

June 2025

Datos Matrix: Leading U.S. Providers of Digital Small-Business Banking

A full copy of the 54-page report is available through the [Datos Insights website](#)

Prepared for:



Overview and Methodology

Competition has never been greater to win the hearts and wallets of the coveted small-business customer segment. FIs are competing against each other and agile fintech companies with solutions that address critical small-business needs. The right strategy and product set are crucial to success, as is deploying the right technology to support them.

This report evaluates key market dynamics, the technology vendor landscape, and the competitive positions of leading vendors. It leverages the Datos Matrix, a proprietary Datos Insights vendor assessment framework, focusing on vendor capability (stability, client service, and product features) and performance (client satisfaction, implementation success, and client outcome) to differentiate the market leaders from the contenders and emerging/niche options.

Methodology

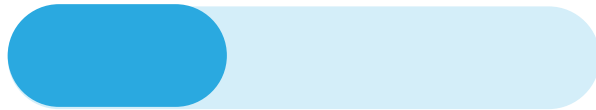
Datos Insights applied the following criteria to develop a list of vendors for participation:

- FI awareness of the vendor as a provider of a viable small-business digital banking offering
- Successful implementation of a small-business digital banking solution at a minimum of one U.S.-based FI and an ability to provide client references
- The ability to offer a full out-of-the-box solution (as opposed to just components of one)
- Capabilities suitable to meet the needs of small businesses, and not simply a rebranded consumer banking platform

Call to Action

Gaps exist between small-business needs and bank offerings. FIs are at risk of losing these critical customers to agile, forward-looking competitors.

37%



of small businesses state they will definitely or probably switch FIs in the next two years; 44% are among millennial- and Gen Z-run businesses.

Source: Datos Insights survey of 1,004 U.S.-based small businesses, Q1 2025

Small businesses are changing:

- They show more comfort with technology
- They are aware and in need of products and services to help them run their business and manage cashflow more effectively
- They are willing to pay for products and services with the right value proposition

FIs Fall Short in Several Areas



75% of small businesses go beyond their FIs to meet at least one financial need.



77% of small businesses state their primary FI offers few products and services they would be willing to pay for.



85% of small businesses would like their online banking sites to integrate more tightly with their accounting systems.



82% of small businesses want to see their primary FIs offer more payment options.

Source: *Datos Insights Survey of 1,004 U.S. based small businesses, Q1 2025*

Key Trends Shaping the Market and Bank Needs/Strategies

Trend	Implication
<p>Small-business transaction volume may not be high, but their needs more often mirror those of middle-market companies, not consumers.</p>	<p>FIs can no longer effectively serve small businesses with rebranded consumer platforms. They need true business capabilities.</p>
<p>Small businesses show a greater willingness to work with fintech companies.</p>	<p>FIs need more open platforms that enable easier integration with third-party fintech solutions. They should also form partnerships with these fintechs to avoid disintermediation.</p>
<p>Cash forecasting remains a key challenge for most small businesses, but most FIs do not yet offer it.</p>	<p>Cash forecasting and better overall money management tools, along with payments, should be top priorities for FIs when seeking out fintech partners.</p>
<p>Demand for functionality is rising, but those capabilities must also be easy to use.</p>	<p>Small-to-midsize businesses (SMBs) often lack the resources of larger organizations and may lack specialty finance knowledge. They seek capabilities that add in-depth knowledge and convenience, but in personalized, easy to understand ways that generate efficiencies—this includes a need for mobile banking parity.</p>

AI Usage in SMB Banking Is Gaining Traction

Interest in artificial intelligence (AI) usage in the small-business space is rising rapidly.



70%
of SMBs are comfortable/very comfortable with greater AI use banking and payments.

90%
of banks expect to see impact on cash and money management from AI.

91%
of SMBs that use AI tools report that it boosts their revenue.

What are vendors delivering?

- AI-driven customer communications with automated responses based on policies
- Data intelligence solutions enabling analytics-based decisions
- Personalized dashboards with data-driven insights
- Cash forecasting and money management tools
- Advanced fraud prevention and risk management

What are vendors promising?

- Customer lifetime orchestrators with AI-based campaigns
- Generative AI capabilities for business insights
- Advanced data-driven recommendations
- Predictive payment analytics
- AI-powered cash flow forecasting

Banks Are Replacing SMB Banking Platforms

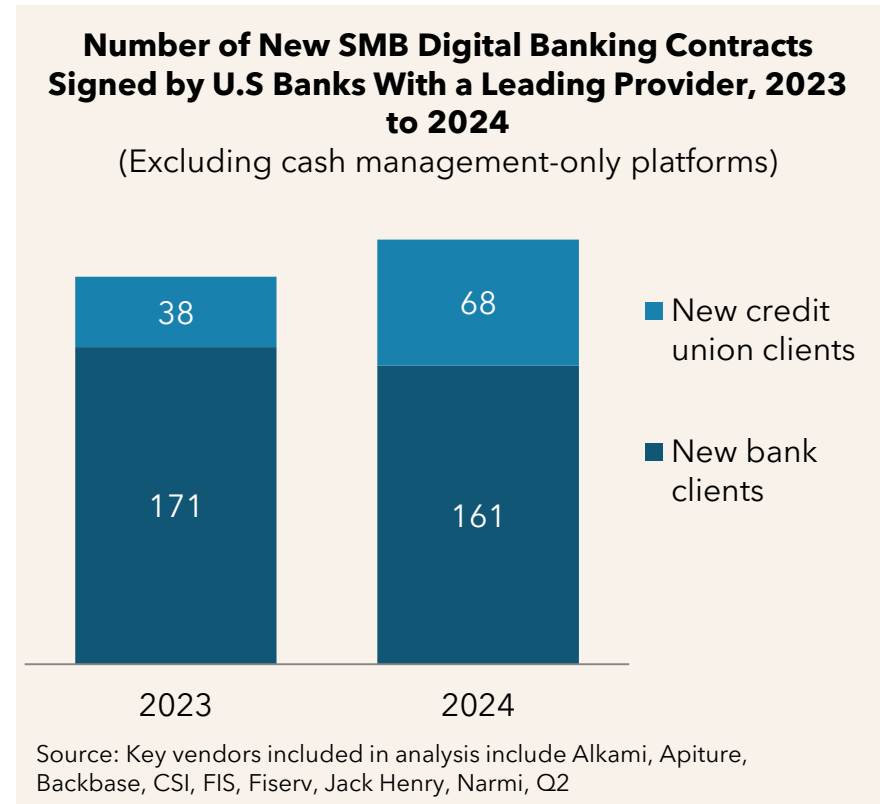
After years of underinvestment, FIs at all levels are replacing outdated SMB platforms with more modern, open ones.

Investment in new SMB capabilities remains high year-on-year, driven by key pressures:

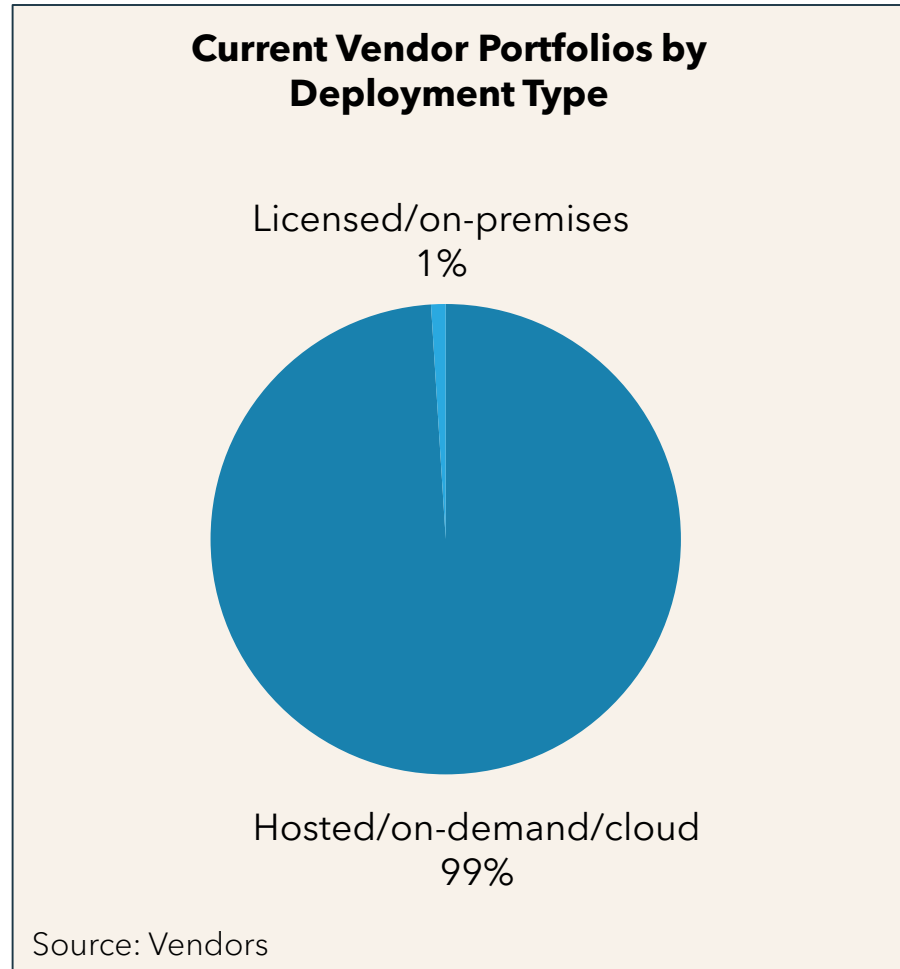
- The “Big Four,” digitally forward institutions, and fintechs are all gaining a greater shares of new SMB clients aided by their superior SMB banking offerings, spurring investment by other bank categories.
- Investment by credit unions is accelerating, aided by the growing range of cloud-based deployment options.
- SMB customer expectations are shifting for more self-service and more integration into accounting and enterprise resource planning (ERP) systems.

These numbers only include contracts for new deployments, not the addition of new modules. They also only count solutions aimed specifically at small-business use cases and not broader cash management capabilities.

The average number of new contracts varies dramatically between vendors. Those targeting credit unions are seeing the most growth.



Hosted and Cloud-Based Deployments Continue to Be Preferred

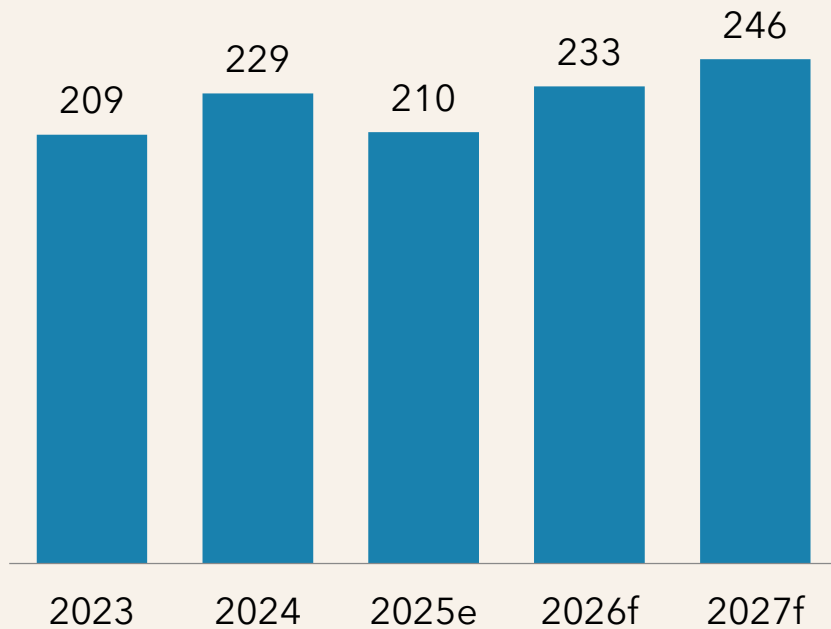


- All new 2025 contracts signed are for offerings that will be hosted in a vendor data center or cloud environment.
- Benefits of a hosted/cloud deployment include the following:
 - Faster speed to market
 - Lower capital expenses
 - Greater likelihood to be on the latest release of a solution
 - Risk transferred to vendor
- Offering a cloud deployment option has become the industry standard, with most vendors not even offering licensed/on-premises deployment options.
- Public cloud such as AWS is now increasingly preferred, particularly by banks under US\$9 billion in assets.

Datos Insights Expects the Number of SMB Banking Replacements to Waver, Then Rise Steadily

Forecast New SMB Digital Banking Contracts, 2023 to 2027f

(Excluding cash management-only platforms)



Source: Vendors and Datos Insights' estimates

- Outdated platforms must be replaced to remain competitive. “Good enough” is no longer sufficient in the increasingly competitive SMB space.
- Momentum was strong between 2023 to 2024, with 10% market growth driven largely by credit unions. Macro-economic conditions and economic slowdown, including the uncertainty brought on by tariffs, is expected to see a slight decline in new contracts in 2025 as many FIs take a wait-and-see approach on their investment decisions.
- Most activity will continue to come from community banks with less than US\$9 billion in assets and commercially focused smaller banks and credit unions, as most large and super-regional banks have already replaced their platforms or maintain home-grown platforms.
- Larger banks are focused on building out their solutions to meet shifting customer needs and expectations. Newer functionality, such as the growing use of AI tools, more API integration and reporting, and analytics functionality means overall investment will remain high, even outside of full SMB banking replacements.

Factors for and Against Adoption of a New Business Banking Platform

Adoption promoters

- Desire to offer small businesses true business capabilities rather than rebranded consumer ones
- Need for more robust capabilities to attract and retain small businesses, such as real-time reporting and money management
- Need for greater flexibility and more open platforms that more easily integrate with third-party fintech offerings
- Desire for better client-life-cycle management, particularly with high-growth SMBs
- Competitive pressure from fintechs and Big Four banks

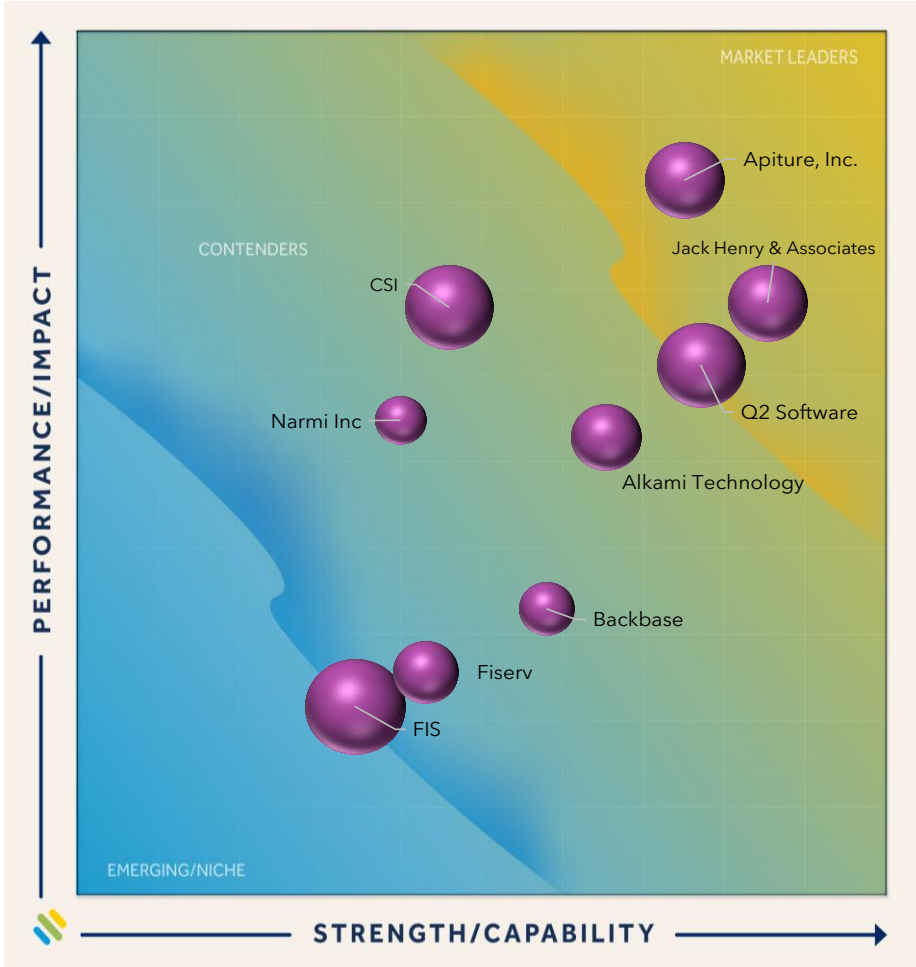
- Building business case for SMB investment due to perceived lower return on investment per customer
- Competing IT priorities and limited budgets
- Inertia and comfort with existing systems and processes
- Concerns about impact of migration on clients
- Fear that small businesses won't pay
- Siloed lines-of-business; SMB banking lost between retail and commercial

Adoption inhibitors

Key Functionality Trends

Minimum requirements	Competitive differentiators	Next-generations features
<p>UI</p> <ul style="list-style-type: none"> • Personalized dashboard • Single view across products • Granular entitlements • Alerts and reminders, including fraud • Omnichannel capabilities <p>Transactional capabilities</p> <ul style="list-style-type: none"> • Zelle for Business • ACH • Basic commercial card <p>Integration</p> <ul style="list-style-type: none"> • QuickBooks/Xero/NetSuite integration 	<p>UI/embedded analytics</p> <ul style="list-style-type: none"> • Cash forecasting • Money management tools • Scenario planning <p>Transactional capabilities</p> <ul style="list-style-type: none"> • Payroll functionality • Immediate payments • Virtual cards • Expense management <p>Integration</p> <ul style="list-style-type: none"> • Industry vertical ERPs • Fintech partnerships • E-commerce platforms 	<ul style="list-style-type: none"> • Advanced, data-driven recommendations • Advanced fintech ecosystem • Industry peer comparisons • Generative AI capabilities

Datos Matrix



Bubble size corresponds to U.S. SMB digital banking market penetration.

Vendor Profiled in This Report

Vendor	Product name	Headquarters	Cloud options	Hosted deployment options
Apiture	Apiture Digital Banking Platform - Business Banking	Wilmington, North Carolina	<ul style="list-style-type: none">• Public cloud (AWS)	<ul style="list-style-type: none">• None

Vendors' Payment Capabilities

Datos Insights Digital Small-Business Banking Assessment	
Capabilities	Apiture
Support RTP	
Support FedNow	
Support Zelle for Business	
Ability to support batch payments in bulk	
Payment scheduling	
Request to pay functions	
Ability to initiate payment via mobile device	
Payment wizard/rules-based engine	
International payment capabilities	

Available and live at client site

Available but not yet live at client site

On product roadmap

Not available

Vendors' Money Management Tools

Datos Insights Digital Small-Business Banking Assessment	
Capabilities	Apiture
Support for sweep accounts	●
QuickBooks integration	●
Integration with other key small-business accounting systems (Autobooks, NetSuite)	●
Open APIs for business tool integration	●
Forecasting and money management capabilities	●
Ability to generate and deliver electronic invoices	◐
Integrated expense management features	●
Commercial card program management for business users	●

● Available and live at client site

◐ Available but not yet live at client site

◑ On product roadmap

○ Not available

Vendors' User Experience Bells and Whistles

Datos Insights Digital Small-Business Banking Assessment	
Capabilities	Apiture
Online knowledge center for customers to view demos, read articles on industry trends	●
Create unique experiences and workflows for different personas, industry groups	●
FI can roll out the system headless so they may leverage their UI	●
Support multi-entity accounts with hierarchies for parent/subsidiary accounts	●
Online account opening	●
Customizable end-user dashboards	●
Single platform to manage accounts for multiple business entities under one owner	●
Integrated chat/digital agent support	●



Available and live at client site



Available but not yet live at client site



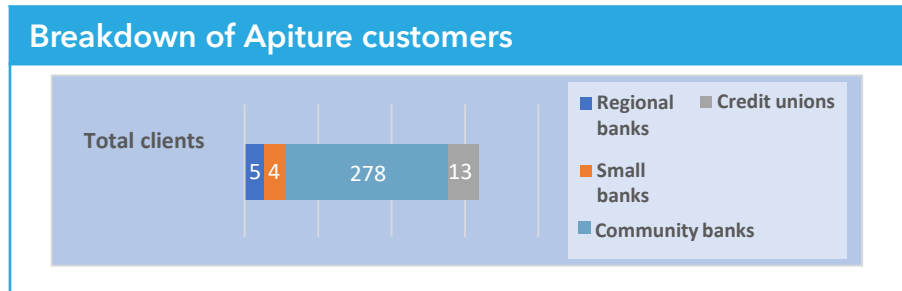
On product roadmap



Not available

Company overview	
	Apiture describes itself as a configurable digital-first banking platform purpose-built for regional banks, community banks, and credit unions. Apiture was founded in 2017 as a joint venture between First Data Corporation and Live Oak Bank.
Founded	2017
Headquarters	Wilmington, North Carolina
Ownership	Private

Sample clients













Product overview	
Product name	Apiture Digital Banking Platform - Business Banking
Target customer base	Community banks and credit unions
Number of U.S. clients	300
Deployment options	Public cloud (AWS); Apiture publishes a unified roadmap for the entire Apiture Digital Banking Platform spanning all solution offerings.

Differentiating features and recent enhancements

- Easy-to-use business banking platform with full suite of banking and payments capabilities for small businesses
- Data intelligence solution to allow business users to cross-sell, make informed analytics-based decisions, and build out their customer engagement strategy
- Specialization in banks and credit unions to make solutions available across banking categories
- Robust fraud prevention with real-time alerts, multifactor authentication, and validation engine. Positive Pay is also a key component of the solution.
- Cash management suite with cashflow forecasting, financial event planning, balance reporting, and expense optimization

Key roadmap focus areas

- Refresh and update UI
- Integrate AI into business banking and data portal
- Automated intervention capabilities for real-time fraud monitoring/prevention
- Expand small-business account platform integrations, including Autobooks, NetSuite, and Sage
- Ability to generate and deliver electronic invoicing

Overall assessment	Datos Insights client outcome/impact analysis		Functionality assessment	
<p>Apiture is a strong contender in the digital banking space for small businesses. It particularly appeals to community banks and credit unions. The company's exclusive focus on digital banking allows it to specialize and innovate in this domain.</p> <p>Clients consistently cite the company's focus on innovation and enhancing the CX as key strengths. The platform excels in customization and personalization capabilities, allowing FIs to create tailored client journeys. References also highlight the solution's ease of use for customers. Standard reporting functionality is noted as a weakness, but the company works with clients to enhance capabilities through customization.</p> <p>Clients particularly value Apiture's approach to service and support, with consistent communication about enhancements and timely delivery of updates. The company is investing in artificial intelligence capabilities, though clients indicate this is an area where most institutions have not yet developed specific expectations or requirements.</p> <p>For FIs seeking a proven, reliable, user-friendly digital banking solution that can be customized to their needs while receiving strong support services, Apiture represents an attractive option with proven client satisfaction and business impact.</p>	Client satisfaction	Clients are satisfied with Apiture. They highlight its ease of use and continuous innovation in CX enhancements. Clients appreciate the platform's ability to create unique, personalized client journeys.	UI	
	Implementation success	The implementation team comprises 10 to 50 specialists and provides a structured onboarding processes. Core-specific implementation teams ensure expertise with clients' back-end systems, helping smooth customer transitions.	Payment capabilities	
	Client outcome/impact	Apiture exceeds client expectations in helping attract new clients and retain existing customers. Clients also rate highly the solution's ability to generate fee-based revenue via new cross-sell opportunities. Clients note that the platform helps SMB customers manage their money more efficiently; they say Apiture has a strong roadmap and feel positive about maintaining continual innovation.	Custom client journeys	
			Business insights and reporting	
			Integration with key ERP and accounting systems	
			Mobile banking capabilities	
			Money management tools	
			Multi-user entitlements	
			Speed of innovation	
			Implementation and support	

Datos Insights strength/capability analysis		
Vendor stability	Client base strength	Product features
Apiture is an established vendor with over seven years in the digital banking market. It demonstrates financial stability with steady profitability and high recurring revenue (90% to 95%). Client's rate the quality of the management team as "strong," highly competent, proactive, and adaptable to market changes.	Apiture maintains a strong client base of 300 FIs, mostly community banks and credit unions. Client retention is excellent (90% to 95%); clients are unlikely to replace the solution in the next 12 to 24 months. Average client tenure is five to 10 years; it continues to add approximately 12 new clients per year.	Apiture's business banking platform offers a user-friendly interface that clients rate positively. The platform is particularly strong in customization capabilities, ecosystem integration, and money management tools. Standard reporting functionality can be enhanced through customization or add-ons.

About Datos Insights

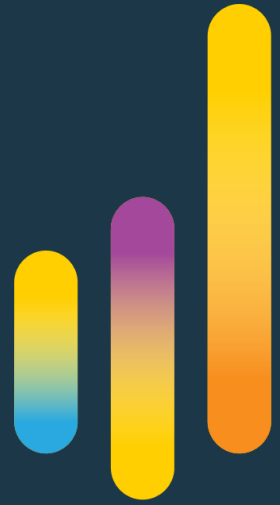
Datos Insights is the advisor of choice to the banking, insurance, securities, and retail technology industries—both the financial institutions and the technology providers who serve them. We help our clients make better technology decisions so they can protect and grow their customers' assets.

Our consulting and thought leadership delivery are set apart by the deep industry knowledge of our advisors, a long history of successful client partnerships, and a foundation of empirical research and data. Our advisors have been in our clients' shoes, so their counsel is rooted in real-world experience, not speculation. We are staffed for deep client partnerships—not for scale—and we offer open-door accessibility. Whenever clients need us, they can reach us.

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