 2024.

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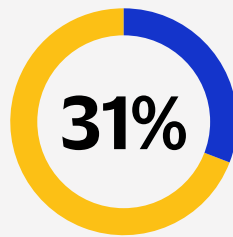
THE NEW REALITY FOR PAYMENTS AND TECHNOLOGY

New challenges in payment acceptance.
With digital innovation and entrepreneurship reshaping the SMB landscape, new payment challenges have emerged.

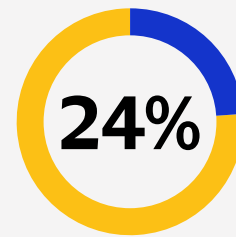
In this changing climate, payment solutions cannot afford to be at a standstill. Traditional payment methods, such as cash, can prevent SMBs from keeping up with consumer demands.



of consumers prefer to buy from both digital and physical channels.



shop mainly online.²¹



of consumers said they prefer shopping in physical stores.²²

With consumers more often buying online and preferring digital payments, merchants who simply offer the 'basics' can lose out on new customers and growth opportunities. SMBs, even those engaged in eCommerce, may not be offering consumers the right blend of payment methods. For example, while more SMBs in Asia Pacific offer some form of digital payment in response to consumer demand, the sheer volume of digital card-not-present transactions means that potential consumers may find it a hassle to enter their card details manually for each purchase in conventional checkout processes.

20. KPMG and GSI, *Navigating the future of seamless commerce in Asia Pacific*, 2024.

21. KPMG and GSI, *Navigating the future of seamless commerce in Asia Pacific*, 2024.

HOW VISA IS ENABLING SIMPLER, SAFER, AND MORE AGILE PAYMENTS FOR SMBs

Visa has unveiled a variety of solutions that transform payments for SMBs in today's digital-first environments. These enable SMBs to meet growing demand for faster, safer, and more secure payment options that better serve their customers.

1

CLICK TO PAY: STREAMLINING THE CHECKOUT EXPERIENCE

Click to Pay offers consumers a smart, easy, and secure way to pay online, streamlining payments for SMBs. With Click to Pay, consumers can access their credentials at checkout using their phone numbers, without having to enter the 16 digits of credit and debit cards. For SMBs, this means more frictionless checkouts and fewer abandoned carts, translating into greater revenues.

2

VISA DATA TOKENS: DEEPENING MERCHANT INSIGHTS ON CONSUMER SPENDING

Visa Data Tokens provide merchants with the ability to gain insights into consumer spending and spending patterns, provided consumers give explicit and revocable consent. This capability allows merchants to offer personalised, targeted, and engaging services to their consumers while respecting their privacy.

3

**VISA PROTECT FOR A2A:
STRENGTHENING FRAUD PREVENTION**

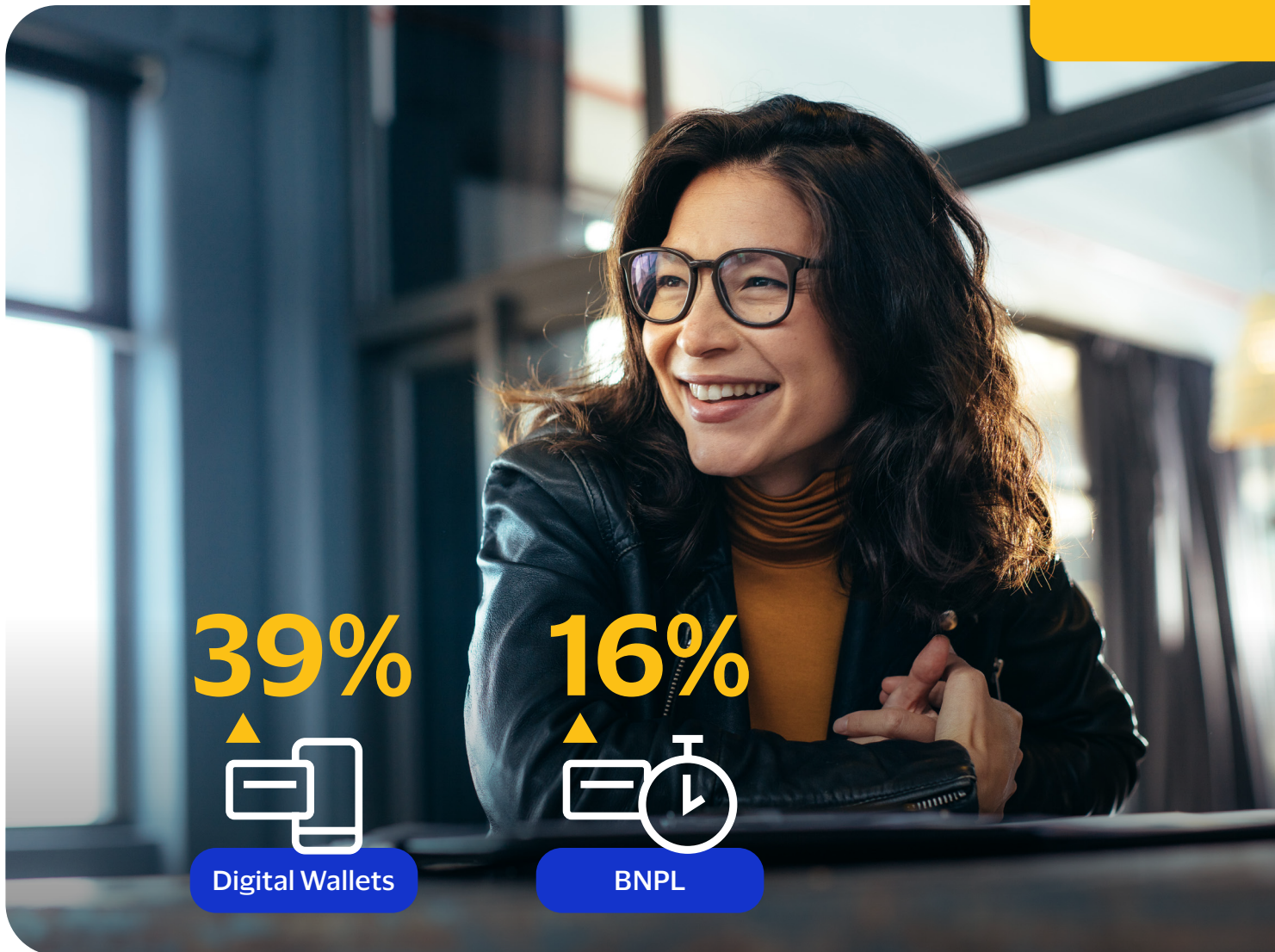
With the power of AI, Visa Protect for A2A prevents fraud in real-time account-to-account payments. By using AI for transaction risk scoring, the solution helps financial institutions detect fraud before it happens, helping SMBs avoid potential losses.

4

**VISA INSTALLMENT SOLUTIONS (VIS):
ENABLING MORE FLEXIBLE TRANSACTIONS**

Visa Installment Solutions is a network-based service that allows consumers to transform their current credit lines into Buy Now Pay Later (BNPL) options at checkout, providing cardholders with various convenient payment methods for their purchases. This added flexibility and ease of use may influence consumers' purchasing decisions, potentially leading to more transactions at the point of sale for SMBs.





In particular, social commerce, where transactions occur directly within social media platforms, requires digital payments to be deeply integrated with these environments. Solutions such as in-app payments, digital wallets, and BNPL options are becoming ever more important.

Indicative of the rise in alternative payment methods, in 2023, digital wallets experienced explosive growth in Asia Pacific, with 39 per cent of merchants surveyed adding them.²³ BNPL also saw significant growth, with a 16 per cent increase over the same period.²⁴ Without flexible payment acceptance, SMBs will be unable to keep up with consumer preferences and will be left behind.

23. Visa, *Big on helping you protect small businesses*, 2024.

24. Visa, *Big on helping you protect small businesses*, 2024.

Inflexible payments restrict the creator and gig economies

Furthermore, content creators and gig workers encounter inflexible payment schedules when receiving payments from conventional payment and payroll systems. The flexible, on-demand nature of their work means that they require more frequent and immediate payments with varying amounts. However, traditional systems often have longer fixed payment cycles and high transaction fees, causing issues such as cash flow disruption and high operating costs for these micro-SMBs.

Delayed payments are a huge challenge for content creators and gig workers. In 2023, 31 per cent of gig workers said that the time to receive payments was a major pain point for them.²⁵ Delayed payments prevent content creators from funding upcoming work, especially when it comes to time-sensitive projects that leverage viral content trends. In some cases, slow payments can compel creators to seek alternative lending solutions, making them victims of predatory lending. A government survey conducted in Vietnam found that 17 per cent of the labour force borrowed regularly to sustain themselves between paydays, making them susceptible to high interest rates and hefty fees.²⁶

Challenges of the region's gig workers

31% ▶ of gig workers in Asia Pacific said that long payment times were a major challenge.

17% ▶ of the labour force in Vietnam borrowed regularly between paydays.

Source: Visa, *Green Shoots Radar report*, 2024.

25. Visa, *Green Shoots Radar report*, 2024.

26. Visa, *Visa and Vui App Collaborate to Revolutionize Earned Wage Access in Vietnam*, 2024.

Barriers to startup entrepreneurship

Startups are also facing challenges in securing funding and attracting new talent.



Investment in Southeast Asia, much like the rest of the world, is in a lull, with venture capital funding dropping by 58.6 per cent in the second quarter of 2023.²⁷



Startups in the region secured only USD2.13 billion, a significant decrease from USD5.13 billion during the same period in 2022.²⁸

One of the reasons is that the excessive funding seen in previous years has led to a disconnect between startup valuations and their underlying business performance.

In addition, regional startups are also still facing a shortage of skilled talent. Talented employees are often recruited by established companies that can offer more competitive salaries and benefits compared to startups. These factors contribute to a climate in which startups find it hard to grow, launch new products, and flourish.

27. The Business Times, *Why South-east Asia still holds much promise for startups and venture capital*, 2023.

28. The Business Times, *Why South-east Asia still holds much promise for startups and venture capital*, 2023.

03

TAKING INNOVATION AND ENTREPRENEURSHIP TO NEW HEIGHTS

As entrepreneurship and innovation rise in Asia Pacific, taking SMBs to new heights will require an effective combination of the latest innovations and support from the private and public sectors.

Streamlining payments with innovative technology

Fintech innovations in embedded finance will play a crucial role in catering to the new payment expectations of consumers, gig workers, and content creators.

Embedded finance integrates financial services, such as payments, lending, and insurance, into non-financial platforms. By doing so, it opens new possibilities for payment flows between businesses, content creators, gig workers, and consumers. By 2025, the technology is estimated to unlock an estimated USD242 billion in opportunities for Asia Pacific's financial providers, with the majority of opportunities going to the SMB segment.²⁹



29. *BCG research for Embedded Finance*, commissioned by Visa (Nov 2022).



Enabling flexible, convenient, and tailored B2B payments

Embedded finance, specifically embedded payments, is making a significant impact on B2B transactions, particularly for SMBs serving established businesses. With players such as financial institutions and digital platforms integrating payment services directly into their systems, embedded payments enable faster and more reliable payment processing for SMBs and their consumers. This integration reduces administrative burdens for businesses through automation, ensuring that transactions are streamlined and efficient.

By using services with embedded payments, SMBs can also scale their operations more cost-effectively. This reduces the need for developing in-house financial solutions, which can be costly and complex. Furthermore, SMBs that intend to internationalise can leverage embedded payments on platforms such as eCommerce marketplaces to transact with other businesses overseas more seamlessly, without having to worry about accommodating different payment preferences. Payment features can be integrated into local apps or solutions, allowing all parties to transact on the existing system of their choice.


VISA AND SAP: SIMPLIFYING B2B PAYMENTS FOR SMBS

Visa has teamed up with SAP to simplify B2B payments by integrating Visa's digital payment technology into SAP's business applications. This integration makes payment processes more efficient for financial and procurement teams. Its aim is to automate payments, reduce administrative tasks, and speed up the creation of master data systems.

1

STREAMLINING THE PAYMENT EXPERIENCE

The incorporation of Visa's payment solutions into the SAP Business Technology Platform ensures smooth and secure payments. Businesses, including SMBs, can make payments immediately on SAP platforms with their Visa corporate cards, instead of having to leave their existing enterprise ecosystem and navigate the different payment methods that their vendors accept. The collaboration also automates payments, driving further efficiency in the purchasing journey as businesses make payments securely within a few clicks.

A woman with long brown hair, wearing a white t-shirt and a brown apron, is smiling as she works on a silver laptop. She is leaning over the desk in a workshop or office setting. In the background, there is a white mannequin, a desk with a silver lamp, and shelves with orange boxes. A blue square is in the top left corner, and a yellow square is in the bottom right corner.

In addition to payments, embedded financial management tools can also help SMBs manage cash flow. For example, by integrating budgeting apps into online marketplaces, embedded finance allows SMBs to access tools that automate cash flow insights, enabling real-time monitoring of financial health. Accounting tools can also be embedded to streamline accounts receivable and accounts payable processes, reducing the reliance on manual methods that often lead to errors and inefficiencies.

Enhancing payments for consumers, content creators, and gig workers

Embedded finance is creating seamless and efficient B2C payment experiences. With convenient payment options integrated directly with popular platforms, businesses can facilitate transactions with consumers, content creators, and gig workers.

One of the most significant benefits of embedded payments is its ability to enhance consumer experiences. Allowing consumers to complete transactions without leaving the platforms or websites where they are shopping can reduce friction and increase conversion rates for SMBs, boosting revenues. For example, digital wallets integrated with eCommerce marketplaces enable users to pay quickly and securely at checkout, eliminating the need to manually enter payment details. This streamlined process is crucial in today's fast-paced digital landscape, where consumers expect a smooth and hassle-free experience.

Another benefit of embedded finance is that it gives consumers more payment flexibility, encouraging them to buy easily from SMBs and other businesses. For instance, BNPL services can be seamlessly integrated into eCommerce platforms, allowing consumers to make purchases and pay for them in instalments. Imagine a consumer shopping for a new laptop. By choosing a BNPL option at checkout, he or she can spread the payments over several months. This not only makes larger purchases more accessible but also significantly increases the likelihood of completing transactions that might otherwise be abandoned due to upfront costs.

VISA FLEXIBLE CREDENTIAL: UNIFYING THE PAYMENT EXPERIENCE FOR SMB CONSUMER CONVENIENCE

1

SIMPLIFYING CONSUMER PAYMENTS FOR SMBS

Visa Flexible Credential simplifies transactions for consumers and SMBs by providing a single payment credential that accesses multiple funding sources, including bank accounts, lines of credit, instalment plans, and loyalty points. This allows consumers to choose their payment method easily through their mobile devices. By enabling users to switch payment methods, Visa Flexible Credential enhances the purchasing experience, improves financial control, and fosters consumer loyalty for SMBs.

2

TRANSFORMING ISSUING FOR BETTER PAYMENT FLEXIBILITY

Visa Flexible Credential presents issuers with a valuable opportunity to enhance user engagement and establish a top-of-wallet credential. By bundling existing funding sources, issuers can create customised offerings, such as pay-with-points, easy instalments, and multi-currency options. This not only provides consumers with greater convenience and choice but also allows issuers to realise cost savings through increased engagement and potential upselling and cross-selling opportunities.

Acquirers and issuers can leverage their existing acceptance and processing infrastructure to support Visa Flexible Credential, ensuring seamless integration and deployment. This solution is compatible with national debit networks and non-financial funding sources, allowing for the versatility to meet a wide range of market needs.



Content creators and gig workers also benefit significantly from embedded payments, as these solutions facilitate faster and more reliable payment processing. This reduces the complexity of financial transactions, allowing these individuals and small teams to be paid on time and at the frequency they require. Furthermore, by embedding financial applications in social media platforms, content creators can monetise their work directly, simplifying the receipt of payments for digital products, subscriptions, or donations. Additionally, they gain valuable insights into audience purchasing behaviours, which can inform their content strategies.

A notable application of embedded payments is the transformation of payroll systems, which greatly benefits gig workers. By embedding payroll functions into non-financial applications, individuals can receive timely payments without high fees or long waiting times. Earned Wage Access (EWA) is an example of this transformation.

WHAT IS EWA?

EWA is a financial service that allows employees to access a portion of their earned wages before the traditional payday. This service is particularly beneficial for employees who need financial flexibility to manage unexpected expenses without waiting for the end of the payroll cycle. EWA typically involves a small fee for each transaction, though some providers offer it free to employees, with costs absorbed by employers. By providing early access to wages, EWA can help improve financial well-being and reduce reliance on high-interest loans.

1

VISA AND NANO TECHNOLOGIES ENHANCE EWA FOR VIETNAMESE WORKERS

Visa has partnered with Nano Technologies to improve EWA in Vietnam through the Vui App, providing workers with instant access to their earned wages. This initiative is particularly beneficial for middle- and low-income employees, offering a cost-effective alternative to high-interest payday loans and helping them manage their finances and avoid debt traps.



2

EASY ACCESS TO WAGES ANYTIME

The Vui App integrates seamlessly with employers' HR systems, allowing workers to access their wages at any time. Over 300,000 employees across various industries have benefited, gaining better financial control and the ability to address unexpected expenses promptly. This on-demand pay model is a significant step towards promoting financial inclusion and digitalisation in Vietnam.

3

QUICK AND SECURE PAYMENTS WITH VISA DIRECT

In addition to EWA, Visa Direct, Visa's real-time global money movement platform, ensures employees receive their wages quickly and securely by enabling instant fund transfers to bank accounts, digital wallets, and prepaid cards. This flexibility in payment methods is essential for meeting the diverse needs of gig workers and other employees who require immediate access to their earnings.

Ramping up private and public support for startup growth

Even though startup funding has dropped in Asia Pacific, there are still growth opportunities in the sector. Governments and the financial ecosystem are ramping up efforts to help startups with financial and talent support.

Initiatives such as startup incubators, funding programmes, and entrepreneurial education can be implemented to equip young people with the skills and resources needed to succeed in their ventures. For instance, countries like Singapore and China have established comprehensive support systems for startups, providing financial aid, and mentorship to budding entrepreneurs.



One of the key programmes is Startup SG Founder, launched by the Singapore government. The programme provides mentorship and a startup capital grant of up to SGD50,000 to first-time entrepreneurs with innovative business ideas.³⁰

Another initiative of note is Youth Business China (YBC), a non-profit initiative by the All-China Youth Federation and other agencies. YBC aims to promote youth entrepreneurship by providing business mentoring, seed money, skills training, and network support. It offers up funds of up to USD6,600 for youths aged 18–35 who are unemployed or under-employed but have viable business ideas.³¹

Similar programmes from the private sector are also available. Players such as payment networks, fintechs, and financial institutions are leveraging their technological capabilities, vast networks, and expertise to give startups a boost with funding and networking opportunities.

30. Startup SG Founder, *Startup SG Founder*, accessed September 2024.

31. Business China, *Business China*, accessed September 2024.

VISA ACCELERATOR PROGRAMME



WHAT IS THE PROGRAMME?

The Visa Accelerator Programme is designed to help growth-stage startups and early-stage SMBs refine their product offerings and scale their businesses across Asia Pacific. This six-month programme focuses on co-developing, testing, and iterating new solutions in collaboration with Visa's experts. Startups benefit from access to Visa's extensive network of financial institutions, merchants, and digital partners, facilitating rapid go-to-market opportunities.



HOW DOES IT HELP STARTUPS?

Participating startups receive equity-free funding of up to USD50,000 to support their proof-of-concept projects. They also gain exclusive mentorship from Visa's leadership and subject matter experts, which helps them build robust roadmaps for growth. The programme emphasises commercial partnerships, enabling startups to expand into new regions with tailored support and market-specific expertise. This initiative ultimately aims to foster innovative solutions in digital payments and enhance the scalability of promising startups within the Visa ecosystem.

HOW ACCELERATOR STARTUPS ADDRESS MARKET AND SMB GAPS IN ASIA PACIFIC

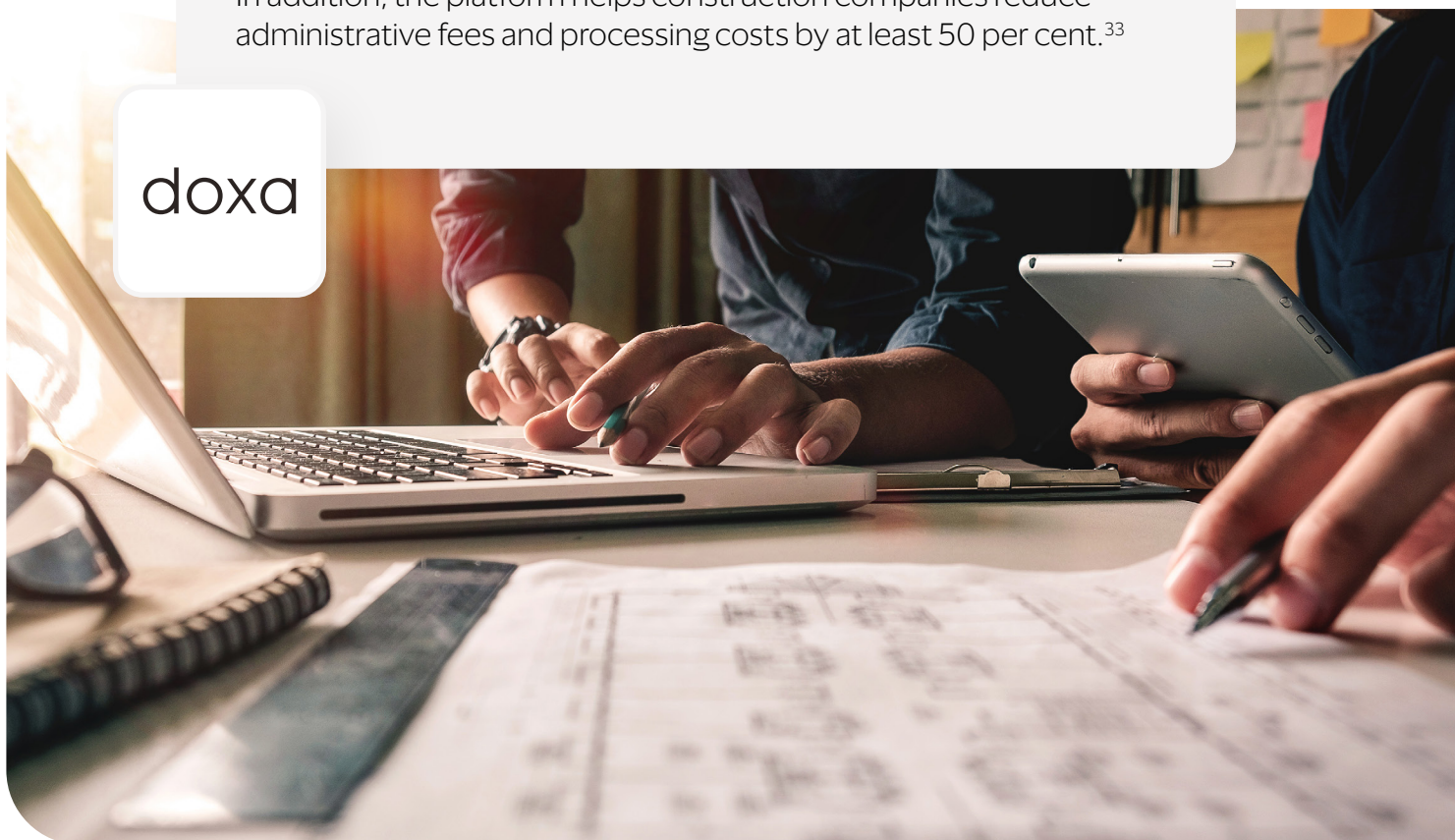
1

DOXA HOLDINGS: ACCELERATING PAYMENTS AND FINANCING IN CONSTRUCTION

Part of the 2023 programme, Doxa Holdings is a Singapore-based fintech transforming payments for the construction industry.

With Visa's support, the company's solution, Doxa Connex, allows subcontractors to receive payments via virtual cards as soon as their work claims are certified, often ahead of the invoice due dates.³² In addition, the platform helps construction companies reduce administrative fees and processing costs by at least 50 per cent.³³

doxa



32. Visa, *Visa, UOB and Doxa transform payment processes for the construction industry*, 2023.

33. Doxa Holdings, *DBS, Doxa launch automated supplier payments solution for construction sector*, 2023.

2

DOWSURE: BROADENING ACCESS TO CAPITAL FOR E-COMMERCE MERCHANTS

Dowsure, a China-based fintech, offers various services to facilitate cross-border sellers, often SMBs, and their financial transactions. It uses a proprietary risk control model and a dual account locking system to secure loan repayments and mitigate risks. The company utilises a data sandbox for efficient data transfer between e-commerce platforms and banks, allowing for real-time monitoring of loans and seller performance.

The logo for Dowsure, featuring the word "dowsure" in a lowercase, sans-serif font. The letter "o" is stylized with a red dot above it.

3

OPEN: STREAMLINING FINANCIAL SERVICES AND PRODUCT DEVELOPMENT FOR INDIAN SMBs

Open Financial Technologies (Open) from India provides a banking platform that integrates banking, payments, accounting, and expense management. This consolidation allows SMBs to manage their finances more efficiently, reducing the time spent on administrative tasks. SMBs save at least two hours a day, which can be redirected towards growing their businesses.

The logo for Open, featuring the word "open" in a lowercase, sans-serif font. The letter "o" is stylized with a red dot above it.

04

CONCLUSION: EMPOWERING AGILE SMBS WITH AGILE PAYMENTS

In the digital revolution of tomorrow, SMBs are poised to become agile innovators shaping Asia Pacific's economic landscape.

The explosive growth of digital commerce is redefining agility, as consumer preferences shift dramatically towards seamless digital experiences. Consumer demands are evolving rapidly, calling for a diverse array of options, from cutting-edge digital wallets to innovative BNPL solutions. As a result, the future of payments is as dynamic and adaptable as the SMBs they serve. A paradigm shift in payment systems is not just necessary – it is inevitable.

Changing perceptions of traditional work is also propelling the creator and gig economies into the spotlight. Coupled with the proliferation of social media and digital platforms, content creators and gig workers are rapidly emerging as a new breed of micro-SMBs. Creators are reaching out to consumers via social media and leveraging viral marketing, turning fleeting trends into lasting success. Meanwhile, gig workers are exploring flexible business models, offering consumers and larger businesses unprecedented agility in services ranging from product sales to IT and education. The shifting work attitudes are also encouraging a spirit of entrepreneurship in Asia Pacific. Supported by national agendas, more individuals, especially youths, are looking to start their own businesses.

Payment needs are evolving as a result of these forces. Payment innovations must cater to these fast-changing consumer needs and the flexible requirements of content creators and gig workers. Embedded finance emerges as a key pillar of transformation. The technology will unlock unprecedented opportunities for modern SMBs. It promises to transform payment processing, offering unparalleled flexibility and ironclad security that will redefine the very essence of financial transactions. In future, technological innovations in generative artificial intelligence (GenAI) will also significantly enhance the agility of SMBs by optimising payment efficiency, personalising services, and combating fraud. By automating routine tasks such as invoicing and reconciliation and analysing consumer behaviour data, GenAI-powered payments can help SMBs make payments safer, smarter, and more efficient.

The agility of SMBs will also depend on additional support from governments and players in the ecosystem. With startups facing economic headwinds and pressure, initiatives from the public and private sectors will give them a significant boost in funding and talent. Players such as regulators, financial institutions, payment networks, and fintechs can offer their capital, expertise, and vast networks. This will give SMBs the resources, mentorship, and networking opportunities to succeed.

By embracing these forward-thinking strategies and solutions, SMBs won't just survive – they will lead the charge into a new era of commerce. The future belongs to the adaptable, the innovative, and the collaborative. Together, SMBs will drive economic growth, fostering a vibrant, inclusive digital economy in Asia Pacific.

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