

# As Concerns Over Late Payments Mount, SMEs Turn to Factoring

*With nearly half of all B2B invoices paid late and most businesses expecting customer insolvency to rise, SMEs are protecting their finances with factoring.*

EL PASO, TX, UNITED STATES, May 29, 2025 /EINPresswire.com/ -- Leading invoice funding company Viva Capital says SMEs, feeling the pressure of increased late payments and customer insolvency risk, are turning to invoice factoring even more to safeguard their finances. Full coverage of the topic is available in ["The Impact of Late Payments: How Factoring Protects SMEs,"](#) now live on VivaCF.net.

The release draws on recent data, which shows roughly half of all B2B payments are delinquent. Additionally, surveys show the majority of business owners believe their customers face a growing risk of insolvency in the coming year, placing their receivables and operations at risk.

"Late payments are the quiet problem nobody talks about," explains Armando Armendariz, Director of Business Development and Partner of Viva Capital. "Yet, the impact of late payments is clear to see in slow payments to suppliers, reduced ability to invest in the business, difficulties making payroll, and more."

He says that the best defense against late payments starts with strong receivables processes. This includes setting clear payment terms from the start and investing in technology that allows the business to automate invoicing and reminders.

Despite implementing best practices, he says SMEs will still see some slow payments, especially in times of economic uncertainty, as each business tries to hold its cash for as long as possible in preparation for the unexpected. These conditions have more SMEs turning to invoice factoring as a way to accelerate cash flow and mitigate risk, as factoring services typically include





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*Armando Armendariz,  
Director of Business  
Development and Partner*

customer credit checks and credit management, which help ensure timely payments. Non-recourse factoring, in which the factoring company absorbs the payment loss in the event of customer insolvency, also gains more traction in difficult times.

"Most businesses begin exploring factoring as a solution to slow customer payments," Armendariz says, drawing on his experiences at Viva. "However, during economic shifts, businesses have a much deeper appreciation for and interest in how factoring protects them from non-payment, too."

Businesses that want to learn more about factoring or request a complimentary factoring quote from Viva Capital may do so by visiting [VivaCF.net](https://www.vivacf.net).

#### ABOUT VIVA

Founded in 1999, Viva helps B2B businesses of all types accelerate cash flow through specialized funding solutions like factoring, accounts receivable financing, and asset-based lending. Their simple qualification process makes it easy for small and mid-sized companies to get vital funding despite a lack of credit or time in business. [Additional information is available at VivaCF.net](https://www.vivacf.net).

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