

Designing digital financial services that work for US SMBs.



JTBD and cultural insights on what business owners need, and the digital services that will help them meet their goals.



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Why you should read this.



The burning platform.



What you will learn from this report.

A blend of actionable insight and cheat sheets



The entrepreneurial mindset and aspirations.

Small- and medium-sized businesses (SMBs) are the lifeblood of the US economy and central to the American dream. We'll explore the diversity and creativity of SMBs and how they can (and some of them are) using fintech to minimize complexity and grow their businesses. We'll also explore how their mindset and aspirations may begin to shift as the business context changes during and post COVID-19.

The growth opportunity in the SMB market.

Who are banks really competing with? We'll show you where the demand in the market is and how SMBs have been underserved. We'll lay out the state of play up until the first COVID-19 shelter-in-place measures were imposed in March 2020, as well as how this is beginning to shift.

How to design truly digital services for SMBs.

How the Jobs to be Done approach can be used to design and build new digital proposition for SMBs. Being truly digital has become a business priority for all kinds of businesses, especially since the pandemic. We'll give you the process for making digital innovation happen, quickly.

How to create culturally relevant financial brands.

If your product never came to market what would customers and culture have missed out on? This is your story to be told. We'll show you how to tell your story in a purposeful, engaging and memorable way that will radically improve your chances of success. During COVID-19 we have already seen examples of brands missing the mark, losing their credibility and trust.

How to retain relevance now and in a post-COVID-19 world.

How do we make sense of the unprecedented? To enable a longitudinal analysis of COVID-19 we invite you to contribute to a live cultural canvas for collating information and decoding cultural movements, and share a framework for tracking the non-linear progress society will make across 4 macro trends. We will be building on this in a second installment of this report later in the year.



Derived from in-depth research, interviews from leading fintechs and 11:FS experts building next generation financial services all over the world

12

in depth remote interviews.

60 minute one-to-one interviews with business owners across 9 states.

The two types of businesses:

- ▶ E-commerce businesses
- ▶ People-centric businesses: shops, stores & trades consultancies



expert interviews.

With stakeholders at PayPal, BB&T, Northern Trust, JP Morgan, Azlo, Rho, Kabbage, Citizens Bank.

1023

nationally representative quantitative interviews with US small businesses with up to 20 employees.

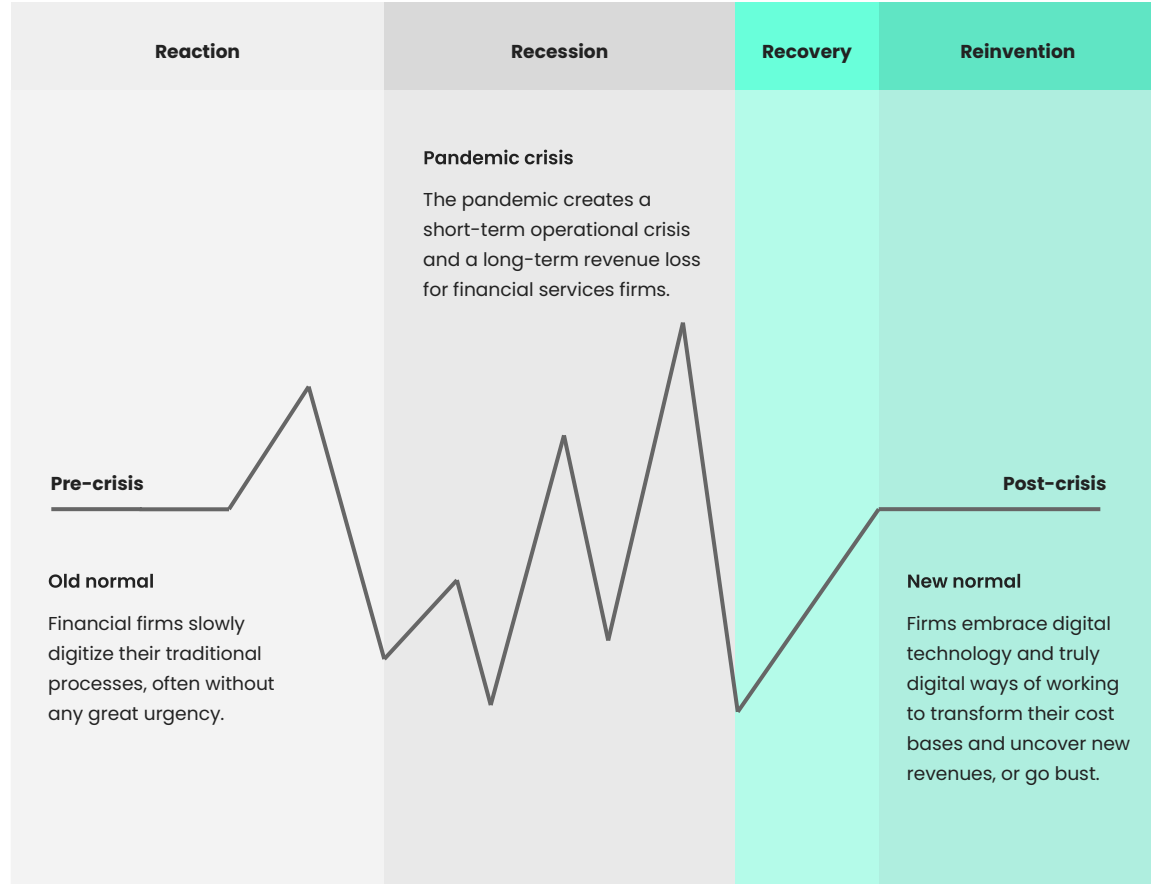
We spoke to business owners or key financial decision makers. The sample is representative of business size (number of employees), geographic location and their legal status of incorporation.

Notes:

Fieldwork was conducted between January and February 2020. We have reopened our qualitative research to track the stories of small businesses through the pandemic. We will publish these insights in a second installment of this research later in the year.

We're following a pre-to post-crisis timeline

Context is everything. Context shapes our motivations and belief systems, and it's the biggest driver of behavior change. But COVID-19 is turning once familiar contexts upside down. In this report we are going to tell you the pre-COVID story, but as we move through and past the crisis, we will be following how the SMB landscape evolves so you can keep your finger on the pulse.



Who are banks competing with?



The disruption in SMB banking.





The changing landscape

Small businesses rock.

We've spoken to a bunch of them !

Their ingenuity, creativity, and commitment to creating something they can take pride in has been wonderful to observe. What's more, SMBs with under 20 employees account for 98% of all businesses in the US. Without them the US would not be the world's largest economy.

Money is the lifeblood of their business. Their cash flow and working capital can make or break their business, no matter how good their products or services are. However, money management is not where their interest or talent lies. Small businesses have focused heavily on delivering exceptional service and the human touch to their customers.

East Meets Dress

The first modern fashion company to bring Asian-American representation and inclusion to the traditional wedding industry.

Historically, banks have played a huge role in supporting America's small businesses. But are they getting the same from financial services providers that serve them?

In today's digital world, the nature of small businesses has changed. There's a huge gap between the jobs SMBs are trying to get done and the products that banks are offering them. SMBs are increasingly underserved by banks and are shifting towards using alternative digital services to help them manage and grow their business.

The technology underpinning digital services providers has enabled them to be quick off the mark in providing support during COVID-19, so the landscape is shifting and reacting in increasingly innovative ways.



of SMBs believe that business banking services offer extra benefits compared with their personal account.

Why is this so low?

The latest figures show there are 4,708 FDIC insured banks in the United States. Big national banks, credit unions and smaller community banks all compete for the c.30 million SMBs across the US. The products that banks offer businesses - bank accounts, loans and credit cards - have not moved on.

SMBs do not want financial products like these. They are no different to the regular financial products they use day-to-day to buy their groceries. Business owners and financial directors want to:

- ▶ Track and manage cash flow in a coherent way
- ▶ Make smart and proactive business decisions based on their financial data
- ▶ Build business credibility and legitimacy for funding

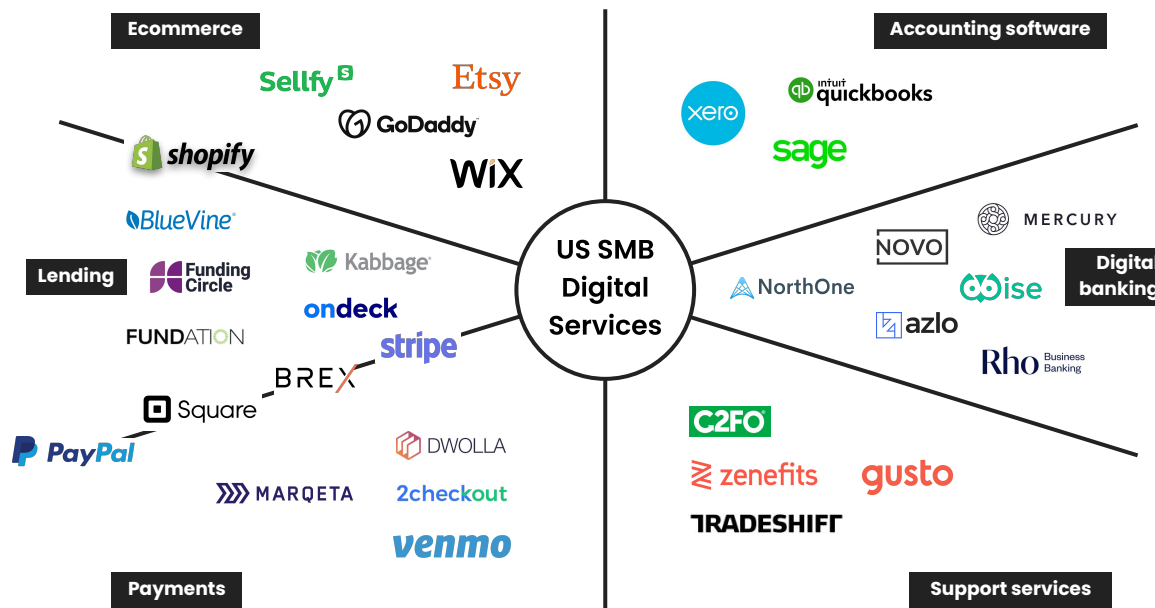
And much more that we'll reveal later in the report.

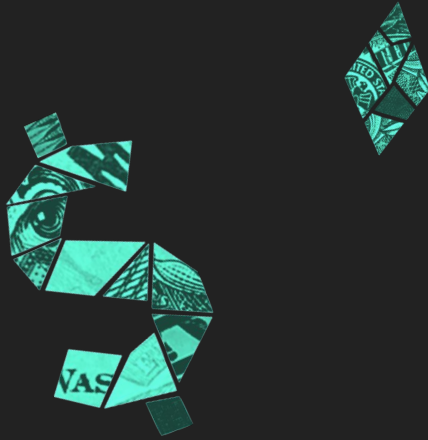
SMBs are underserved by banks. As a result they are turning to alternative providers to help them with these needs.



This is who banks are competing with in 2020

Dozens of digital disruptors have introduced new digital services designed to help SMBs get things done faster and easier than they could before. Many of these disruptors partner with each other using APIs, integrating their services with those of other providers, which makes things easier for SMBs while helping the service providers extend their own reach.





140+

**fintechs serving SMBs in
the US. In 2019 they received
\$4 billion in investment.**

“What SMB owners want is a service provider who understands them and is flexible to their specific needs. They don’t want products to feel cookie-cutter, but to actually take into account what makes them unique as a business.”

David Snitkoff, Kabbage



Banks now face a different kind of competitor

51%

of SMBs use one of the top 5 banks.¹

67%

of SMBs use one of the top 6 business platforms.²



They [SMBs] now tend to have a lot of different accounts – multiple credit cards, loan providers, a payment processor, accounting software, several ecommerce platforms...





39%
**of US SMBs are using PayPal
to help manage their
day-to-day finances**



I am so comfortable with PayPal, my students are, my teachers submit payroll on PayPal and when I needed it, PayPal gave me a working capital loan.

Before I get to the level where traditional banking will support me, I can use non-traditional banking like PayPal and Square. They can offer funding based on what they see there.

I only move money from PayPal into my business bank account once in a while.



Digital services were quick off the mark to support SMBs during COVID-19



PayPal, Intuit and Square have all been approved to help distribute SBA loans.

Newly approved non-bank institutions are using technology to speed up access to credit for SMBs.

intuit.

Intuit's free Aid Assist tool helps determine customers' eligibility for relief and simplifies the application process using automation. Square is using an online dashboard to update sellers on their application process.

Innovative digital providers are providing instant cash flow solutions from gift cards to grants.

Kabbage

Kabbage is offering online gift certificates for SMBs to sell to customers, with revenues deposited into their Kabbage Payments Account as early as the next business day.

Square

Square has launched an eGift card solution and curbside pickup service through its online store to enable SMBs to continue to operate via local delivery. It is also temporarily refunding all software subscription fees.

Amazon and Facebook have launched grant programs specifically aimed at SMBs.



Banks and credit unions are responding to COVID-19 too. However their speed of response in crises could be improved

\$350bn of emergency funding is now available via banks and credit unions.

SMBs are eligible to borrow the equivalent of 2.5 times their average monthly payroll with a cap of \$10m, through the SBA Paycheck Protection Program (PPP).

The full loan amount will be forgiven if used for payroll, mortgage interest, rent or utilities in the first two months of receiving the funds.

More than 70% of SMBs had applied for the PPP by early April 2020.

However, slow loan decisioning processes at big US lenders, including BofA and JPMorgan Chase, have severely delayed the effective deployment of funds.

Section Summary:

Making the shift to digital services is imperative, now more than ever

▶ **Banks face a different kind of competitor.**

SMBs with under 20 employees account for 98% of all businesses in the US, but, the majority are turning to alternative, digital service providers to help them with a variety of needs.

▶ **New fintechs are services led.**

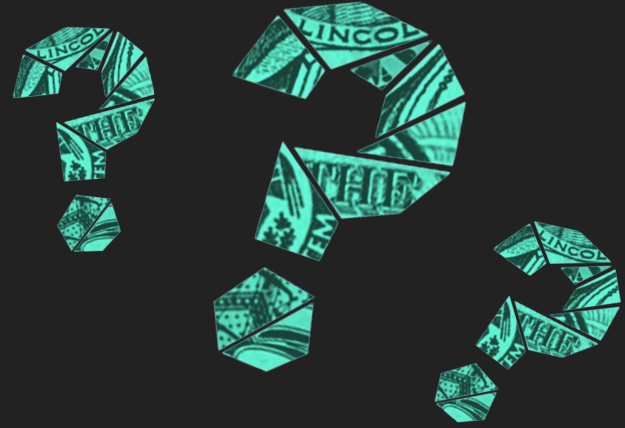
New fintechs are capturing the imagination of SMBs by offering services rather than rigid and transactional products. These services are helping small businesses get things done more efficiently but also provide new kinds of benefits that were unobtainable without heavy investment in technology or expert human advisory.

▶ **Become digital or go bust!**

It's brutal but it's true. Can your business deliver a digital experience? Can you adapt your digital services swiftly to crises like COVID-19? Are you ready to be part of a cashless society? Can you teach online? Now, more than ever, it's imperative that your business is truly digital. Being truly digital to the core will help you adapt your business quickly to the changing competitive landscape and unforeseen crises like COVID-19.



What do small business owners want from financial services?
To answer this, we need to understand their Jobs to be Done.



Jobs to be Done of SMBs.



What SMBs really want.





Jobs to be Done of SMBs

Small business financial services are only 1% finished

There is a huge opportunity to rethink SMB financial services for the digital world. A big part of the solution is making the shift away from commodity products towards truly digital services.

This is about opening yourself up to rethinking the possibilities for SMB financial services by learning from the disruptive moves in the market. In today's competitive landscape this involves observing the business platforms that enable SMBs to build upon them, such as PayPal, Stripe, Square and Xero. They've done this by designing propositions around end-to-end customer journeys. It's super effective and any business can do it.

Aromas Boutique Bakery

Founded by sister duo Jo-Ann and Chef Eileen Baret, Aromas is committed to all natural food and a great experience for its customers.

What you need to know is where do you focus your investment in product design? Which customer Jobs to be Done are most underserved? And what is the context within which small businesses operate that make their needs different from personal banking and corporate banking. This section will answer these questions.



Jobs to be Done is a theory.
Its aim is to explain how and why consumers start and stop consuming the various things that markets offer.

Alan Klement, JTBD.info



The 11 Jobs to be Done (JTBD) of SMBs (Before COVID-19)

These Jobs to be Done heavily influence the tools small businesses choose to manage their finances. The variety of Jobs to be Done far exceed the functional products provided by traditional banks.

This presents a huge opportunity for any business serving SMBs to expand their services to help businesses in these four key service areas (right). It also explains why there are 140+ fintechs targeting the SMB market in the US.

<p>Setting-up the business</p> <ul style="list-style-type: none"> ▶ Access financial support so I can turn my idea into a business ▶ Protect my personal assets from the business finances 	<p>F</p> <p>A</p>
<p>Reconciling past business activity</p> <ul style="list-style-type: none"> ▶ Proactively manage & stay on track of all account reconciliations ▶ Get paid within the payments terms agreed upfront 	<p>E</p> <p>K</p>
<p>Managing day-to-day finances</p> <ul style="list-style-type: none"> ▶ Make smart and proactive business decisions based on my financial data ▶ Track and manage cash flow in a coherent way ▶ Pay freelance staff and partner organizations quickly and easily ▶ Give ownership and accountability of financial management to other staff 	<p>I</p> <p>C</p> <p>J</p> <p>D</p>
<p>Planning for the future</p> <ul style="list-style-type: none"> ▶ Build business credibility and legitimacy for funding ▶ Create a savings strategy ▶ Create a realistic but impactful marketing & new business budget 	<p>G</p> <p>H</p> <p>B</p>

A-K are a key to the JTBD plotted on the chart on [page 25](#)

Jobs to be Done **helps us with two** **crucial questions**



**The strategic question of:
Which Jobs to be Done are most
underserved and offer the
biggest opportunity for growth?**

This is covered in this section and the next: **“The opportunity space”**.



**How to design and build a new
digital service that creates new
value for customers in areas
where they are most
underserved.**

Covered in the section: **“Designing truly
digital services”**.

Opportunity:

Help SMBs manage cash flow & make smart business decisions

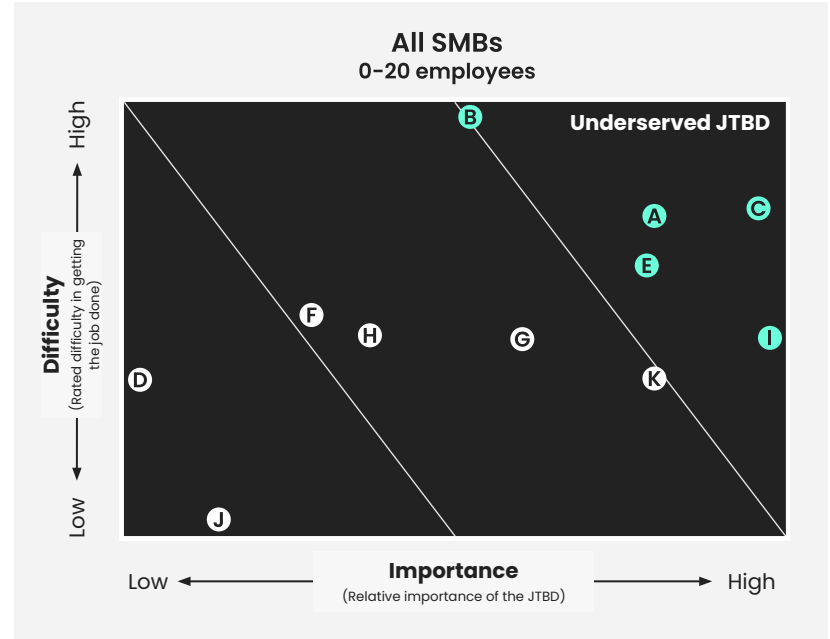
The most difficult JTBD for SMBs is:

- ▶ Create a realistic but impactful marketing & new business budget (B)

The most important Jobs for SMBs managing their business are:

- ▶ Track and manage cash flow in a coherent way (C)
- ▶ Make smart and proactive business decisions based on my financial data (I)

When we size JTBD quantitatively we see them prioritized in this way. However, we can tell a richer story behind these JTBD and how they they rank differently when we look at different segments, better understand SMBs context and factor in the supply-side of the equation.



To unleash the power of
Jobs to be Done we need a
deep understanding of an
SMB's context & purpose.



What unites SMB owners is a hungry heart, finding ways to express their identity through their business

Pursuit of freedom

Freedom from working in Corporate America and seeking alternative routes for opportunity.

Dedication and commitment

It takes an initial leap of faith and ongoing discipline to start a business from scratch.

Unlocking their ingenuity

Spotting opportunities & commercial insights through their own personal life experiences.



We are Asian-Americans



Jobs to be Done of SMBs

Each SMB is unique. There is no operational blueprint

Each business owner will likely define their Jobs to be Done in a unique and nuanced way. And, they expect to be provided a service as unique as the service they provide their own customers.

They offer bespoke and flexible services, champion local and home-grown trade, and take pride in delivering more personal customer service.

A barber shop and a laundromat that sit side-by-side on mainstreet are not like-for-like small businesses. An e-commerce food business is different to an online dress

Will Todd Barbershop

Provides friendly service along with 'top notch' barber expertise.

maker. Even two centers under one franchise model, owned by the same person, can be different!

Different sectors are required to comply with different regulations, have different supply chain models, and different overhead costs.

Catering to such a variety of SMB types is challenging.

This diversity creates a challenging design question: How might we create intelligent services that support such a varied set of businesses?



At the core America has been founded on the idea that you can come here and make something of yourself, whatever that is, and you can do that in a way that celebrates who you are.

Lots of people have really unique aspects to themselves that small businesses lend themselves to celebrating.

And I think this is what makes the country and world better at the end of the day.

Aromas Boutique Bakery, New York



They need help juggling and prioritizing a wide number of jobs to be done



They are wearing too many hats:

Owners are often responsible for micromanaging all areas of the business from idea generation and marketing to logistics & supply chain coordination, recruitment, payroll and accounting.

This can be operationally inefficient because important tasks and activities, including finance, fall by the wayside. It can also be physically exhausting, emotionally overwhelming and stressful.

While SMB owners left Corporate America in pursuit of more freedom, there are not always enough hours left in the day to actually realize this!

But it's hard to let go:

It may be too early to hire full-time support, or owners may lack the time needed to hire people who meet their requirements.

Many small business owners lack the confidence to hand over responsibilities of a business that feels very personal to them.

Often, the processes and structures in place are an organized chaos that only owners are able to decode.



Customers don't want a bank. They want to enjoy running a business that they are proud to call their own.

Finance often isn't 'their thing'

Only

18%

of small businesses 'completely agree' that banks are providing the services they need to effectively run the financial side of their business. They need services to help them with their finances so they can focus on what they do best.



My least favorite parts of running a business are the mundane tasks. The financial part is my least favorite part of the business.

I literally dread getting up knowing that this is what I have to do that day. It's just not my favorite thing to do.

SMB Owner



But this is a **human-centric story** that is still unfolding before our eyes

We collected the research informing this report right up until the first COVID-19 lockdown measures were imposed in March 2020.

As part of the qualitative research phase we built up a rapport with various small business owners - we learnt about their founding stories and long-term ambitions, and explored the challenges they faced in a pre-COVID world. But no level of business forecasting or financial planning could have prepared these business owners for a crisis as unprecedented as COVID-19 affecting their sales, their operations and their livelihoods.

Focusing on the owners of 2 business segments - e-commerce and people-centric businesses - this is the first part of a report that hopes to represent the human stories that lie behind the different kinds of businesses forming the backbone of the American economy.

In the new post-pandemic normal we expect these same JTBD will become even more essential as businesses try to navigate intense economic uncertainty. The lack of services in these areas will become more apparent and services providers that respond quickly to fill these services gaps will be well positioned to win a lot of new customers.

But, these two different types of businesses will be affected in very different ways. Begun in a pre-COVID world, their JTBD stories will leave us on somewhat of a cliffhanger. But, to better support them through we must empathize with what their pre-COVID starting point was.



Jobs to be Done of SMBs

Small business segment 1: E-commerce

E-commerce has allowed entrepreneurial minds to experiment and 'dip their toe' into a new venture before becoming business owners.

The e-commerce owners we met more often started their enterprises as a 'side-hustle', exploring the potential of a new idea from their bedroom. Often these ideas have nothing to do with the job the owner was dedicated to before, but using platforms such as Shopify and Etsy allows them to experiment running their business at a low cost.

Owners describe a time where they were 'playing around' with a website, trialling suppliers, testing how much stock they can keep in their home, getting to know their first customers, all before making the decision to make their business a full-time commitment.

Peace and Rhythm

Presenting glorious independent music on limited edition vinyl with quality packaging. Run by DJs in partnership with artists.

They generally have much lower overhead costs - often operating out of the founder's home, and can run with very few to zero extra members of full time staff.

"We came into this we weren't entrepreneurs before, we weren't fashion majors, we weren't designers. We didn't have the typical background you might expect, but we had a lot of passion for this space and audience."

Small e-commerce business owner



Jobs to be Done of SMBs

Small business segment 2: People-centric businesses

The owners of people-centric businesses require a much bigger up-front investment as well as day-to-day management of staff and locale.

People-centric businesses tend to have been founded by an owner who now wants to 'set up on their own' after having learnt their trade elsewhere. They tend to come with a deeper understanding of the industry they are working in: the competitive landscape, their customers' needs, regulatory requirements, and what it takes to retain talented staff.

While they may be learning the ropes of running a business for the first time, they are less likely to be learning a new trade or experimenting in a new sector than many of the first-time e-commerce owners.

There is greater investment in setting up these business, which tend to operate out of a

Comfort Eats

For sharing select American comfort foods with the world and provide a little joy, sense of comfort and reminder of home for those thriving in new environments.

brick-and-mortar store or office, or require regular face-to-face travel with clients. These businesses often have to spend time hiring and looking after staff who need to be trained in their field - whether they are hairdressers, consultants or chefs.

“Our staff are the face of our brand. So we spend a lot of time making sure we keep them happy – their workstation, their insurance, their equipment – we can’t afford to lose the good ones!”

Small people centred business owner



When it comes
to understanding
human behaviour
context is everything.



Jobs to be Done are shaped by context.

COVID-19 changes the context for everyone and every business

We are telling the story of pre-shelter-in-place measures. The context of SMBs and the two segments we have just introduced to you has changed beyond recognition. The turbulence caused by the global pandemic has forced businesses of every shape and size to pivot their services, marketing and business models like nothing before.

There is no doubt that we will not return to a reality that existed pre-pandemic. Businesses will adapt to a new normal and this will present new business opportunities that would never have been possible or imagined before the pandemic.

The team at 11:FS are tracking this using the cultural canvas mentioned earlier in the report. We are analysing pandemic culture in three dimensions:

- 1 Macro trends:** the observations we collect in the cultural canvas create macro trends, introduced on the next page.
- 2 Drivers of change:** the actors responding to the pandemic, including; individuals, communities, commerce (or businesses), the financial sector and governments.
- 3 Pandemic stages:** The transition from an old pre-pandemic world to a new post-pandemic world has four stages; reaction, recession, recovery and reinvention. As we transition from recession to recovery huge growth opportunities will open up.

Cultural trends that are impacting society, the economy & businesses

Inequality

COVID-19 will uncover and exacerbate inequality across many areas of life, from access to healthcare to the inability of low-income earners to weather a financial storm. Workers in the US, who already operate under precarious employment rights, will be greatly impacted in the short and long term.

Age of care

The support and need for community has already been colossal. Society has started exploring what it means to be human in the digital age and connecting with new individuals in new ways.

Truly digital

COVID-19 has exposed which businesses and institutions had a digital backup and which did not. This will accelerate the need for digitalization across many industries, including retail, food delivery, business meetings, fitness, education and of course financial services.

Privacy

Many people have forgone previous worries about online privacy and data sharing to stay connected. For those already comfortable with online sharing it has increased the level of online spectatorship. But as our reliance on digital technology increases will we question the dark side of corporate and government surveillance?

These trends will evolve over time and new ones will likely be added.

The question is how will they affect SMBs and how they run their business?

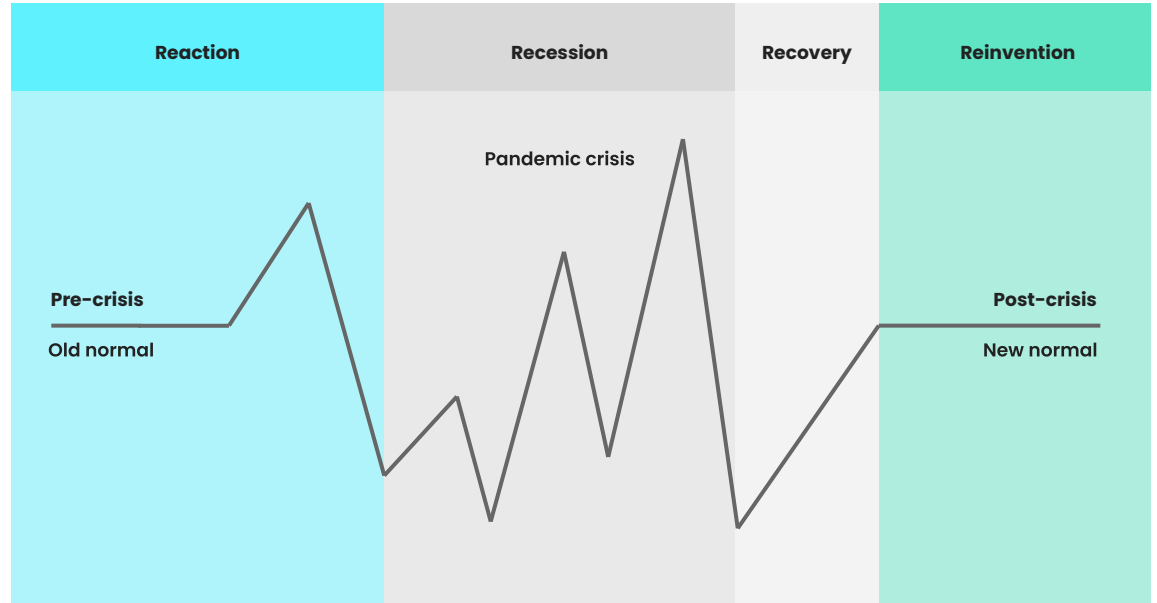
This research was perfectly timed to track the changes to SMBs JTBD from a pre-pandemic state to the new normal

	Reaction			Recession			Recovery			Reinvention		
	Trend 1	Trend 2	Trend 3	Trend 1	Trend 2	Trend 3	Trend 1	Trend 2	Trend 3	Trend 1	Trend 2	Trend 3
Job to be Done 1												
Job to be Done 2												
Job to be Done 3												
Job to be Done 4												
Job to be Done NEW												
Job to be Done NEW												

How will these emergent cultural trends change the context in which SMBs operate?
 How does that change their Jobs to be Done?
 How does this impact the growth opportunity for financial services providers?

How you can spot emerging growth opportunities

These macro-trends in society (the rapidly shifting context for SMBs) will implicate and change the drivers and barriers for solving jobs. New jobs are likely to emerge and priorities may change. This report will track the changes throughout the four phases of the pandemic and release updates later in the year.



This report provides context to the market and SMBs Jobs to be Done in a pre-crisis state. This sets the benchmark for the scorecard to growth and success in serving SMBs in financial services.

Part 2 of this report, later this year, will examine how these Jobs to be Done have evolved, if at all, in a post-pandemic new normal world.

Section Summary:

All SMBs need help juggling and prioritizing a wide number of Jobs to be Done

- ▶ There are 11 core Jobs to be Done for SMBs in the US. They go beyond the functional elements of traditional banking such as deposits, payments and lending.
- ▶ Managing cash flow, protecting the owner's personal assets from the business finances and making smart financial decisions are the most important Jobs to SMBs and they are among the most difficult too.
- ▶ Context is everything. The diversity of SMBs in the US (from e-commerce stores to barber shops) is incredibly rich, so there is a design challenge in catering for these nuances.
- ▶ Customers don't want a bank. They want services that minimize their time on financial management so they can maximize their time running their business.
- ▶ The huge shift in context for all small businesses during COVID-19 will affect the role financial services providers play. We expect the need for digital services to increase and these jobs to be done to become even more crucial for SMBs.

The question now is:

Where is the growth opportunity for new product and service development when we factor in the current market landscape?

We'll answer this in the next section.



The opportunity space.



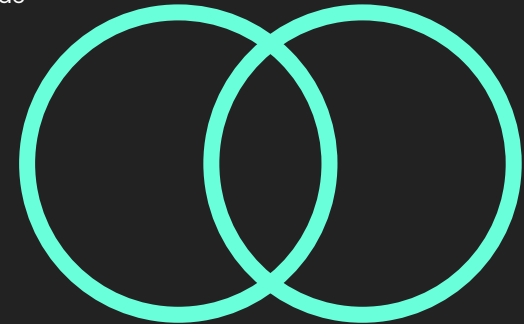
Creating a digital service SMBs deserve.



**The opportunity space
is the analysis of both
the supply and
demand side of the
market.**

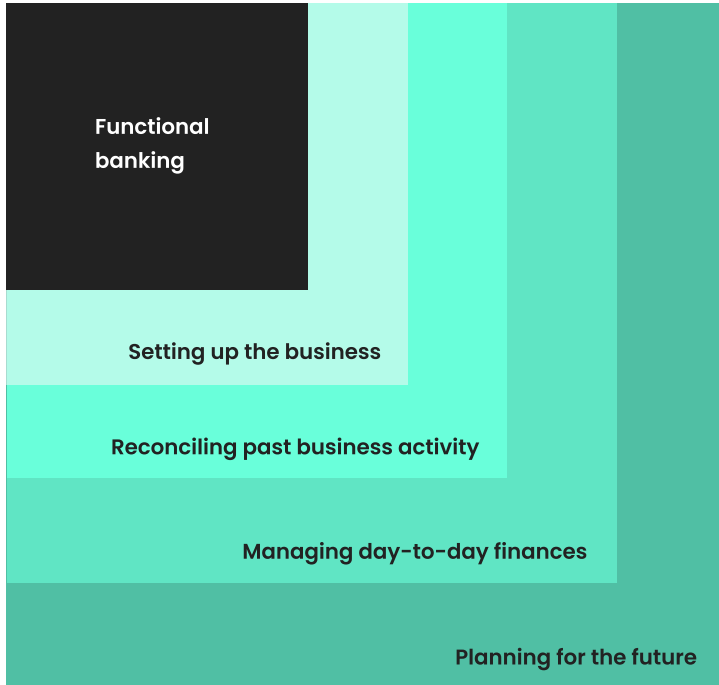
Underserved JTBD

Demand-side



Supply-side

Competitor coverage



SMBs depend on the function of banking products, **but there is a services gap**

Historically, financial management is the domain of banks, be it big national banks or local community banks. Digital technologies enable banks to move beyond their functional banking products and expand into new service areas.

These service areas all relate to money. By focusing on the Jobs business owners are trying to get done, exciting opportunities to develop new intelligent services become evident.

We know that financial management is not business owners' core competency nor their primary interest. They need help and new services can close the gap.

Position	Provider	Usage (total sample)
1	PayPal	38.9%
2	QuickBooks	36.3%
3	Chase	18.2%
4	Wells Fargo	15.6%
5	Bank of America	14.9%
6	Square	13.2%
7	Citi	5.6%
8	PNC	5.0%
9	Stripe	3.1%
10	Shopify	2.8%
11	Kabbage	1.2%
12	Novo	0.4%
13	Azlo	0.3%
14	Brex	0.1%
15	Mercury	0.1%
16	Rho	0%

Fintechs are filling the services gap — PayPal & QuickBooks are the most used services by SMBs

PayPal and QuickBooks are the most widely used SMB services providers overall, according to our survey of 1000 US SMBs.

Chase is the most widely used bank, with an 18% share. This increases to 25% among bigger businesses with 10-19 employees.

Relatively speaking, Stripe, Shopify and even Square have low market share so there is a huge opportunity for growth. New digital banks, such as Novo and Azlo, are only just getting started.

Banks are not just competing against other banks. The market is wide open and there's everything to play for.



“If you go into their [Square] app, it's like... now you can do payroll, you can do marketing. They're really on the cusp of offering everything under one umbrella.”

Aromas Boutique Bakery, New York

There is still a lot of room for digital service innovation around SMB JTBD

We analyzed 16 SMB service providers, including incumbent banks, business platforms and digital banks, to give us a view of how well the market is currently serving for each of the 11 JTBD.

This involved scoring each provider according to how well their proposition serves for the Job; whether they explicitly mention the Job in their marketing and communications, and their ability to serve for the Job digitally.

We found some Jobs to be significantly better fulfilled by the market than others.

Job		Total market coverage
C	Track and manage cash flow in a coherent way	85%
E	Proactively manage & stay on track of all account reconciliations	69%
F	Access financial support so I can turn my idea into a business	65%
I	Make smart and proactive business decisions based on my financial data	65%
G	Build business credibility and legitimacy for funding	61%
A	Protect my personal assets from the business finances	55%
J	Pay freelance staff and partner organisations quickly and easily	52%
K	Get paid within the payments terms agreed up front	51%
D	Give ownership and accountability of financial management to other staff	50%
H	Create a savings strategy	25%
B	Create a realistic but impactful marketing & new business budget	15%

→ The market is doing badly at fulfilling these jobs.

A lot can be learnt from business platforms, which are leading the way in fulfilling SMB JTBD

Many SMB service providers have diversified their offerings over time to help them better fulfill customer jobs. These players are designing around customers, doing digital, not digitized.

Stripe, for example, began as an online payments provider and has since expanded to offer invoicing, business analytics and reporting tools, as well as incorporation for startups via its dedicated Atlas platform. More recently it has started to issue business cards and credit. Importantly, it's doing each of these things well.

However, our research also found that some established banks are fulfilling SMB Jobs effectively - notably PNC Bank and Bank of America.

Position	Provider	How well do they fulfill the 11 JTBD?
1	Stripe	79%
2=	QuickBooks Shopify	67%
4=	PNC Bank Mercury	65%
6=	Bank of America Brex	62%
8=	Azlo PayPal	59%
10	Wells Fargo	52%
11	Rho	50%
12=	Kabbage Square	44%
14	Citibank	36%
15	Novo	30%
16	Chase	21%

Stripe is especially strong!

“I used Stripe to set up everything so I’ve been with them from the beginning. They do all the behind the scenes, even getting you an online bank account with Azlo. They registered the LLC for me, so I didn’t have to do it all myself...as that’s all a little intimidating at times.”

Comfort Eats Delivery, Georgia



How we analyze the market.

Bringing the supply and demand-side together

Table Stakes

The market is providing services that fulfil these jobs and customers feel well served. Providers have to think carefully about what customers expect from services operating in this domain.

Current Market Focus

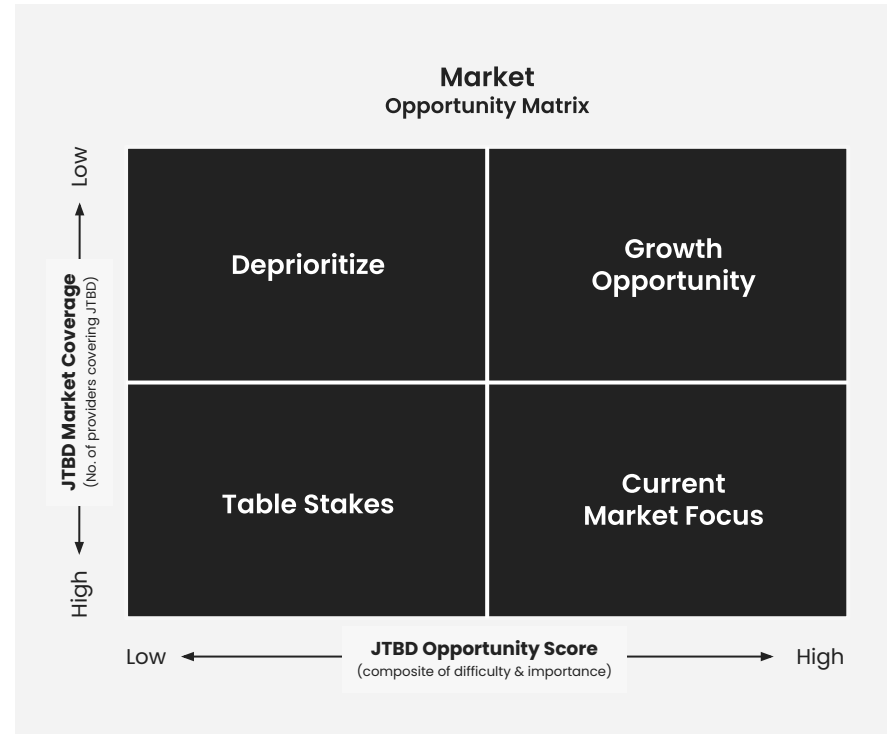
This is where the current SMB-focused providers are fulfilling the underserved customer jobs that exist in the market today.

Growth Opportunity

These jobs are important to customers but difficult for them to make progress on - in other words underserved. The market is not fulfilling these jobs so they represent high growth opportunities for providers to invest in proposition development.

Deprioritize

These jobs are not being fulfilled by the providers in the market and they are less of a priority for customers. As the market changes these may move into one of the other quadrants in the future.



A complex, competitive and underserved market

The **Current Market Focus** – is competitive but underserved.

The JTBD in the current market focus are the most underserved i.e. they are most important but most difficult for customers to get done. Even though there are a number of services in this space, the market is nascent and there's still a long way to go before SMBs are served well.

Jobs in the day-to-day financial management category, like cash flow (C) and making smart data-based decisions (I), represent the most highly contested but still underserved areas of the market. Jobs based on past activity like reconciling accounts (E) and getting paid on time (K) are also competitive spaces, driven largely by the business platforms like QuickBooks, PayPal, Square and Stripe.

The Growth Opportunity – is future looking

The growth opportunity largely revolves around helping SMBs plan for the future. Helping SMBs create a realistic marketing budget (B) is an underserved Job to be Done and overlooked by many providers in the market.

Don't ignore the JTBDs of setting up a business

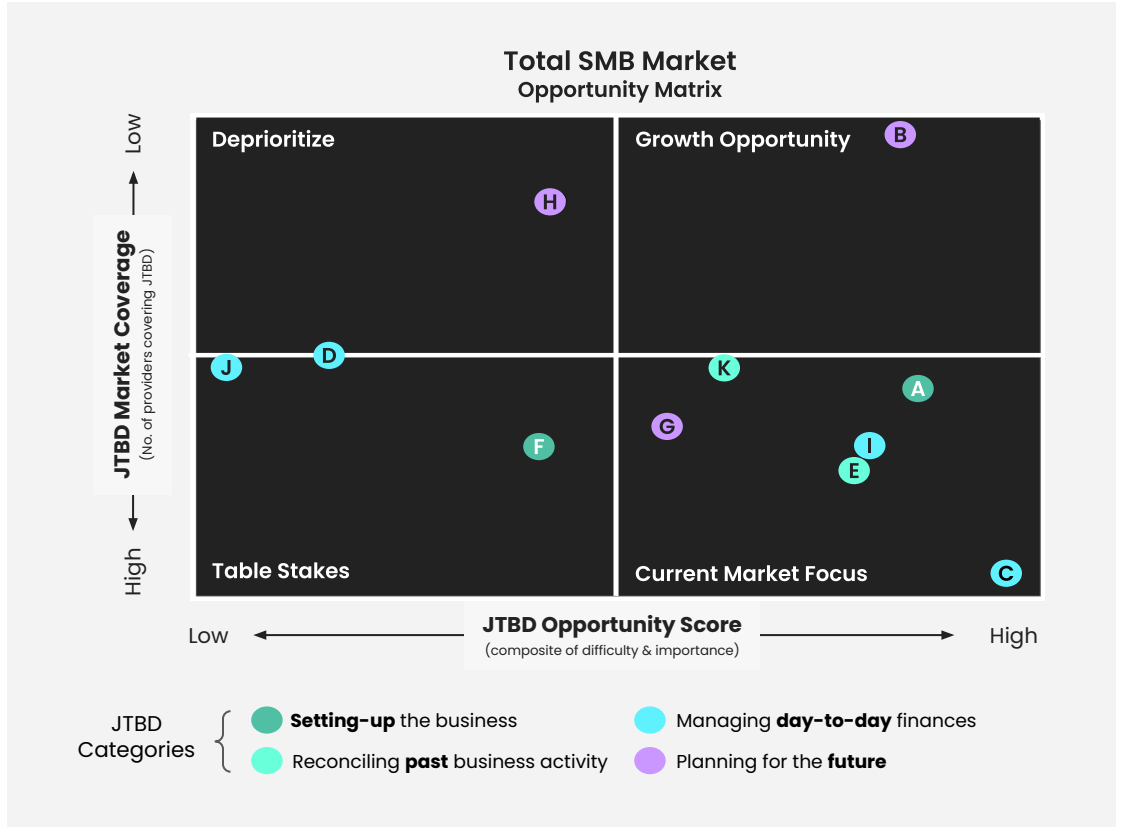
Service providers that help SMBs set up their businesses the right way can establish an early relationship. Top of mind for SMBs is protecting their personal assets from the business (A). Unsurprisingly, offering financial support to create a business (F) is table stakes but a great area for content marketing and starting the conversation early.



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Cont.

A complex, competitive and underserved market



Business platforms are driving competition in the “Current Market Focus”

Service providers are investing in opportunity areas, accelerated by competition from brands across the market.

We looked at which brands are fulfilling the underserved customer JTBD in the current market focus - (E), (K), (C) and (I).

Business platforms, including QuickBooks, Stripe and Shopify, serve the underserved Jobs well, particularly those in the day-to-day financial management category like cash flow (C) and making smart data-based decisions (I).

Incumbents vary in how well they are fulfilling underserved Jobs. Overall, scores are higher for financial management Jobs (C) and (I), with PNC and Bank of America serving well for these. Jobs based on past activity like reconciling accounts (E) and getting paid on time (K) are currently not being fulfilled by incumbents.

Digital challengers, particularly Rho and Mercury, are serving well for cash flow (C), where they scored better than business platforms and incumbents overall. They are currently solving least well for (K).



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Cont.

Business platforms are driving competition in the “Current Market Focus”

How well do they fulfill the following underserved jobs?*					
Position	Provider	Reconciling accounts (E)	Getting paid on time (K)	Cash flow (C)	Data for decisions (I)
Top 3					
1	QuickBooks	3	3	3	3
2	Stripe	3	2	3	3
3	Shopify	1	3	3	3
Bottom 3					
14	Citibank	1.5	0.5	2.5	0.5
15	Chase	0	0.5	3	0
16	Novo	2	0.5	0	0

*(Score: 0-3)

A 3 means that the brand serves well for the JTBD in terms of its proposition, marketing and digital capabilities, while a 0 is given to brands which do not solve for the JTBD at all.

Cash flow, an underserved JTBD before COVID-19, will become an even greater pain point for SMBs in a post-COVID-19 world

Certain measures have been put in place by the government and will be helpful in the short term. However, they serve only to delay repayments. These bills will need to be paid, potentially creating a much bigger cash flow issue.

Short-term government help

The Small Business Administration (SBA) has more than doubled its funding pool to \$50 billion launched:

- ▶ Paycheck Protection Program (PPP)
- ▶ EIDL Loan Advance
- ▶ SBA Express Bridge Loans
- ▶ SBA Debt Relief

Designated banks, credit unions and fintech lenders are working with the SBA to provide the loans to eligible applicants.

The heightened opportunity

This strengthens the opportunity to help SMBs with their cash flow JTBD.

For these businesses to survive, a long term borrowing function or cash flow service is going to be essential to help small businesses in 6-12 months time.

Early movers

As you read on the previous page Stripe, QuickBooks and Shopify are the best performing providers for this Job to be Done so are currently in the best position to capitalize.

Shopify has already moved quickly to launch a Business Cashflow Calculator

What can you offer them?

And can you do it now?

Section Summary:

Increasing competition as non-banks looks to fill service gaps

- ▶ Opportunity spaces are identified by analyzing both the demand side (customer JTBD) and the supply side (competitor coverage) of the market
- ▶ Many JTBDs are in the current market focus - this means there are many providers (including non-banks) competing for SMB customers who currently have many underserved JTBD.
- ▶ Stripe is doing the best job of the 16 providers we assessed in serving the 11 SMB JTBDs this research has uncovered.
- ▶ There is a growth opportunity in helping SMBs plan more into the future. The service required to fulfill these JTBDs is not the core competency of banks.
- ▶ The measures being introduced by the government to provide short term financial assistance to small businesses will heighten the pain in cash flow management as we come out of the crisis. Business platforms and challengers have solutions to help SMBs with cash flow management and there are examples of some providers moving quickly to assist SMBs in this turbulent time.



Designing truly digital services.



How to design for the future.



As the economy is required to innovate its way out of recession, designing truly digital businesses is more important than ever.

This is a process for designing truly digital services, to support SMBs in a post-COVID economy.





Ask yourselves, do you understand **why you're building what you're building?**

Not the business reason, but the human reason?

Do you know what makes customers tick, what gets them out of bed every morning, what inspires them and the progress they want to make?

Adopting a relentlessly empathetic mindset about customers and their motivations is what lies at the core of Jobs to be Done. We first prioritize understanding the real-life outcomes you could be enabling for customers. Only then can we start to focus on the features and functionalities of our products. Starting with this 'jobs' mentality helps create teams that align around a common purpose that push ideas further by:

Differentiating and disrupting.

Breaking outside of traditional category definitions by focusing on outcomes, not competitors.

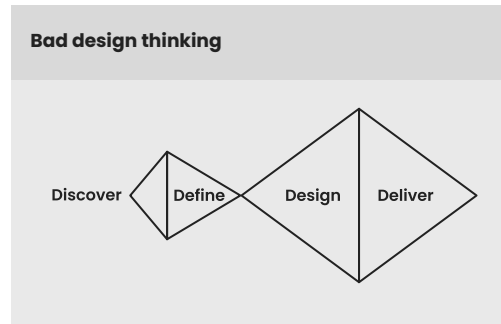
Services not products.

Creating new value for customers through designing experiences, not rigid products.

Our approach to product design involves a greater focus on the problem space which leads to better inputs for design

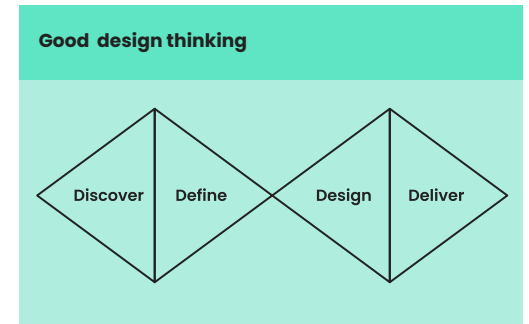
Execution is everything.

Most people reading this report will have heard of the double diamond as a design thinking process to define new innovative services. In reality though the first diamond doesn't get much love and the process looks more like the below.



How to execute effectively.

By starting with the Jobs to be Done framework we start by dedicating quality time to defining the market opportunity by fully exploring the problem space in the first diamond. This allows everyone in the team to understand why they are building what they are.



The objective is to create a **Minimum Lovable Product (MLP)** to test product market fit in the shortest time frame possible

Making your MVP 'Lovable'

Creating an MLP is about building as little of the product as possible but still being able to test the core product hypotheses. You can base your hypotheses around the Jobs to be Done.

An MLP does not exist to only test the functional aspect of the product.

The MLP should be able to test the proposition's brand, user experience, tone of voice, information architecture, visual design and ultimately customer value. It should be lovable because it helps the customer make progress on a job to be done.

By prioritizing more of the loveable product features you will have to take some short cuts. That will mean concierging parts of the experience (manually piecing the experience together without fully developing it) and building other parts in a way that is not scalable but they are testable.



The steps we take to designing and building an MLP...



Define the opportunity space

See previous section: [The opportunity space](#)



Map out the Job to be Done on the canvas



Run a design sprint based on the JTBD



Design the experience first



Define the features in the MLP and those in the roadmap



Move into development by replacing user stories with job stories



Iterate quickly through double loop learning



Start thinking about brand design by tapping into the zeitgeist

See next section: [Tapping into the zeitgeist](#)

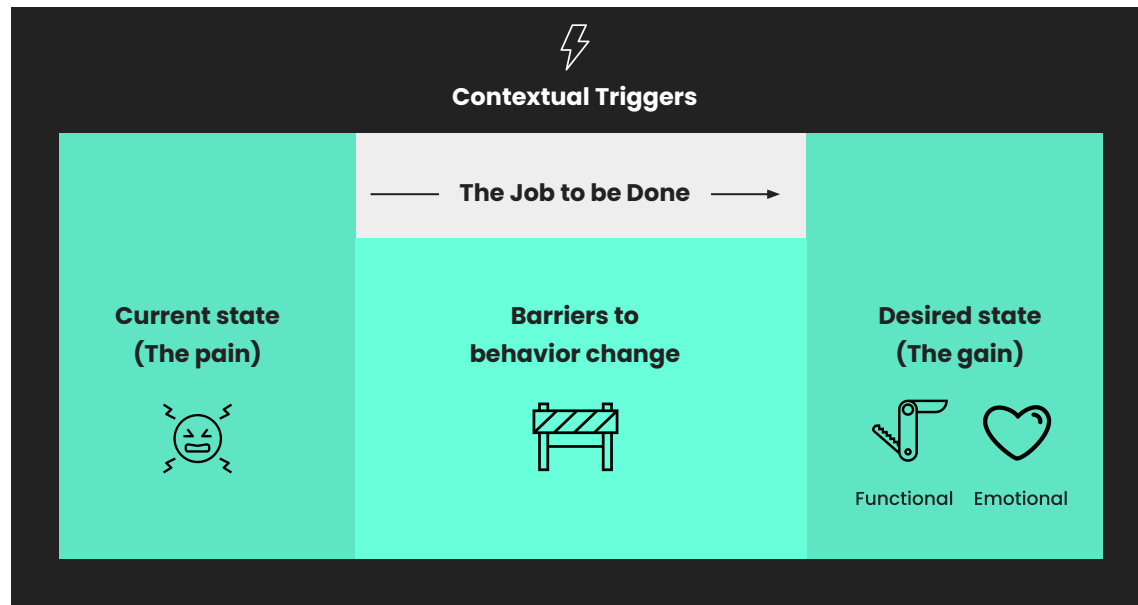


The Jobs to be Done Canvas

The canvas helps us paint this richer picture. It is a guide to designing human-centred services.

It uncovers human motivations and the drivers and barriers to behaviour change.

With Jobs to be Done context is everything. This is where we'll begin our story. And this is where COVID-19 now changes everything.





Lions English Academy
Providing 1-on-1 and group online lessons with native English teachers, and connecting with people all over the globe.

Designing truly digital services

Our worked example

Map your highest opportunity Jobs to be Done using the canvas.

Take a maximum of two through to the design process

Top JTBD from this research:

Track and manage cash flow in a coherent way (I)

Make smart and proactive business decisions based on my financial data (K)

Build business credibility and legitimacy for funding (B)

Protect my personal assets from the business finances (C)

On the following pages we've created a worked example on the first Job: 'Track and manage cash flow in a coherent way'.



Job (C) Track and manage cash flow in a coherent way.

How we drew up our canvas...

Current state (The pain)

Manually micromanaging an ecosystem that is currently too intricate, disjointed and messy, causing inefficiencies and lags in receiving / giving payments. There is a need to integrate a wide number of different variables, unique to the nuances of the business-type. Examples:

- Different revenue streams or locations to account for
- Occasional cash transactions
- Different payment gateways, e-commerce sites

This becomes unwieldy and so there is poor visibility over cash flow. The business may not have enough funds to pay suppliers, risking damaging their relationships. To avoid this owners may be paying business costs from their own personal savings.

Manually tracking cash flow is a dreaded task that gets put off again and again. Or, it takes up so much of their time that they are neglecting other tasks or neglecting their personal life

Contextual triggers

Reaching a tipping point, such as increased volume of customers, or a new bluechip corporate client, may force the business to become more organized and put slicker processes in place.

Engaging an accountant who may recommend addressing their current system.

Learning about tools, platforms and APIs that integrate various different sources of data may trigger action.

Track and manage cash flow in a coherent way

Barriers to behavior change

Inertia: Business owners and partners may feel too wedded to doing things as they have always been done.

Reluctant to invest time in exploring new options: There are too many accounting tools out there to trial all the options. Or, they may have already improved the financial ecosystem from an even more manual approach over time. As such there may be reluctance to change the process again. I am now using one or more tools or platforms that have made things somewhat easier.

Staff: Often there is a feeling of being unable to let go or to trust others with their business finances to allow for another person's point of view on better management of cash flow. It may be too soon to hire dedicated staff to manage the cash flow for them, or they may not yet have enough business to make the investment worth it.

Tools are irrelevant to their SMB needs: Certain tools or platforms for accounting seem to be too complicated and advanced for the needs of an early stage small business, and therefore are not adopting best practice cash flow management. They may have very few overhead costs or outgoings go actually account for.

The business needs are unique: It may have a number of revenue streams/locations to account for adding complexity. It may be difficult to track the billable and non-billable hours to invoice correctly and quickly. There can be big discrepancies between their estimated costs and actual costs, especially if making bespoke products.

Speed of payment receipt: Cash isn't transferred into my bank account from my payment gateways quickly enough to pay suppliers/staff.

Desired state (The gain)

To feel in **control** and **prepared**

They wish to be able to track multiple data-sets through one integrated system and spend less time reconciling this information.

They need to be able to track and report data in a way that is tailored to their business model (e.g. membership model, discount systems, commission-system, cost of custom-made products or different revenue streams).

We do things manually: that takes time, that's not billable. I can't stress it enough. Every minute that we are not billable is actually a double expense: we are not getting paid and we are spending time.

An ideal assistant would have everything – accounts payable, receivable, handle past due invoices, even taxes – under one roof to free us up to be billable or do sales and marketing or training.

Bio-tech consulting firm, Philadelphia





Using the JTBD canvases & opportunity space analysis radically improves the outcomes of a design sprint. **An 11:FS design sprint process looks like this...**

Initial phase



Agreeing on the Jobs to be Done and identifying How Might We's

Based on immersive research, identifying the core need to solve.



Sketching and storyboarding concepts in response to the Jobs

Bringing ideas to life to gain understanding of how the service would work.



Defining the features of our Minimum Lovable Product

Ensuring that our MLP has a solid product market fit.



Testing with users to validate the concept of our MLP

Testing with core audience, gathering feedback to inform future iterations.



Secondary phase

Requires inputs from previous phase and cultural insights workstream

Crafting an end-to-end experience and outlining initial brand values

Developing core brand elements and prototyping user journeys for testing.



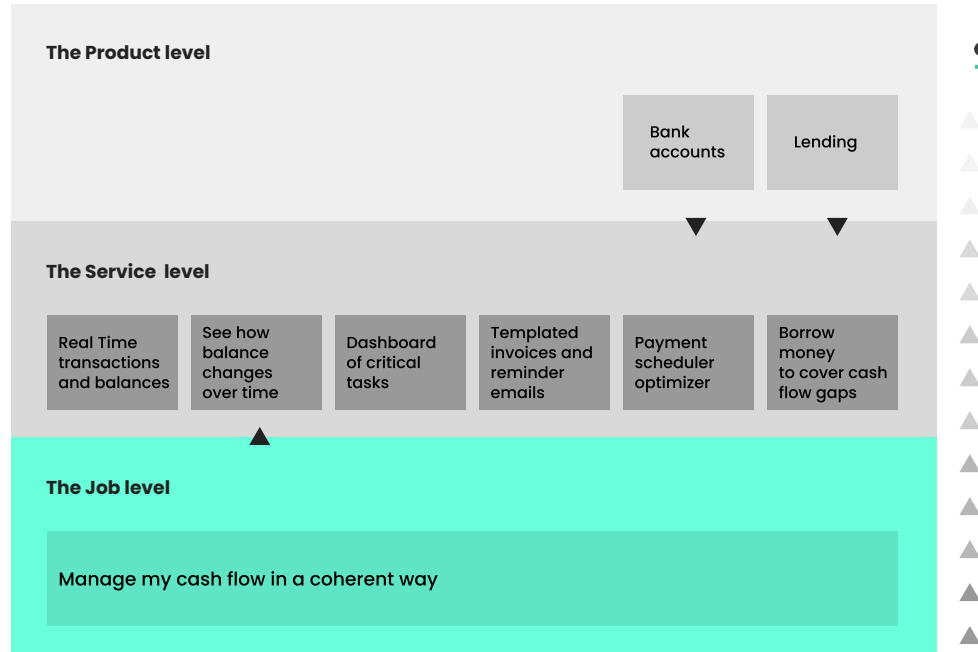
Track and manage cash flow in a coherent way. How might we deliver on this job...



- ▶ Offer ways of customizing and tailoring a system so that it accounts for the unique needs of a business without having to manually input and integrate other data streams
- ▶ Design simple cash flow dashboards and UX specifically with non-financial specialists/accountants end users in mind. Take care not to alienate young businesses or those with quite simple business models (and few overheads) that may perceive tools such as Xero to be too 'serious' or 'overengineered' for their needs.
 - There is an opportunity to grow with businesses that start off with simple needs and progress by adding (or recognizing later down the line) nuance and complexity to their business offerings / needs.
- ▶ Enable seamless reporting integrations via APIs with all e-commerce platforms.
- ▶ Offer complementary support & regular check-ins (cash flow health checks) to help optimize the set-up

Jobs to be Done are great inputs into service design. Start with the customer job, design the experience and think about the products last

When you consider the experience first you can then decide which products you build, and who you partner with. There are business models for both.

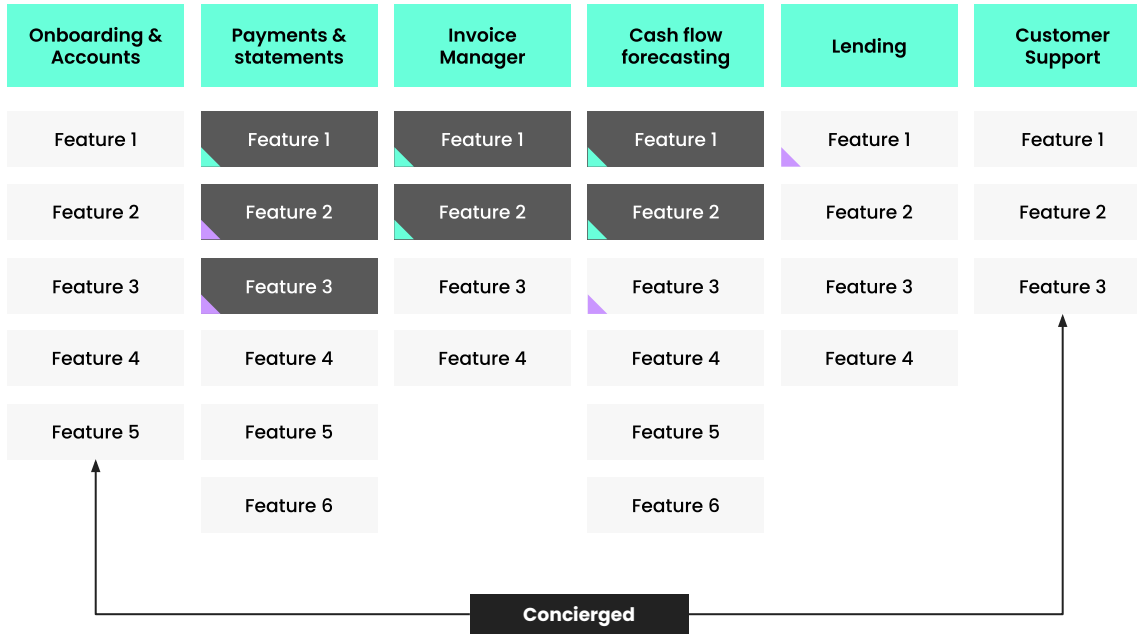


Work upwards

Design the experience first before weaving in the financial products



Designing an MLP and roadmap using JTBD to make it lovable and deliver customer value



Step 1: Define your product streams and feature lists. Test these at a concept level with your participants from the JTBD research.

Step 2: Highlight the features that will fulfill the Jobs to be Done. This will help you prioritize what to develop first.

Track and manage cash flow in a coherent way.

Make smart and proactive business decisions based on my financial data.

Step 3: Highlight which features you will include in your MLP. In this instance we would concierge onboarding and support to focus on testing Job 1.

Included in MLP





Time to build. Throw out tired and soulless user stories, **introducing job stories...**

The main benefit of job stories is that we don't become confined too early on by personas. An e-commerce business could experience the same situation as a brick-and-mortar business. Context is the key driver of the motivation not arbitrary personal attributes. Just think how COVID-19 has changed the context and therefore purchase preferences of everyone around the world.

The Job Story

Situation

When I _____

The situations where customers encounter pain, dissatisfaction, and failure in managing their finances.

Motivation

I want to _____

In a given situation, what does the customer want to be able to do?

Expected outcome

So I can _____

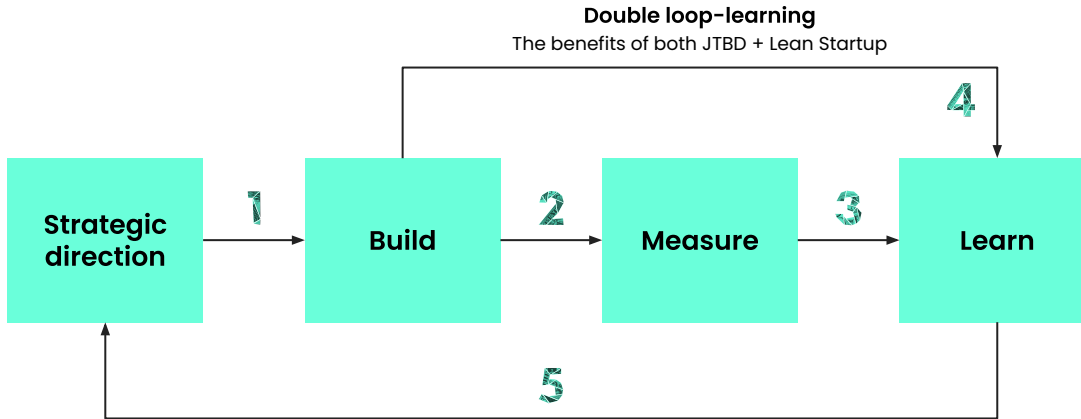
When customer's motivation is satisfied. What emotional or functional outcomes are they looking to achieve?

We love job stories because they:

- 1 Provide granularity and focus on context, causality, and motivations.
- 2 Reduce the number of assumptions, and subjectiveness.
- 3 Help design and development teams create solutions that spark delight and relief at the right time.
- 4 Ensure the JTBD insight is carried forward from the discovery phase into the design phase
- 5 Provide a common language to the whole team, from researchers to engineers to talk about the customer problem



Moving from job stories to execution isn't linear, it's an iterative feedback loop. Ensure your product development stays on track by introducing a double loop-learning process

**1**

Understand why you're building what you're building. What outcomes are you enabling for customers that delivers new value?

2

Design an MLP around an underserved Job to be Done. Get it into customers hands as quickly as possible.

3

Test with real customers to see if the user experience delivers desired value to customers.

4

Learn and iterate the proposition design from here.

5

Based on the learnings of a live product being used by real customers the strategic direction, JTBD & roadmap should be updated and reprioritized.

The cheat sheet for designing truly digital propositions



Identify the growth opportunity in the market by identifying the Jobs to be Done underserved and overcharged by the market.



Design your MLP by overlaying the JTBD with the product features. Think about what you can concierge so you can make your proposition more lovable. Not just functional. Your MLP needs to test the value you are creating in order to find product market fit quickly.



Map out the JTBD on the canvas to better understand how new digital service design can help customers make greater progress towards their desired state.



Move into development using job stories instead of user stories. These help the whole team stay connected to the customer and focused on their context and motivations.



Take all the insight you've gathered into a design sprint. Take a maximum of JTBD to base your ideation. Run through the activities and create a vision and prototype to test with customers.



Iterate quickly through build, measure, learn loops. But add a second learning loop to ensure your understanding of the JTBD and the reason why your product exists continues to evolve.



Design the experience first. The service design should be grounded in the customer problem articulated in the Job to be Done canvas. Only then should you think about how financial products fit into your value proposition. Do not start with these.



Then it's time to tap into the zeitgeist to inform your brand design and identity. Read the next section to see how you unlock your story to be told and connect with your audience.

Tapping into the zeitgeist.



Grounding your product
in stories to be told.





You now know your customers’ ‘Jobs to be Done’, but what is your ‘story to be told’?

Why should we even care?

Even the best ideas can fall on deaf ears.

In business, it’s all about timing, so they say. But good timing isn’t about good luck.

We believe that supposed ‘good timing’ comes from having created relevance by unpacking the ‘spirit of the times’. These are the issues important to society, the ones that may first emerge through social and subversive political movements and then manifest themselves in mainstream popular culture, becoming our new received wisdom.

Getting to grips with the cultural world our products sit within (and in turn have the potential to shape) is the only authentic way to create relevance and make meaningful connections with customers. It’s also key to attracting and retaining the best talent to your teams.

You won’t win by solving a job to be done alone, you have to tell the story, both inside and outside your organization.

Bringing JTBD insight together with cultural analysis and storytelling

Jobs to be Done

Consulting the customer

Better identifying customer needs that fuel human-centred product design



Problems to be solved

Consulting the zeitgeist

Unpacking the 'spirit of the times' & the issues important in high/pop culture, politics and society



Story to be told

Starting purposeful, engaging and memorable conversations

Building a culturally relevant and credible story about the proposition to create a stronger sense of connection and brand purpose. We do this by reflecting our empathetic understanding of customers and the belief systems that shape their behavior.



Ask yourself...

If your proposition never came to launch, what progress would society & culture have missed out on?

This underpins your story to be told.



Today, there is a new spirit of capitalism for Corporate America to align to the customer and the competition



Corporate America is not a fun place to work! We were all part of that world and we wanted to get out of it. Small businesses brings opportunities to people with new ideas, new ways of doing things!

SMB owner – 11:FS JTBD research

The Customer

The culture of Corporate America needs to change, and it shouldn't take an act of Congress to do it. Every C.E.O. and every company must recognize that their responsibilities do not stop at the edge of the corporate campus.

Marc Benioff – CEO of Salesforce

The Competition





Tapping into the zeitgeist

The process: starting with the (cultural & societal) problems to be solved...

What are those issues of interest - both longstanding and emerging - to American society today that impact our target customer? These issues often exist in tensions to each other. When brought together these seemingly opposed ideas generate inspiring insight powerful enough to bring about change and progress.

For our SMB owners certain themes were thrown up again and again in the conversations we had about running their businesses. These themes formed the backdrop of what had motivated them to be where they are now as well as their future goals...

The backdrop to our customers' businesses is a cultural landscape full of contradictions

But, many founders came up with their ideas by identifying unmet problems to solve at the juncture of these tensions.

Territory 1

Freedom & opportunity

America the land of the free and opportunity.

But what does this look like in Corporate America?

Commitment & competition

A meritocratic society which can run you to the ground.

But is the chance to show influential others what you can do fairly distributed?

Territory 2

Human & personal

Renowned for a positive attitude with emphasis on excellent customer service.

How do owners bring their identity to customer service?

Digital & anonymous

Big Tech paved the ways for performing identities online.

How does this both help & hinder connection & community?

Territory 3

Mainstream & mainstreet

America has produced much loved brands that are familiar to use on every main street and even around the world.

But how do you create true awareness of a small businesses in a hyper-mediated, mass saturated culture?

Minority & underground

By 2045 the US is predicted to be become majority minority.

What are the unique voices and ideas that we have yet to hear?

We need to tap into how do our customers reconcile these themes and solve their underlying problems through their businesses

How do we reflect an empathetic understanding of our customers motivations? And how do we also become a force for good in society and influence the cultural belief systems that originally shape these entrepreneurial goals?



The process for defining a product's 'Story to be told'

Theme

1

Unpick two seemingly antithetical but complementary themes that you can glean by asking questions such as:

- A. How easy or difficult is it for small businesses to set up in America?
- B. Who or what are your cheerleaders and who or what holds them back?
- C. What can small businesses bring to society that other businesses cannot?

Anti-theme

The Story to be told

2

Reflect on how owners solve or reconcile these tensions through their business, how these themes shape their company goals and their drive to keep going.

3

What makes your product, your business and your supply chain uniquely well placed to start a conversation about the above themes? Ultimately, playing within these territories of tension is a reminder that profit shouldn't compromise purpose.

Question how your business, product portfolio, supply chain and organizational culture align to the customer's ideas for progress and actually make them possible? Remember that these are 'non-fiction' stories to be told your vision needs to be substantiated.

Reclaiming the American Dream

Freedom & opportunity

Part of the motivation for running an SMB is that going it alone is perceived to offer a better quality of life and more opportunities than that offered by 'Corporate' America. Yet, owners feel lucky to be based in USA for its openness to entrepreneurialism. Each owner has their own unique story for what the land of the free means to them as a place where you can be anything you want to be.

Commitment & competition

USA business landscape is meritocratic: you get out what you put in. This involves taking risks, committing to enduring stressful and extended periods of bootstrapping. It takes a lot of bravery and commitment to leave behind the stability of a 9-5 paid job employed by someone else to start a business. But many talented people aren't ever given a chance to prove themselves at all.

The Story to be told



I look at my friends and their income is more stable but they are miserable, because they are beholden to someone else, they live under someone's thumb. But when you own your own business, yes it can be stressful but there is this freedom, joy and opportunity which you then pass on and infuse into the community. I can hire people who might not have otherwise been given a similar opportunity.



Celebrate the effort and bravery it takes to make the initial 'leap of faith' of starting a business as well as the drive to stick through. All while remaining true to themselves and their beliefs. But this is in part a rally against unfair glass ceilings. So encourage leaving no man/woman behind by passing on opportunities to others, who may not have not been dealt the same cards in life, to learn from you, your founding story and your drive. This can include helping create access to adult learning and employment, opportunities to women, the neuro-diverse, those with disabilities and those living in more rural areas.

An example of someone who has done this really well

Promise Homes is a profitable enterprise combining all of John Hope Bryant's passions and interests, aimed at encouraging underserved people to become owners of their own property by renting to them with a goal to becoming part owners and eventually whole owners. It also creates a healthy renter-landlord relationship that benefits everyone in the transaction.


What leaders, like John Hope Bryant, will emerge from COVID-19? The world will need them!



Ep. 248.
Interviews: John Hope Bryant

August 21st 2018 • 37 mins 12 secs

John Hope Bryant is CEO and Chairman of Operation Hope, Promise Homes, CEO of Bryant Group Ventures, and Co-Founder of Global Dignity.



▶ Listen to episode



Getting brand right in a during and post-pandemic is critical to **strengthening brand attachment with your audience**

For this first time in collective history, our mental health and anxiety levels have been openly discussed at a mass level. We have taken action to support ourselves and each other through this pandemic. A new level of community care has been activated and going forward your customers will expect a new level of care and support. Rather than milking the marketing opportunity within COVID-19, shift your 'Story to be told' so that it reflects how your product genuinely plays a role in helping your customers to feel good, offers peace of mind and delivers a job to be done via a service that fits in with the model of uncertainty we face.

Even one of the most iconic brand advertisers can get it wrong. Coca-Cola bought an ad in New York City's Times Square and extended the space between the letters that spelt its brand to also indicate social distancing. This attempt of

out-of-home placement was unhelpfully ironic. Viewed as simply opportunistic during a time where donations and money would go much further.

Netflix on the other hand, successfully executed an out of home message, doing its part to curb the spread of the coronavirus pandemic by using the threat of spoilers to stop people leaving their homes (in turn encouraging a Netflix binge instead!). What's more all this is being remembered by consumers and tracked by activists. The website [didtheyhelp.com](https://www.didtheyhelp.com) has created a leader board of the good and bad companies during the Pandemic.

When designing a new brand, start with a **Minimum Lovable Brand**

Initially, it's not about the amount of 'branding' you produce or the level of polish, but the approach you take to ensure there is a brand foundation there that will connect with your customers and evolve as the business grows.



Due to time and budget, many businesses put an MLP in the hands of initial customers with little consideration for brand. We believe it's possible to bake in brand even at the early stages of proposition creation by taking a lean approach.

Problem

When creating a proposition its desirability cannot be measured by its usefulness alone, and testing an MVP can be skewed by the language and design you use.

Solution

Brand and product are inseparably linked and we take an iterative approach to both.

Combine an understanding of customer jobs, culture and market to craft the basic building blocks of brand and baking these into your service from MLP. So your brand can connect with customers from day one, while evolving as your service grows.

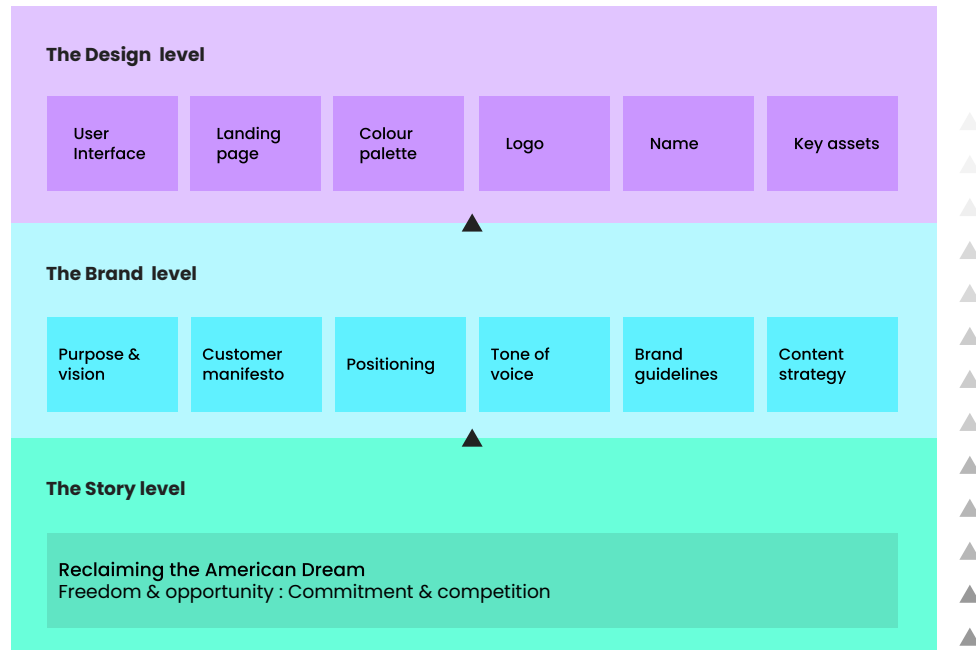
Why MLB approach works

- ▶ Start testing brand earlier and in context
- ▶ Ensure brand is baked into the DNA of your customer experience
- ▶ Connect with customer and culture to bring something to market with a greater chance of success
- ▶ Mature the brand as you learn who your customers really are and your true value to them

How to create a culturally powered Minimum Loveable Brand that rides the Zeitgeist?

Just in the USA there are already over 140 fintechs serving SMBs – so finding ways to communicate about your brand in ways that are salient and persuasive but culturally relevant is so important. MLBs are loveable for telling a compelling story about how they enable customers to make progress in the communities, sub-cultures and society they belong to and have been shaped by.

When you start by considering your brand's story – your potential to shape society in a way the aligns to the customer's ideas for progress – you can then decide and design which assets will make up the holistic brand experience around this. This will help you differentiate more effectively in increasingly competitive markets.



Work upwards

Establish the culturally charged story first before designing the brand experience

Aligning your brand to the story to be told

There is a new spirit of capitalism for Corporate America to align to so you won't win by just solving jobs alone

So, financial services brands will need to reflect more than just their customers' jobs to be done. They also need to become a genuine force for good in the society that has shaped and inspired their customers.

We can bring JTBD insight together with cultural analysis and storytelling

The process for defining a product's 'Story to be told' starts by getting to grips with the cultural world our products sit within (and the world our products have the potential to shape). Reflecting a deep understanding of the progress our customers want to make in the communities and society they have been inspired by, is the authentic way of creating relevance and connection.

But these need to be non-fiction brand stories

To have the right to play in the worlds of your customers, and to find product market fit, it is essential that to question and reflects on how your business, product

portfolios, supply chain and organizational culture all align to the customer's ideas for progress and actually make them possible.

To differentiate effectively in competitive markets, use culture as a springboard for designing Minimum Loveable Brand assets

When you start by considering your brand's 'story to be told' – or your brand's potential to shape society in a way that aligns to the customer's ideas for progress – you can then decide and design which assets – from colours, tone of voice and content – will make up the holistic brand experience around this.

COVID-19 has brought forward what was already an important and emerging 'Age of care'

As society re-evaluates what's important, people and businesses will expect a new level of care and support from products and services. Positive brand values that align with social responsibility, self-improvement and ethics, will be the key to connecting with customers and building brand loyalty post COVID-19. Actions won't be forgotten but amplified in history.



Join us as we continue to decode the bigger picture

To make sense of how society reacts to the unknown, we've been tracking cultural moments via our open source global cultural canvas, designed to identify shifts in cultural patterns. Analyzing this cultural data allows us to detect how macro and micro trends work together to create significant cultural moments with implication for SMBs and the financial services providers catering to them.

Our cultural canvas is open source. You can use this in any way you wish. You're also welcome to contribute what you're seeing [here](#).

Do get in touch if you use it - we're always interested in wide ranging conversations over a virtual coffee about the implications of what we're seeing.

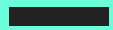
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Concluding thoughts.



Key things to take away.



Concluding thoughts

There is a huge opportunity to better serve SMBs and how they manage their finances

SMBs don't have the knowledge or the desire to manage their business's finances. They want to focus on running their business. Pre-pandemic, hundreds of non-banks are entering the market to offer new digital services to this largely underserved segment by incumbent banks. During and post-pandemic, innovation of agile digital services will accelerate, intensifying competition.

There's never been a better opportunity to act than now

Pre-pandemic, the biggest opportunities for proposition development was in cash flow management and smarter data-driven decision making. In the new post-pandemic normal we expect these same JTBD will become even more essential as businesses try to navigate intense economic uncertainty. The lack of services in these areas will become more apparent and financial services providers that respond quickly to fill these services gaps will be well positioned to win a lot of new customers.

Tap into the new spirit of capitalism in the post-pandemic world

Developing great new services around underserved JTBD is super important. But so is telling a purposeful and engaging story. In the post-pandemic world, businesses small or large will be expected to play a more prominent role in their local community. How can your proposition or business become a genuine force for good? How can you help small business owners reclaim the American dream in a post-pandemic world. Tap into the zeitgeist by consulting deeper cultural trends to define your story to be told.

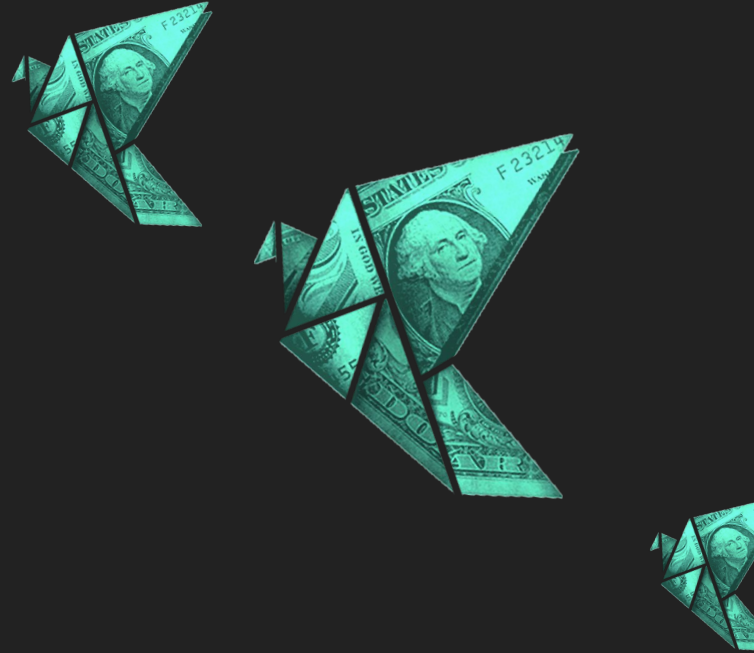
There will be wounds and there will be scars, but how will you set SMBs up for recovery and inspire their next American dream?

So many small businesses (and their employees) will remember the pain of closing up shop or shutting down all together due to cashflow issues. How might this impact the perceived risk of starting a business? What can banks/financiers do to ease entrepreneurs back into the ecosystem?



**Banks seem to forget
that all big business
were once a small
business too.**

East Meets Dress, San Francisco



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services are only 1% finished.
We're building the next 99%.**

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