

How to Turn Payments into a Strategic Advantage

Survey research of more than 500 mid-market finance leaders reveals what organizations with formal payment strategies do differently





Executive Summary

In June 2026, AvidXchange surveyed more than 500 finance decision-makers at mid-market organizations (defined as annual revenue between \$50 million to \$1 billion) to better understand how finance teams are approaching payment strategy.

The findings reveal that while payment modernization is well underway, many organizations have yet to fully realize the strategic value of their payment operations. Organizations with a formal payment strategy consistently approach payments differently—using them to create financial value, strengthen supplier relationships, and inform broader finance decisions.

Here are 5 key findings:

1. Nearly half of organizations still lack a formal payment strategy.
2. Leading finance teams create measurable financial value through intentional payment decisions.
3. Supplier experience and management are becoming strategic differentiators.
4. Payment data visibility is evolving into financial intelligence.
5. The right AP and payment technology is becoming an essential input to finance strategy.

Keep reading to benchmark your organization's payment strategy against your peers, understand how leading finance teams are approaching supplier payments, and learn how your organization can strengthen its own payment function.

B2B Payment Operations are Growing in Maturity

As finance teams continue prioritizing operational efficiency, many are investing in modernizing how supplier payments are processed.

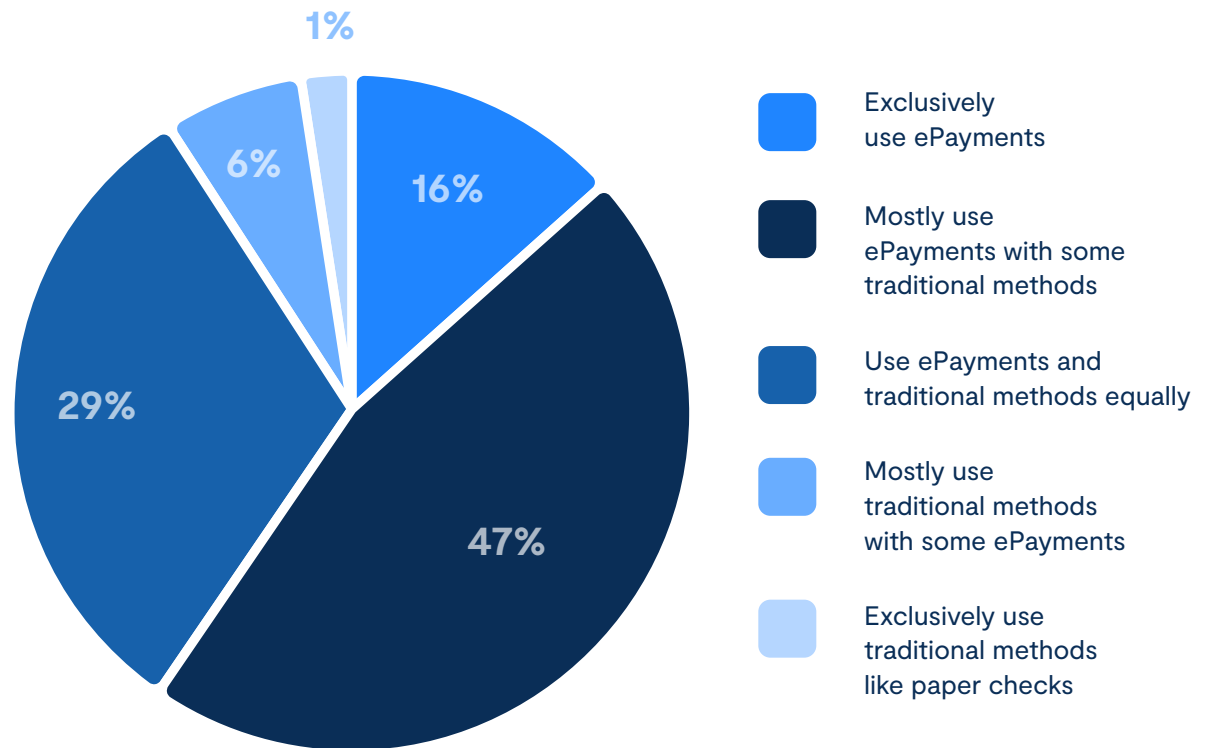
In our survey, **63% said their finance department mostly or exclusively uses ePayments for supplier transactions.** Improving payment processing efficiency is the primary driver (33%), followed by strengthening payment security and fraud prevention (19%).

Additionally, more than two-thirds (67%) of respondents lean on third-party providers to outsource at least certain payment methods versus executing all payments in-house.

These findings demonstrate payments modernization is well underway, with organizations prioritizing digital payments to streamline operations and strengthen security. The bigger question now is whether finance teams are leveraging those efficiency gains to make more strategic payment decisions.

Paper checks are used by less than half (**48%**) of respondents.

How extensively does your organization use electronic payment methods for supplier transactions?



Nearly Half Don't Have a Formal Payment Strategy

Increasingly, finance teams are expected to elevate the strategic contribution of their function. However, our survey found only 53% of respondents said they have a formal payment mix strategy that optimizes across cost, rebates, and supplier preferences.

This means nearly half (47%) of respondents have no formal payment strategy.

Organizations with a formal payment strategy are more likely to create financial value through their payment decisions. They do this by accelerating payments to capture early payment discounts (44% of respondents with a formal payment strategy vs. 28% without) and maximizing rebate revenue (32% vs. 27%).

Organizations without a formal strategy are somewhat more likely to focus on extending days payable outstanding to improve working capital (26% vs. 20% of those with a formal payment strategy).

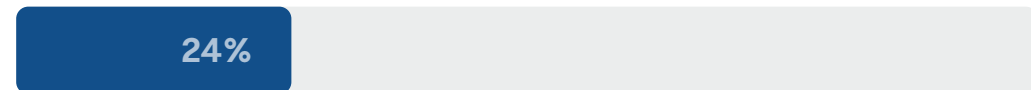
While company size may be a contributing factor, the data suggests a stronger connection between formal payment strategy and intentionality—measuring financial outcomes, prioritizing supplier relationships, and improving decision making.

Organizations with a formal payment strategy are more likely to create financial value through their payment decisions.

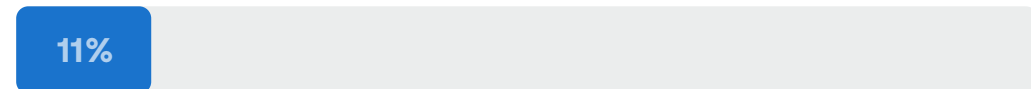
How intentional is your organization's approach to payment method selection?



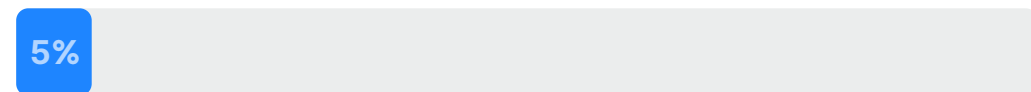
We have a formal payment mix strategy that optimizes across cost, rebates, and supplier preferences



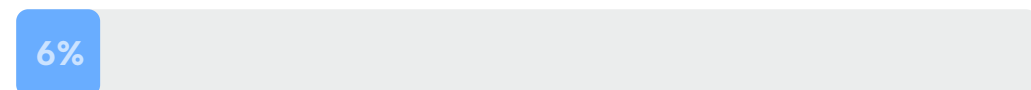
We have some guidelines but no formal strategy



We default to whatever method is easiest or most familiar for our team



We default to supplier preferences



Payment method decisions are made on a case-by-case basis with no consistent approach

80% are Generating Revenue from Payments

As finance teams move beyond payment modernization, the next opportunity is to optimize payments for greater financial value. One way to do that is by capturing rebates. According to our survey, 80% of respondents said their organization currently captures rebates or cashback through virtual card or ePayment programs.

However, when it comes to rebate measurement and management, we see a big discrepancy between those with and without a formal payment strategy: **74% of those with a formal payment strategy actively track and report on rebate performance, compared to only 41% of those without a formal payment strategy.**

When evaluating the success of a rebate program, supplier payment experience comes out on top, including supplier retention rate (24%) and supplier adoption rate (20%). While these ranked above choices related to ROI and dollars generated, an intentional prioritization of supplier relationships is one strategy to help increase the total spend eligible for rebates.

Only 59% actively track and report on rebate performance.

Does your organization currently capture rebates or cashback through virtual card or ePayment programs?



59% Yes – and we actively track and report on rebate performance

21% Yes – but we don't formally measure or report on it

12% No – but we are exploring it

6% No – and it is not currently a priority

Supplier Relationships Drive Payment Strategy

When it comes to payment strategy, the supplier experience is paramount to mid-market businesses. Nearly half (46%) of respondents said their supplier payment experience has a “very significant” impact on supplier relationships.

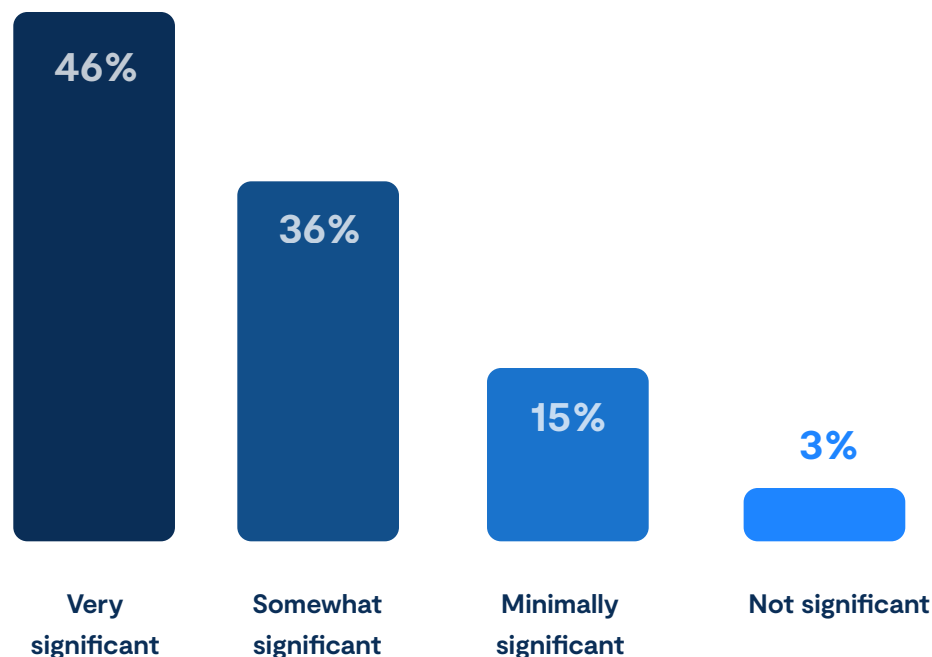
Those with a formal payment strategy were twice as likely to say this (61% vs. 30%). Similarly, 47% of those with a formal payment strategy said supplier payment experience is a primary evaluation criterion of AP automation or payment providers, whereas only 22% of those without a formal payment strategy said the same.

These findings suggest organizations with a formal payment strategy are more likely to view payments as a strategic driver of supplier relationships than simply a back-office function.

Overall, respondents said the following would most improve their suppliers’ payment experience: faster payment processing and settlement (45%), greater flexibility in payment method choice (42%), and better visibility into payment status (42%).

46% said their supplier payment experience has a “very significant” impact on supplier relationships.

How significant an impact does your supplier payment experience have on your supplier relationships?



From Visibility to Financial Intelligence

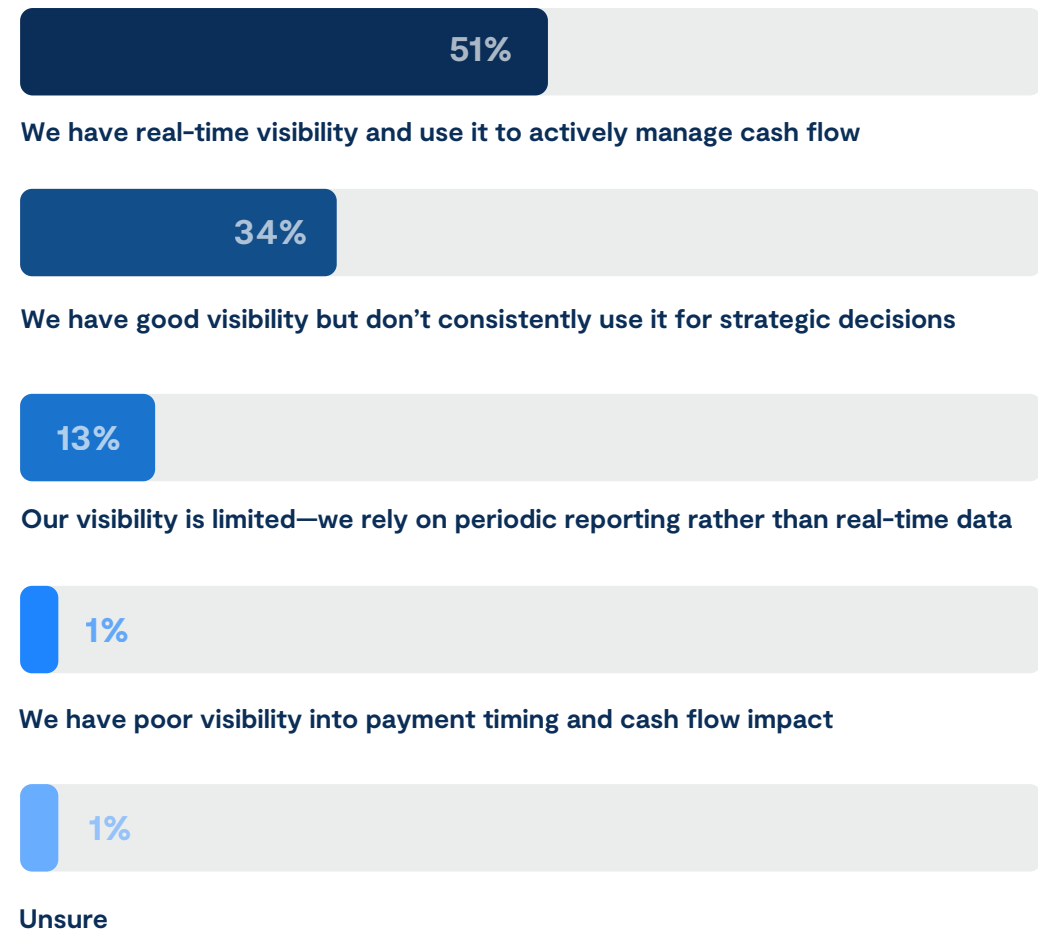
Supplier satisfaction is just one component of effective supplier management. Greater payment data visibility can help finance teams identify opportunities to consolidate supplier spend, negotiate more favorable terms, and make more strategic supplier management decisions.

Those with a formal payment strategy were twice as likely to say they have real-time visibility than those without a formal payment strategy (67% vs. 33%). Among organizations without a formal payment strategy, 65% said they either have limited visibility or don't use it consistently for strategic decision making.

The groups also prioritize payment visibility outcomes differently. Those with a formal payment strategy are looking to improve spend analysis and supplier risk management, whereas those without a formal payment strategy would leverage it for stronger audit readiness and compliance. These findings suggest organizations with a formal payment strategy are more likely to turn payment data into actionable financial intelligence.

23% said better visibility into cash flow and payment timing would have the greatest impact on their AP or payment strategy.

How would you describe your organization's current visibility into cash flow and payment timing across AP?



AP and Payment Providers Become Strategic Partners

As payment data becomes more central to financial decision making, the technology behind it becomes increasingly important.

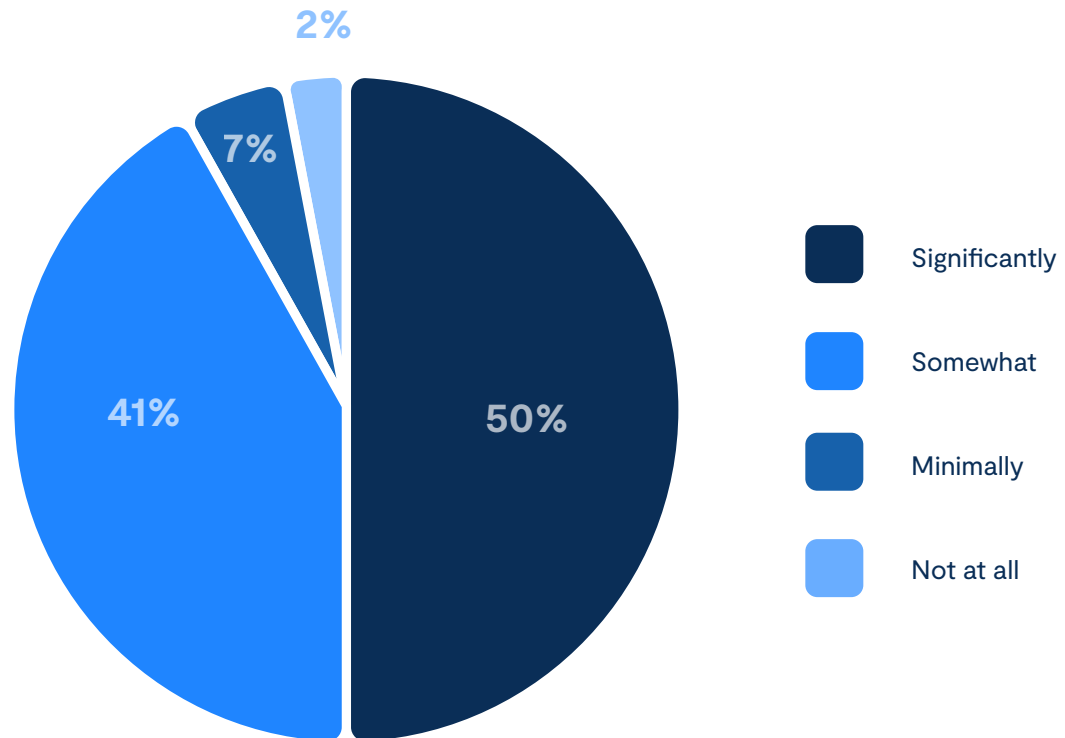
The biggest obstacles preventing AP functions from contributing more meaningfully to their organization's overall finance strategy are limited technology or automation infrastructure (23%) and lack of real-time visibility, reporting, or actionable AP data (23%).

Those with a formal payment strategy are almost twice as likely to say their AP or payment automation provider “is a key input to finance strategy” whereas those without a formal payment strategy were more likely to say they “occasionally pull insights from it for strategic decisions.”

Looking across the survey data, it's clear that leading finance teams are looking to their AP and payment automation providers to help create financial value, strengthen supplier relationships, and turn payment data into strategic insights.

50% use their AP or payment automation provider “significantly” to inform broader finance strategy.

To what extent do you use your AP or payment automation provider to inform broader finance strategy decisions—such as cash flow visibility, payment mix optimization, or rebate capture?



How to Build a More Strategic Payment Function

Here are three practices that separate organizations with formal payment strategies:

1. **Create financial value from payments:** These organizations are more likely to accelerate payments to capture early payment discounts, maximize rebate opportunities, and formally track payment outcomes. Rather than treating payments solely as an operating expense, they measure how payment decisions contribute to financial performance.
2. **Prioritize supplier management:** Organizations with formal strategies place greater importance on the supplier payment experience and are more likely to consider it when evaluating AP and payment providers. Greater visibility into supplier payment activity can also support more informed decisions around supplier spend, payment preferences, and long-term supplier relationships.
3. **Turn payment data into strategic insights:** Organizations with formal strategies are more likely to have real-time visibility and use that information for spend analysis, supplier risk management, cash flow planning, and broader finance decisions. They are also more likely to view their AP or payment automation provider as a meaningful input to finance strategy.

As payments continue evolving from an operational process into a formal strategy, the organizations that gain the most value will be those that approach each payment decision with greater intention. Building that kind of payment function starts with choosing a technology provider that supports your broader finance strategy.

Ready to build a more strategic payment function?

Organizations with formal payment strategies consistently create more value from payments, prioritize supplier relationships, and turn payment data into strategic insights.

AvidXchange helps finance teams do exactly that through flexible payment options, rebate opportunities, real-time visibility, a network of more than 1.5 million suppliers, and expert supplier services—all designed to help finance teams make more strategic payment decisions while maintaining security and control.

[Talk to one of our experts](#) to learn how AvidXchange can help you build a more strategic payment function.



About AvidXchange®

AvidXchange is the AI-powered accounts payable (AP) and payments solution built for mid-market businesses. We combine AI that eliminates manual work with over 25 years of experience and data intelligence to get it right, so finance teams can move faster, pay smarter, and operate with complete confidence. Over 8,000 growth-driven businesses rely on AvidXchange to deliver greater efficiency, tighter control, and real-time visibility into their AP process and to execute millions of payments with accuracy and enhanced security through our proprietary payment network. Additionally, AvidXchange is a licensed money transmitter for B2B payments in the United States, licensed as a Money Transmitter by the New York State Department of Financial Services, as well as all other states that require AvidXchange to have a license. For more information, visit [AvidXchange.com](https://www.avidxchange.com).

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