



When more of us play, all of us win

Tapping into new markets: how mobile payments are driving a boom in startups

Why it's never been easier for small businesses to get paid – wherever they are, and whatever they do

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New technology solutions are enabling small businesses to take payments anywhere, at any time. Photograph: Victor Bostler/Dorkey Limited

The past few years have shone a light on the extraordinary resilience, ingenuity and drive of small businesses and entrepreneurs in the UK.

Despite apparently ceaseless economic challenges, the entrepreneurial drive to follow one's dream shows no signs of abating. There were more than 810,000 new businesses launched in the financial year ending in 2021 according to the government's Business Statistics bulletin – an increase of 21.8% compared with 2019-20 and the highest number of launches on record. Furthermore, a record proportion of startups are now being founded by women, according to the latest figures from the government-commissioned Rose Review: more than 140,000 companies were established by all-women teams last year.

One of the key drivers behind this surge is digital transformation, particularly around payment transactions. Entrepreneurial spirit and access to technology like the cloud is being supported by a digital payments revolution driven by data and connectivity, which now allows people to pay for goods and services rapidly and in a variety of ways.

New technology solutions make it easier than ever for all sorts of small businesses to accept purchases online or out and about. These factors are converging to fuel new business ideas and growth.

"We're now seeing the number of women launching new businesses growing by a third each year," says Zoa Bajaj Wing, who sits on the advisory board of everywoman, a female business network. "Wider support networks, increased professional experience and recognition of the potential of women has led to more confidence and an explosion in business ideas facilitated by digital transformation. A key part of that is the ease to take payments anywhere anytime."

Adding customer convenience to strong business ideas is proving a winning formula for Sanghya Patel, who launched independent food business Mooli last year, selling authentic Indian readymade dishes. "I saw a hole in the market because the traditional British takeaway experience just doesn't represent the huge diversity of food that can be found in India," she says.

Mooli began initially online, but is increasingly trading at community events and at pop-ups, meaning the business needs to offer efficient and straightforward payment options.

"My background is in consulting, specifically product innovation and when I launched I wanted to be able to scale easily and that meant ensuring we offered flexible payment mechanisms," says Patel. "It's tough enough to acquire customers, you don't want things to put them off. Equally, it's important at the end of the customer journey that there's trust in the security of the transaction. When people see a brand like Visa attached to a small startup it carries a lot of equity."



Shazia Saleem, whose business now makes half its sales online

Likewise, Shazia Saleem identified a gap with expertise gained from working with high-end fashion brands, and set up Pop London with her sister Menissa in 2019 to offer more affordable and sustainable ranges. "I could see that people want to make guilt-free choices," she says. "Our customers use us because of our approach to sustainability and ethics."

Pop London operates as a north London boutique, trades online and occasionally at fashion fairs.

"When I set up, one of the first things that I did was to ensure that I could take multiple kinds of payments because it's crucial these days," says Saleem. "In fact, without that option we wouldn't exist, because sales have now gone from 80-20 to 50-50 in-store and online."

The technology of digital transactions has come a long way, reducing overheads and boosting incentives. Today, secure pocket-size wireless mobile point-of-sale terminals enable businesses to function easily on the move without worrying about taking money to the bank or cheques bouncing.

"I was involved in implementing the first online payment gateways 20 years ago and it was complex, expensive and slow," says Jonty Sutton, CEO of SQL, the company behind the digital transformation of a number of classic British high street brands. "The equivalent today is done with literally a click of a button and the options available are proliferating rapidly."

"At the same time it's never been easier to get to market. Security is taken as a given and the open access in banking makes it easier to combine accounts, store details, use a digital wallet and make repeat payments. All of that makes people comfortable with spending, and that creates opportunity."

The increased convenience and access to quality independent products levels the playing field for small businesses. These include security and protection solutions – indeed, Visa has invested more than \$9bn in network security and fraud management. Colourful food trucks and drinks vans have proliferated across the country, as have time-saving services such as door-to-office dry cleaning, mobile bicycle mechanics, even freelance drone operators carrying out roof surveys. People are more easily able to turn their services into products and be paid on the spot: masseurs can tour offices de-stressing workers, tutors can visit homes and offices, vets can make more home visits.



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With web-design platforms and online marketplaces, it's never been easier to set up a business. The ability to process multiple payments safely also enables e-commerce startups to see rapid returns and be agile when it comes to tweaking products or introducing new lines. Meanwhile, the rise in social commerce – goods sold direct through social network channels – offers a new route to boost sales for startups underpinned by flexible digital payment systems.

Frictionless payment systems ensure everything runs smoothly. Pop London sells direct online rather than through third parties, and Saleem finds it makes the business more competitive and allows for more interaction with customers. "I think it gives the business an air of professionalism," she says, "I can take payments online from anywhere in the world or someone can present their [smart]watch in our shop, it's all the same."

Starting a business requires the same qualities it always did – innovation and drive. But the rise of digital payments has broken down barriers and levelled the playing field, not least for driven women with great ideas.

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Competition is at its best when everyone truly has the chance to take part. That's why Visa is a proud sponsor of UEFA Women's EURO 2022. And Visa's support goes beyond the pitch. Visa has committed to digitally enabling 8 million small businesses in Europe by the end of 2023, providing technology and tools to help turn small ideas into big businesses, wherever they are. To find out more about how Visa is championing access and inclusion visit: [visa.co.uk/wt/UEFA2022](https://www.visa.co.uk/wt/UEFA2022)

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