May 2026

THE CROSS-BORDER OPPORTUNITY:

What Global Sourcing by US SMBs Means for Payment Providers

PYMNTS INTELLIGENCE

THE CROSS-BORDER OPPORTUNITY:

What Global Sourcing by US SMBs Means for Payment Providers

READ MORE

February 2026

Ready for Change:
Why Nearly Half of SMBs Want to Ditch Cash and Checks

PYMNTS INTELLIGENCE

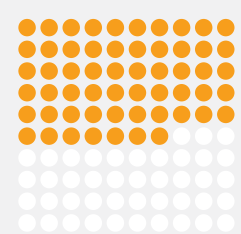
The Cross-Border Opportunity: What Global Sourcing by US SMBs Means for Payment Providers was produced in collaboration with Mastercard, and PYMNTS is grateful for the company's support and insight. This research was independently designed, fielded, analyzed and written by PYMNTS intelligence with real-world data collected through rigorous survey sampling methods. Research partners provided funding support but exercised no control over the methodology, data collection, findings or conclusions. Unless otherwise indicated, all data is from PYMNTS.

TABLE OF CONTENTS

WHAT'S **AT STAKE**

America's small and medium-sized businesses are far more globally connected than their size suggests. Nearly six in 10 buy materials and goods overseas. But global supply chains have developed faster than the cross-border payments infrastructure that supports them. Amid the gap, payment providers have an immediate opportunity to help the backbone of American commerce strengthen its relationships with international suppliers. The solution: networks that send money in a foreign supplier's local currency, faster and seamlessly.

57%



of U.S. SMBs buy goods and inputs from overseas suppliers.

Most American SMBs pay their foreign suppliers in U.S. dollars. That means suppliers must absorb the costs of currency fluctuations and assorted fees. Depending on the exchange rate, they may get less (or more) than they expected. The unpredictability, along with losses from unfavorable rates, may affect supplier relationships, satisfaction with the payments provider and the importing business' bottom line.

Today, most U.S. SMBs still use traditional banks for cross-border payments. Their usage is projected to increase this year, to almost seven in 10 of firms that source overseas. Still, mainstream banks leave many firms underserved in terms of speed, transparency and flexibility.

Meanwhile, the competitive landscape is shifting.

Financial technology companies that offer global payment services earn the highest satisfaction rating of any cross-border payment provider not focused on cryptocurrencies. That's why SMBs with international suppliers are projected to significantly increase their use of FinTechs this year.

Collectively, this is a significant market opportunity for payment providers. More than one in four internationally active U.S. SMBs that source heavily from abroad show openness to switching their providers. This report identifies how businesses engage with foreign suppliers, which ones are interested in stronger payment providers and what it takes for providers to win them over.

The Cross-Border Opportunity: What Global Sourcing by US SMBs Means for Payment Providers is a PYMNTS Intelligence report in collaboration with Mastercard. It is based on a survey of 535 owners, founders, vice presidents, and executive directors of small and medium-sized businesses in the United States conducted from Feb. 12–24, 2026. Of these respondents, 310 sourced at least some production inputs internationally in 2025.

This is what we learned.

27%

of U.S. SMBs that actively source supplies abroad are interested in switching cross-border payment providers.

63%

of U.S. SMBs pay their overseas suppliers mostly in USD.

43%

of U.S. SMBs cite faster payment settlement as their top priority in 2026.

KEY FINDINGS

01

Most U.S. SMBs source from overseas.

Cross-border sourcing is mainstream. Almost three in four firms with $1 million–$10 million in annual revenue buy overseas. Even 42% of U.S. firms with less than $150,000 in annual revenue source internationally.

02

Paying international suppliers doesn't have to be complicated.

More than six in 10 U.S. SMBs that use overseas suppliers pay predominantly in U.S. dollars. Firms that use a combination of dollars and local currencies want a payments provider that can handle more currencies, and faster, at almost double the rate of USD-only payers.

03

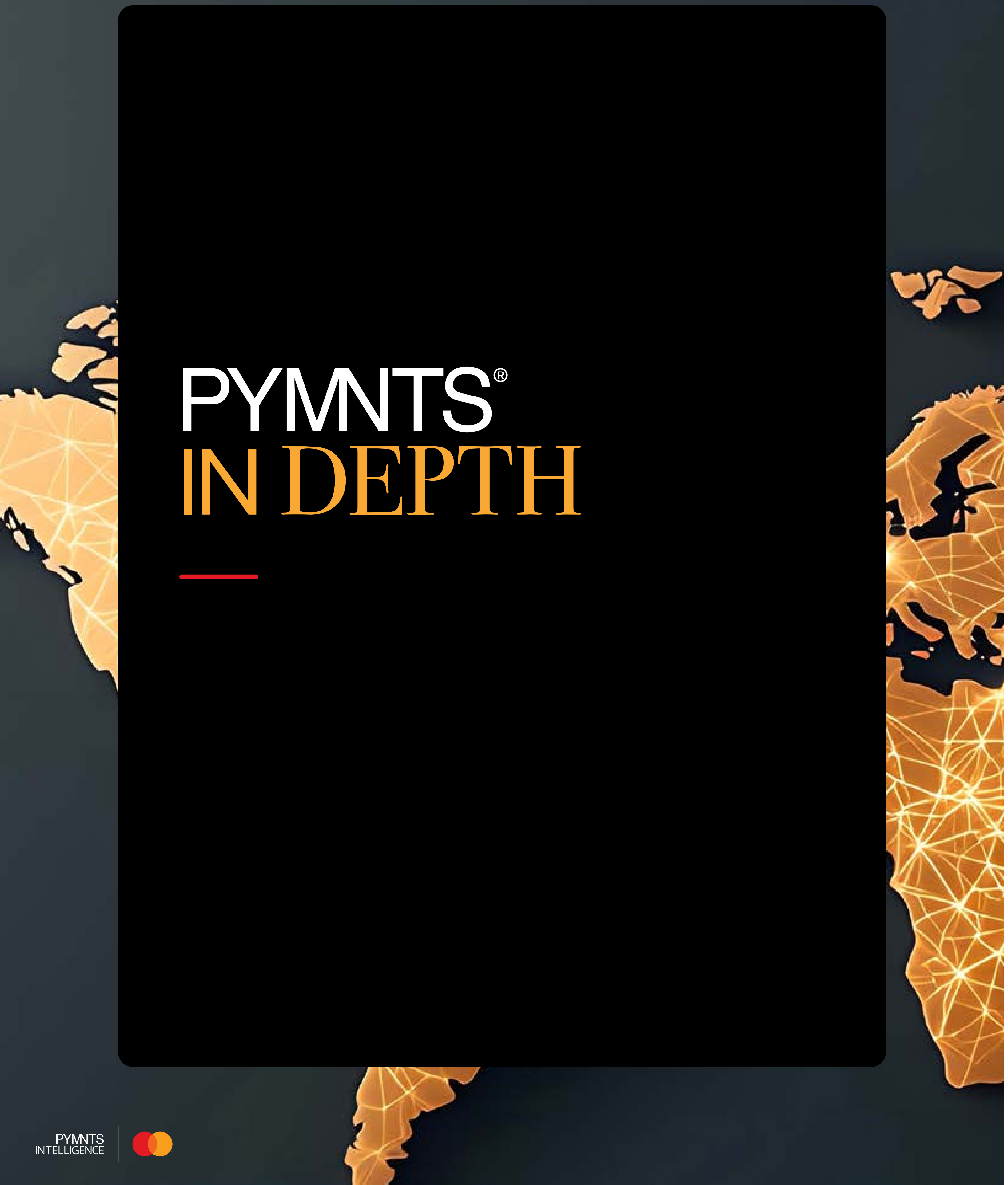
FinTechs are gaining ground.

Just over nine in 10 U.S. SMBs that use FinTechs as cross-border payment providers rate their performance as good—the highest score of any non-cryptocurrency payment provider—and FinTech usage is growing the fastest.

04

Speed is the universal priority.

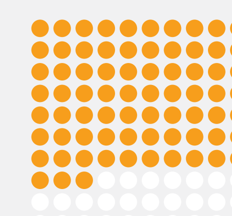
Faster payment processing and settlement is the most cited improvement area. More than one in four U.S. SMBs that source heavily from abroad show openness to switching payment providers.



SMBs with seven-figure revenues and those focused on goods lead in overseas sourcing, but even nearly half the smallest firms are in the game.

Consider a hair salon chain in the Midwest that orders professional conditioning masks from South Korea four times a year. Or a high-end restaurant in Texas buying artisanal mezcal from Mexico every month. These aren't multinationals with sprawling global procurement teams. They're small-to-medium-sized businesses finding the best suppliers and prices they can, wherever they are. Fifty-seven percent of America's more than 36 million small businesses now buy goods and raw materials from overseas.

73%



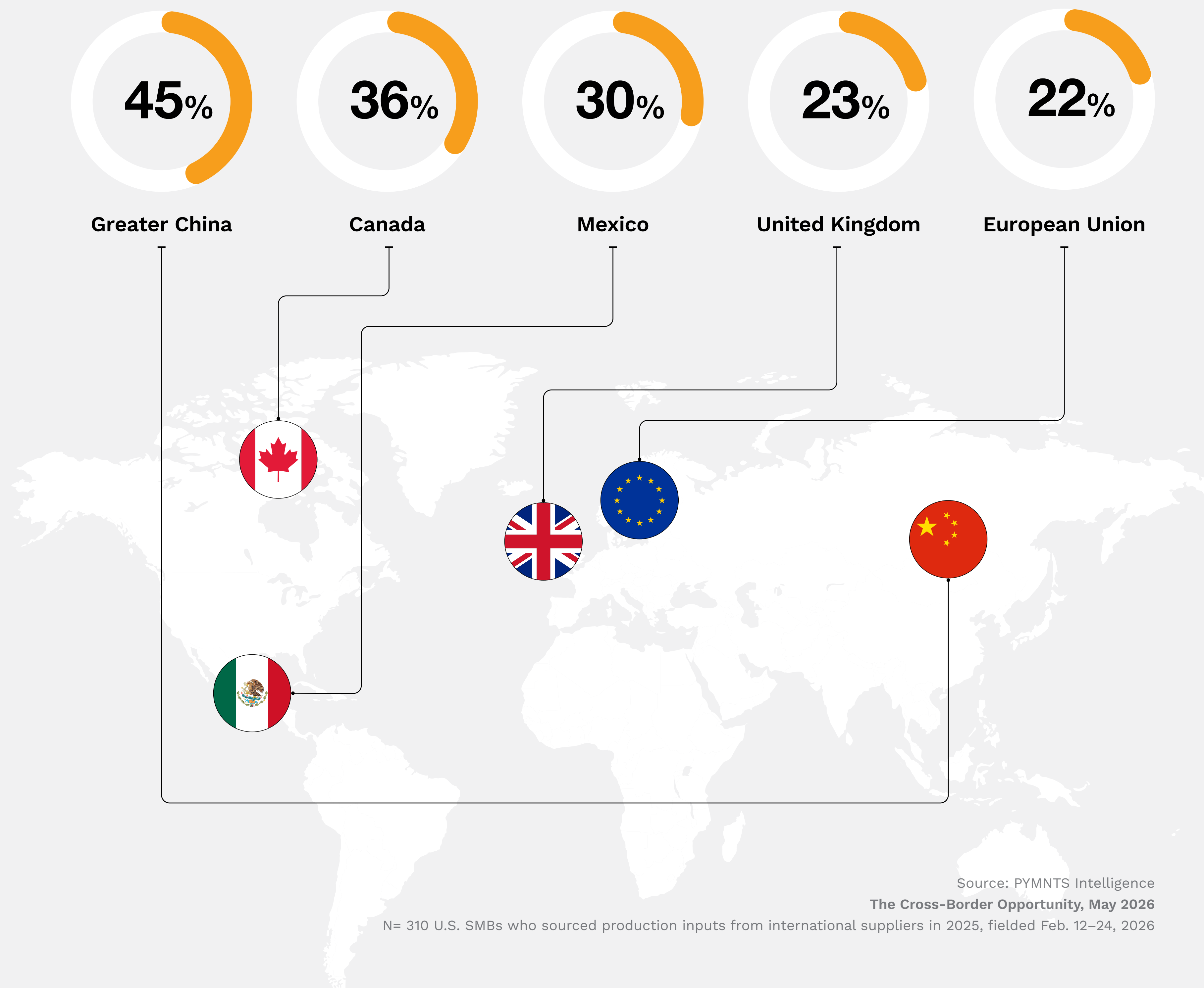
of U.S. SMBs with annual revenues between $1 million and $10 million bought goods and commodities from global suppliers last year.

The larger the firm, the greater its reliance on international markets. Nearly three in four U.S. SMBs with seven-figure revenues buy from abroad. But even 42% of the very smallest businesses pulling in under $150,000 a year do it.

Asia is the leading sourcing region. Nearly six in 10 internationally active U.S. SMBs, meaning those purchasing at least 11% of their supplies overseas, buy from the Asia-Pacific region. Greater China, the single largest supplier market for these businesses, serves 45% of them.

Canada and Mexico are the second-largest combined source, reflecting the pull of geographic proximity and established trade relationships in North America.

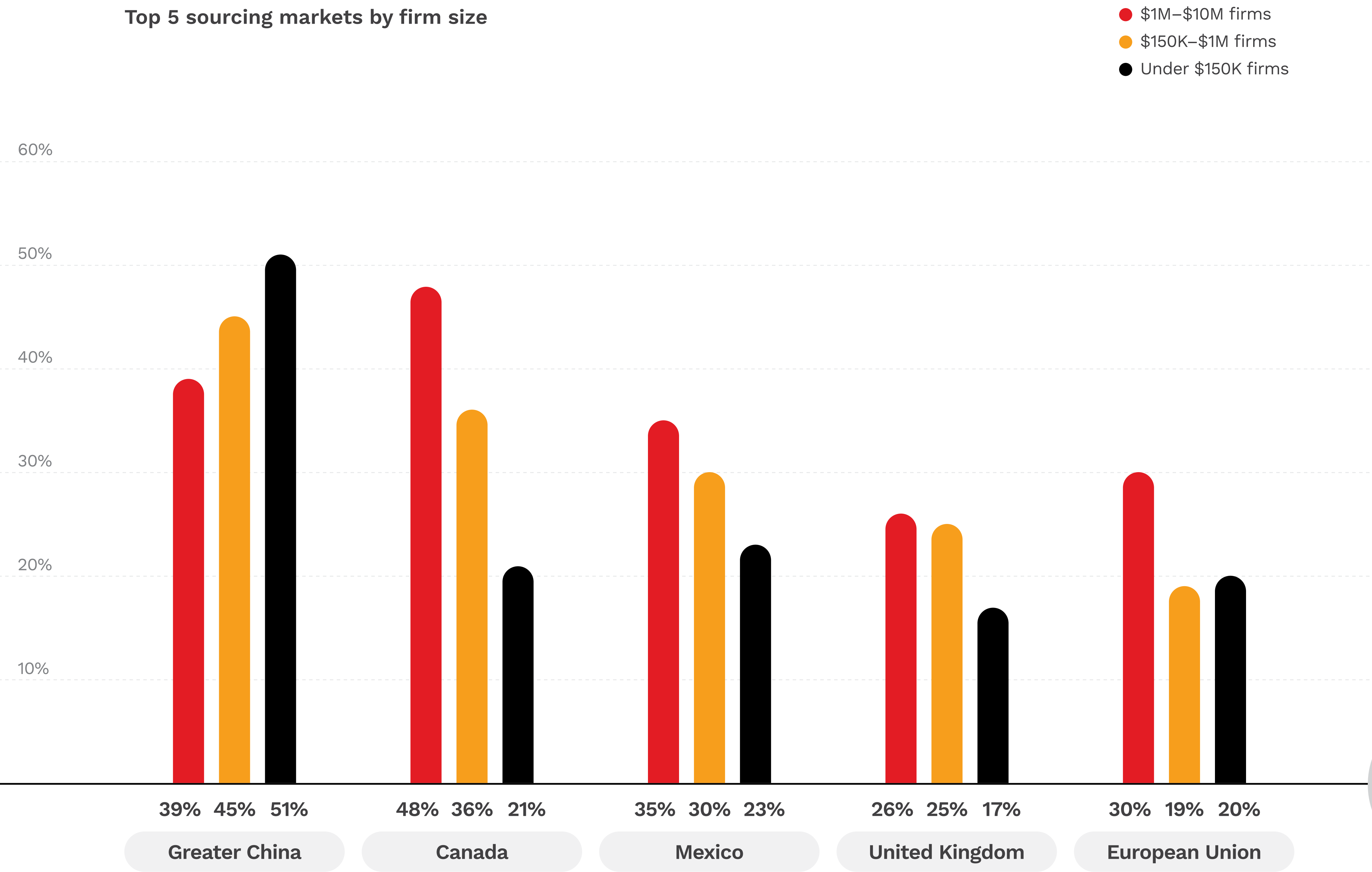
Top 5 international sourcing markets for U.S. SMBs:



Source: PYMNTS Intelligence
The Cross-Border Opportunity, May 2026
N= 310 U.S. SMBs who sourced production inputs from international suppliers in 2025, fielded Feb. 12–24, 2026

FIGURE 1:

Top 5 sourcing markets by firm size



Source: PYMNTS Intelligence
The Cross-Border Opportunity, May 2026
N= 310 U.S. SMBs who sourced production inputs from international suppliers in 2025, fielded Feb. 12–24, 2026

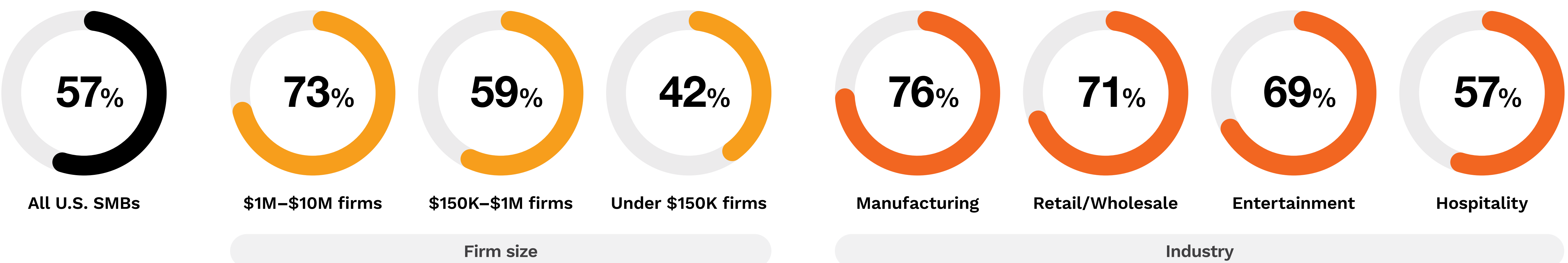
Which geographic “corridor” a business sources from varies according to its size. That’s important because different regions present different cross-border payment challenges. The task of moving money into a given country depends heavily on an individual country's banking infrastructure, currency controls, and regulatory environment. A payment provider might be excellent for sending funds to Europe and Mexico, but unreliable for Vietnam or Thailand.

Everyone knows that many goods companies buy overseas to reduce their costs. Bigger companies source globally because they have the scale to buy in bulk and the volume needs that domestic suppliers can't always meet. But entertainment and hospitality firms also look abroad. They purchase specialized equipment and materials from international suppliers at counterintuitively high rates that are at or above the average, showing the range and depth of the U.S. SMB sector's reach and needs.

Main Industries in our survey

- Construction or utilities
- Entertainment or media
- Healthcare
- Hospitality
- Manufacturing
- Personal services
- Professional services
- Retail or wholesale trade

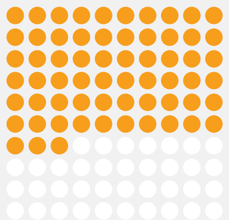
Which U.S. SMBs source overseas the most?



Source: PYMNTS Intelligence
The Cross-Border Opportunity, May 2026
N= 535 Complete responses, fielded Feb. 12–24, 2026

Paying overseas suppliers doesn’t have to be complicated.

Most U.S. SMBs pay their overseas suppliers in USD because their own bank accounts, cash flows, and accounting are dollar denominated. That makes foreign currency purchases and exchange-rate hedging a heavy lift. Only 4% of firms with overseas suppliers pay primarily in the supplier's local currency. One third uses a mix of the two.



63%

of internationally active SMBs pay overseas suppliers predominantly in USD.

Strategic Insight

Nearly six in 10 internationally active SMBs source from the Asia-Pacific region. Yet 65% of those buyers still pay in dollars. Businesses that use a payment provider equipped to handle local-currency transactions fast and with no hassles may strengthen their supplier relationships and bottom line.

On the one hand, bank wire transfers in local currencies are usually more complex than those in dollars. A business that uses a bank to pay a supplier in, say, Thai baht, often sees longer transfer times and more fees, including those charged by intermediary “correspondent” banks in the transfer chain. The supplier-recipient typically faces less predictability about when a payment will arrive and in what amount. On the other hand, paying a foreign supplier in USD doesn’t erase foreign exchange hassles and costs. It just shifts them to the supplier, who then typically builds any currency conversion loss into their prices.

FinTechs are gaining ground.

Banks are still the most widely used providers for cross-border payments. Sixty-four percent of internationally active U.S. SMBs used one in 2025. That's projected to rise to 69% this year.

But things are changing.

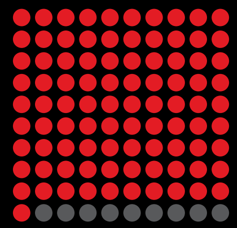
FinTechs are projected to grow faster than any other cross-border payment provider type this year, to 36% from 30% in 2025. In a wakeup call to payment providers, 91% of internationally active U.S. SMBs using FinTechs for cross-border payments rate their performance as good—the highest score for any type of cross-border payment provider.

Specialized accounting platforms with embedded payment capabilities are also on the rise. Used by 26% of internationally active U.S. SMBs last year, this figure is projected to rise to 29% this year. Workflow-embedded payment systems, where the payment tool is built into a business's accounting software, are also becoming a competitive wedge, especially among businesses with revenues between $1 million and $10 million.

Specialized money transfer firms, the only type of payment provider losing ground, have the lowest satisfaction scores of all and are the only category projected to show declining usage.

The popularity of FinTechs is a major opportunity for payment providers. With intuitive digital experiences, fast payments, foreign exchange hedging, and multi-currency accounts, most FinTechs are built on top of credit card networks. When a small business uses a FinTech to pay a coffee exporter in Brazil, a card rail processes that transaction. The FinTech is the interface; Mastercard, Visa, American Express, or Discover provides the rail underneath.

91%



of small businesses using FinTechs for cross-border payments rate their performance as good—the highest of any non-cryptocurrency provider category.

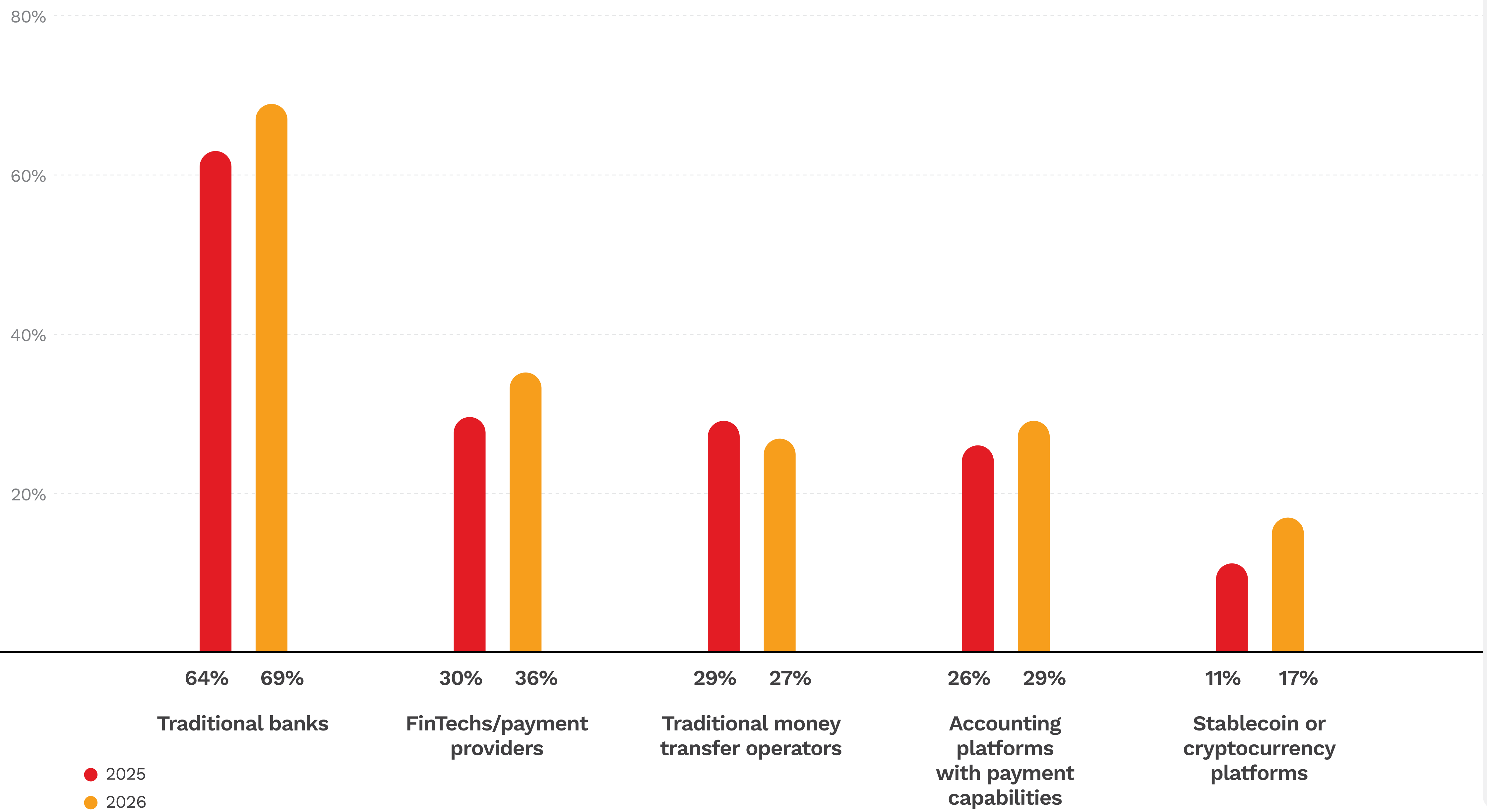
But the enduring stickiness of traditional banks is also an opportunity. Financial institutions that understand how more small businesses are turning to FinTech and specialist providers to meet their cross-border payment needs are better equipped to capture this market.

PYMNTS INTELLIGENCE

FIGURE 2:

Share of internationally active U.S. SMBs reporting the payment providers they used in 2025 or are likely to use in 2026 for international input purchases

Source: PYMNTS Intelligence
The Cross-Border Opportunity, May 2026
N= 310 U.S. SMBs who sourced production inputs from international suppliers in 2025, fielded Feb. 12–24, 2026



69%

of U.S. SMBs are likely to use a traditional bank for cross-border payments this year.

Alternative solutions for globally connected small businesses

The good news is that there are easier, faster alternatives to money transfers through correspondent banking, which tends to be slow, more expensive, and harder to track. That's why newer payment platforms are positioning themselves as the best options for a globalized economy.

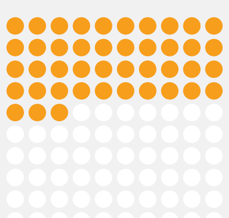
Mastercard Move helps banks and fintechs better support U.S. SMBs by enabling faster, more transparent, and more cost-effective cross-border payments. Leveraging a global, multi-rail network across cards and bank accounts—with direct connectivity to local partners and payment systems—the platform addresses long-standing friction points, including limited visibility, complex correspondent banking chains, and unpredictable settlement times. In doing so, it helps bring cross-border payments closer to a domestic-like experience.

With the ability to move money in more than 150 currencies across 200 countries and territories as of May 2026, Mastercard Move delivers the scale and reliability banks and fintechs need to serve globally active businesses. SMBs benefit from competitive FX rates, flexible payout options, and end-to-end visibility, enabling stronger cash flow management, more predictable supplier payments, and greater operational efficiency. Mastercard Move is subject to client configuration, corridor availability, and regulatory constraints.

What U.S. SMBs want when paying suppliers abroad.

When firms that actively source foreign supplies are asked what they most want from a cross-border payment provider, the answer is consistent across every size of business and every sourcing region. They need their payments to move faster. More than four in 10 put faster settlement at the top of their list, above any other priority by a significant margin.

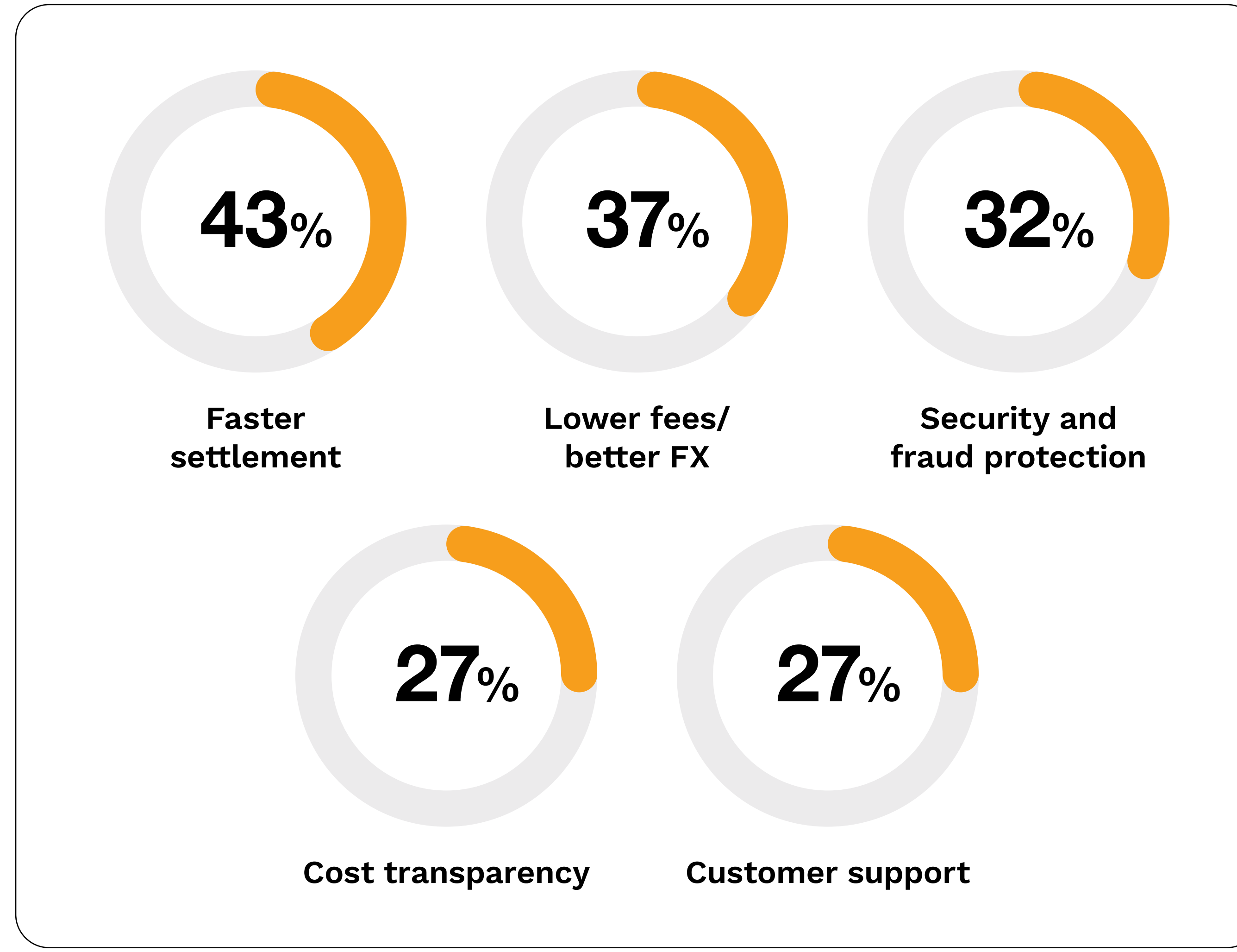
Speed to funds is the top small business priority.



43%

of U.S. small businesses cite faster payment processing and settlement as the top improvement area—the most cited capability across every corridor and revenue tier.

Top 5 things U.S. small business with global suppliers want



Source: PYMNTS Intelligence
The Cross-Border Opportunity, May 2026
N= 310 U.S. SMBs who sourced production inputs from international suppliers in 2025, fielded Feb. 12–24, 2026

What comes after speed varies. Mid-sized firms care the most about fees and exchange rates. The smallest ones want to know what a payment will cost them before they send it. Businesses sourcing from Europe rank customer support and security higher than average.

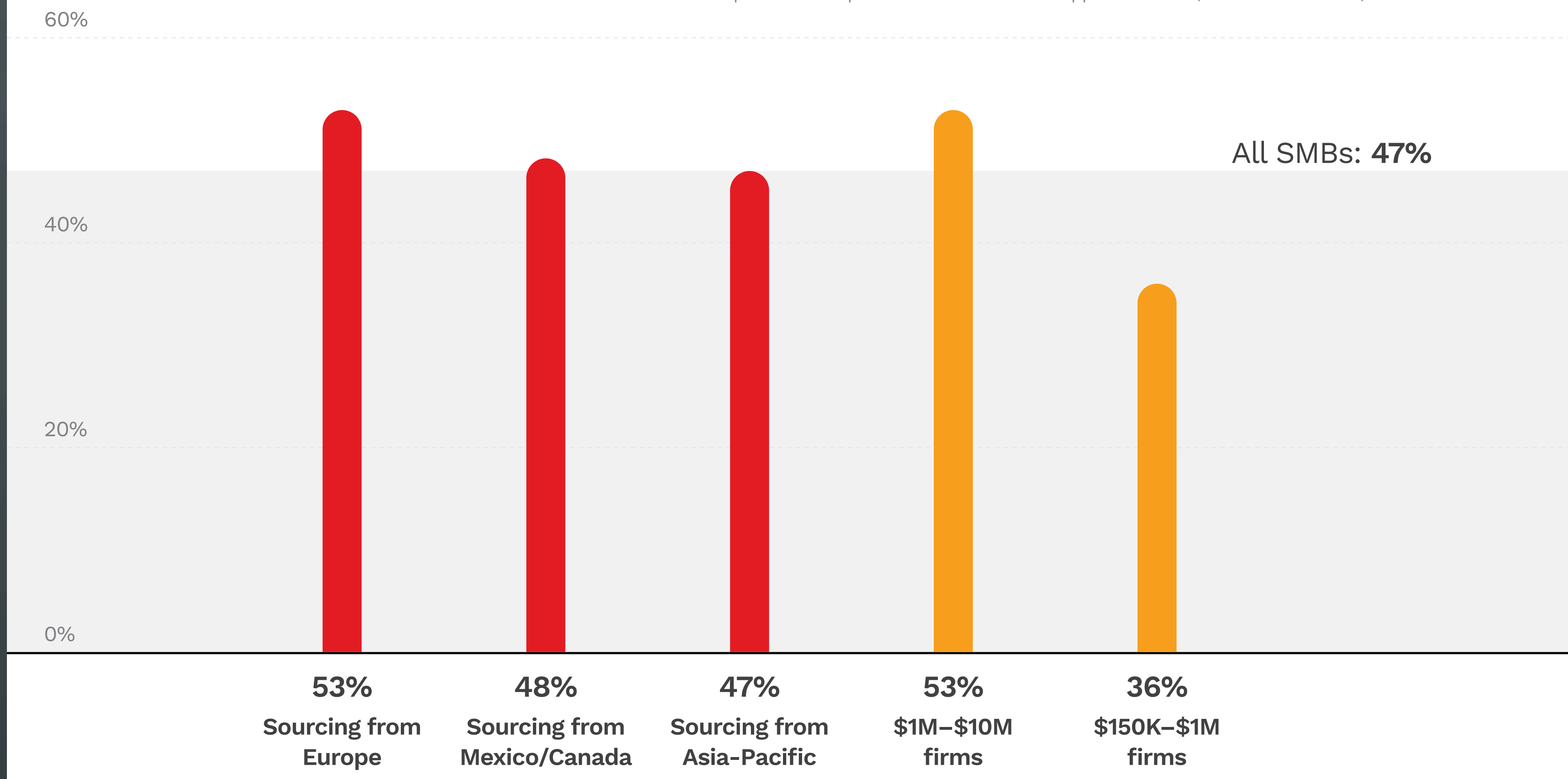
Nearly one in two internationally active U.S. small businesses that source from the Asia-Pacific region are open to switching providers.

That switch rate rises to 53% for both the largest SMBs ($1 million–$10 million in annual revenues) and firms sourcing from Europe. We define a high likelihood of switching as meeting two or more behavioral indicators of dissatisfaction with the current payment provider. These indicators include planning to change payment providers in 2026, prioritizing faster settlement, greater transparency, better integration, or delivery certainty as key service improvements, and using personal accounts for business payments.

FIGURE 3:

Which firms are most likely to switch?

Source: PYMNTS Intelligence
The Cross-Border Opportunity, May 2026
N= 310 U.S. SMBs who sourced production inputs from international suppliers in 2025, fielded Feb. 12–24, 2026



What This Means for Providers

Speed is the table stakes. Pair it with segment-specific capabilities: pricing transparency for mid-sized firms, customer support and local payment methods for European corridor buyers, and multi-currency settlement for Asia-Pacific supply chains.

ACTIONABLE INSIGHTS

01 Target U.S SMBs already in global motion.

More firms operating internationally are turning to FinTech providers to meet their needs. The 29% that source heavily from abroad and show a high likelihood of switching cross-border payment providers represent a critical mass. Financial institutions and FinTechs need to move on this opportunity to support these firms' growing financial needs.

02 Lead with speed, then specialize.

Faster payment settlement is universal but not sufficient. Smaller businesses that buy abroad also want transparent pricing of payment services. Larger firms need security and treasury tools. Companies buying in Europe need improved customer support and local payment capabilities.

03 Treat performance as a growth strategy.

Satisfaction today is linked to adoption tomorrow. FinTechs are gaining ground because they are perceived as doing the job well. For Mastercard's financial institution clients, measurable performance improvements are a clear path to capturing market share in the cross-border payments industry.

Small businesses are operating in an increasingly global economy, and for many US SMBs, cross border payments are part of everyday business. More than half source goods or materials internationally, underscoring how deeply global trade is embedded in this segment.

As SMBs expand across borders, expectations are shifting. Speed is no longer a “nice to have"; it's a core requirement. Delays once accepted are now seen as constraints—disrupting cash flow, straining supplier relationships, and limiting the ability to operate with confidence across markets. For SMBs, more seamless cross-border payments are critical to liquidity certainty, operational resilience, and keeping pace with modern commerce.

For banks and fintechs, this shift is redefining the competitive landscape. SMBs are evaluating cross border payment providers with more scrutiny, which has led to fintechs gaining traction through faster, more transparent experiences. Alongside trust and reliability, speed and transparency are now core decision drivers—creating both urgency and opportunity to deliver payment experiences aligned with how SMBs operate today and expect to operate tomorrow.

Modernizing cross border capabilities is essential to meeting this need. Solutions such as Mastercard Move enable banks and fintechs to deliver faster, more transparent, and more reliable cross border payments. Through a single integration, banks and fintechs can deliver multi-currency payments, improve traceability, and provide greater certainty on timing and costs—capabilities that are increasingly critical for U.S. SMBs managing international supply chains. It’s innovation designed to make cross-border payments as frictionless as domestic payments.

The findings in this report reinforce a simple but important point: delivering speed alone is not enough. What matters is speed with certainty—combined with transparency, access, and reliability. Banks and fintechs that can deliver on this will be best positioned to support their SMB clients as they operate, trade and grow across borders in an increasingly interconnected global economy.

Mike Kresse
EVP, Commercial and New Payment Flows, North America

Pratik Khowala
Global Head of Transfer Solutions

METHODOLOGY

The Cross-Border Opportunity: What Global Sourcing by US SMBs Means for Payment Providers was produced in collaboration with Mastercard and independently designed, fielded, analyzed, and written by PYMNTS Intelligence. Mastercard provided funding support for this research but did not control the study design, methodology, data collection, analysis, or conclusions. The views expressed are those of PYMNTS Intelligence and do not necessarily reflect the views of Mastercard or its affiliates.

Any references to Mastercard products or services are for illustrative purposes only and do not constitute a guarantee of performance, availability, or functionality. Product features and capabilities may vary by market, customer configuration, and applicable laws. Disclaimer: This report is based on research conducted by PYMNTS and reflects its views as of the date of publication. Mastercard does not guarantee its accuracy or completeness.

This report may include forward-looking statements based on current assumptions and expectations, which are subject to risks and uncertainties. It is provided for informational purposes only and does not constitute legal, financial or investment advice. Mastercard has permission to share and distribute this document with a PYMNTS citation and backlink.

The report is based on a survey of owners, founders, vice presidents, and executive directors of U.S. small businesses conducted February 12–24, 2026. Total sample: 535 firms with annual revenues up to $10 million. Of those, 310 sourced at least some production inputs internationally in 2025. All 2026 figures reflect stated intent, not confirmed adoption. High likelihood of switching is defined as meeting two or more behavioral indicators of dissatisfaction.

THE PYMNTS INTELLIGENCE TEAM THAT PRODUCED THIS REPORT:

Lynnley Browning
Managing Editor

Johanna Fajardo, Ph.D.
Senior Research Analyst

Franco Coraggio
Research Analyst

ABOUT

PYMNTS INTELLIGENCE

PYMNTS Intelligence is a leading global data and analytics platform that uses proprietary data and methods to provide actionable insights on what's now and what's next in payments, commerce and the digital economy. Its team of data scientists include leading economists, econometricians, survey experts, financial analysts, and marketing scientists with deep experience in the application of data to the issues that define the future of the digital transformation of the global economy. This multilingual team has conducted original data collection and analysis in more than three dozen global markets for some of the world's leading publicly traded and privately held firms.

Mastercard is a technology company in the global payments industry. Its global payments processing network connects consumers, financial institutions, merchants, governments and businesses in more than 210 countries and territories. The company's products and solutions make everyday commerce activities — such as shopping, traveling, running a business and managing finances — easier, more secure and more efficient for everyone. Visit https://www.mastercard.us/en-us/business/issuers/manage-your-consumer-needs/bill-pay-exchange.html for more information.

Mastercard and its circle design are registered trademarks of Mastercard International Incorporated.

We are interested in your feedback on this report. If you have questions, comments or would like to subscribe, please email us at feedback@pymnts.com.