

Lula's two-hour working capital access revolutionises SME funding in South Africa

Last year, SA's small and medium-sized business owners found that access to working capital is their biggest stumbling block.



Source: [Pexels](#)

This is according to a recent report from B2B funding innovator Lula, who surveyed hundreds of SMEs and entrepreneurs.

In response, Lula has recently streamlined its offerings to provide the quickest turnarounds for business funding products yet seen in the South African market.

“Once your application is approved, we will have the funds in your Lula bank account within two hours,” says Tom Stuart, Lula's chief marketing officer.

“Time is money, and business owners are often stretched between running their business, managing teams, and ensuring that they have the finances on hand to respond to market needs,” Stuart explains.

With signs of recession looming large, today's business landscape is more cutthroat than ever. The need for funding is time sensitive. There are times when a quick same-day cash injection can make all the difference to your business strategy.

End-of-month is often a squeeze for SMEs who must make sure there's cash on hand to cover staff payments and supplier fees, ahead of their incoming payments.

When international currency exchange rates shift in your favour, for example, it allows you to replenish supplies more cheaply. The next day could be too late, as even a slight fluctuation in currency price would have a major impact on the price of the goods you want to import.

"For SMEs in transport and vehicle sectors it means that when a fuel price hike is announced, having the financial agility to refuel your fleet on the same day can result in massive savings," says Stuart.

Leveraging faster capital access

Faster access to capital also allows you to plan more accurately around significant international events that impact supply chains, such as Chinese New Year, Thanksgiving, or Bank Holidays, which usually results in a delay in imports from that country. Auctions and bidding situations are also scenarios where the ability to access near-instant credit can give you an edge.

"Sometimes you need financing in a very short space of time. We get this. It's why we've adapted our products by offering faster capital, and financial solutions that allow entrepreneurs to focus on growing their businesses instead," he adds.



MTN, Jumo partner for Qwikloan

6 Feb 2024



Lula offers a digital banking solution tailored to the unique needs of SA's SMEs, featuring free and unlimited account options.

"The free account is well-suited for startups because it has no monthly fees but incurs a per-transaction charge. The unlimited account is a better bet if you're well-established and transacting in volumes. This account offers unlimited free EFTs but has a set monthly fee of just R500," Stuart explains.

Lula bank accounts are quick and simple to open. The process is fully online, with no branch visits needed.

"You can link your existing bank accounts to your Lula account and have a handy dashboard to view all your business's financial data all in one place.

You can also apply for a funding without opening a Lula account. Businesses who go this route can still expect the cash in their account with a turnaround of one business day. By receiving business capital directly into a Lula account, SMEs can secure faster than ever access to additional funds.



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Stuart points out that SME owners and entrepreneurs are cautiously optimistic about 2024. We've seen an upswing in applications coming from the retail, wholesale, IT, vehicles sales, education, manufacturing, and construction industries, indicating a promising surge in customer demand.

"Today's unprecedented pace of technological innovation means that SMEs are always on the lookout for new tech tools to

give their businesses a boost.

“With the promise of small business funding in two hours set to bolster SMEs’ resilience amidst competitive markets, Lula has further cemented its position as a leading innovator in the digital capital space. Speedy strategy and swift decision-making are key to business success,” says Stuart.

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