

2023

Quarterly Spending Benchmarks

Q3

ramp ↗

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Introduction

As we head into Q4, C-suite leaders and finance executives across all sectors should continue to batten down their spend hatches. Costs of business goods and labor show no sign of decreasing anytime soon, with the Consumer Price Index rising 3.7% in September. Additionally, the combination of non-farm payroll employment soaring by 336,000 last month and prior-month revisions totaling more than 400,000 may give the Federal Reserve the footing it needs to continue to raise interest rates.

With consumers pulling back on credit card spending, retail and consumer discretionary businesses may need to cut back growth costs in anticipation of extra inventory and having to discount. Meanwhile, manufacturing businesses will likely experience historic highs in oil prices in the coming months, as geopolitical issues roil Eastern Europe and the Middle East and U.S. crude inventories continue to fall.

So where can potential spending pullbacks come from, without sacrificing product quality or excellent service?

To equip business leaders with the data they need to get smarter about spending, we're publishing our Q3 Spending Benchmark Report with purse-tightening in mind. This quarter, we've made the report even more actionable for in-house finance teams, with specific recommendations for those looking to keep costs in check. We're sharing granular data for top industries, cut by company size for more useful comparisons.

This report will give you insights into how peer companies are allocating their finances, who are the emerging and declining vendors, and how peers' tech stacks are changing. We've also included a deep dive into corporate travel spending trends across lodging, airlines, and ground transportation to help you see how others are budgeting for these expenses.

Use this report for your annual planning. If you notice major discrepancies between your own spending patterns and the industry data we present, these could signify potential areas for cost reduction. We wish everyone a strong and healthy finish to the year.

Top recommendations

01

Consider pressing the “pause” button on generic AI tools

While AI has incredible potential to save companies time and money, it's time to take a step back and assess which AI tools align with your specific business needs and goals. By now, many tech providers have successfully built targeted AI capabilities into their standard offerings, so your company may not need to pay for AI as a standalone tool or product.

Indeed, we've noticed that contrary to last quarter, AI-specific tools no longer dominated our list of fastest-growing software vendors by customer count. The ones that did make the list were more targeted offerings, such as Instantly.ai for sales and accessiBe for web development.

02

Consolidate the number of vendors for your company

Shortening the list of vendors your company works with can reduce costly administrative overhead. This can be especially valuable for software, where cutting back on the number of tools can offer the added bonus of simplifying team operations.

Our data show this already starting to bear out. Companies hitting a year on Ramp in Q3 have an average of 16 software vendors, down from 21 a year ago, indicating companies are buying fewer tools relative to the past. This trend holds for companies in their first, second, and third quarter on Ramp.

03

Review your preferred corporate travel vendors

Finance teams should pay close attention to the travel vendors that their employees are using as business travel costs shift. Q3 transaction data show airfare inflation has improved the most with legacy carriers, likely due to the resurgence of international consumer travel over the summer. Uber and Lyft rides are proving less expensive than taxis.

Review the limits set for employee spending on flights, hotels, and per diems. Our report shares detailed limits that Ramp customers are using—down to the airline class level—and reveals trends in travel policies. Companies with more than 100 employees can consider onboarding a travel management company to help control costs.

04

Assess inventory levels in light of falling consumer credit card spend

With consumer repayment charges hitting record highs and credit card spending decreasing, businesses with physical inventories—especially in the consumer goods and services industries—should consider decreasing inventory levels to save on shipping and general merchandise costs.

We noticed overall shipping expenses are down 4.8% over the past quarter and 16.1% for the year, indicating that companies may already be heeding this advice. Consumer goods and services companies in particular dropped their shipping spend by 6.6% and general merchandise spend by 8.7% in Q3. These categories were also down 15.5% and 14.7% respectively year over year.

About this report

The Ramp Spending Benchmarks Report is a quarterly report on business spending trends, based on thousands of aggregated, anonymized transactions on Ramp cards and invoices paid through Ramp Bill Pay.

For year-over-year comparisons, our sample size comprised customers who have been active with Ramp over that entire 12-month period. For quarter-over-quarter comparisons, our sample size comprised customers who have been active with Ramp over the two quarters analyzed.

Small SMBs represent companies with 1-24 employees. Large SMBs represent companies with 25-99 employees. Mid-market companies range from 100-999 employees. Expense categories for their transactions are based on merchant category codes provided by Visa. These, and other report definitions, are subject to change. Some data points were excluded to protect customer privacy. Information in this report is not correlated with Ramp's performance.

[See prior reports](#)

Q3 business spend

Chart 01

Median card spend

Median card spend is flat to up for the quarter, suggesting companies should continue to keep costs contained.

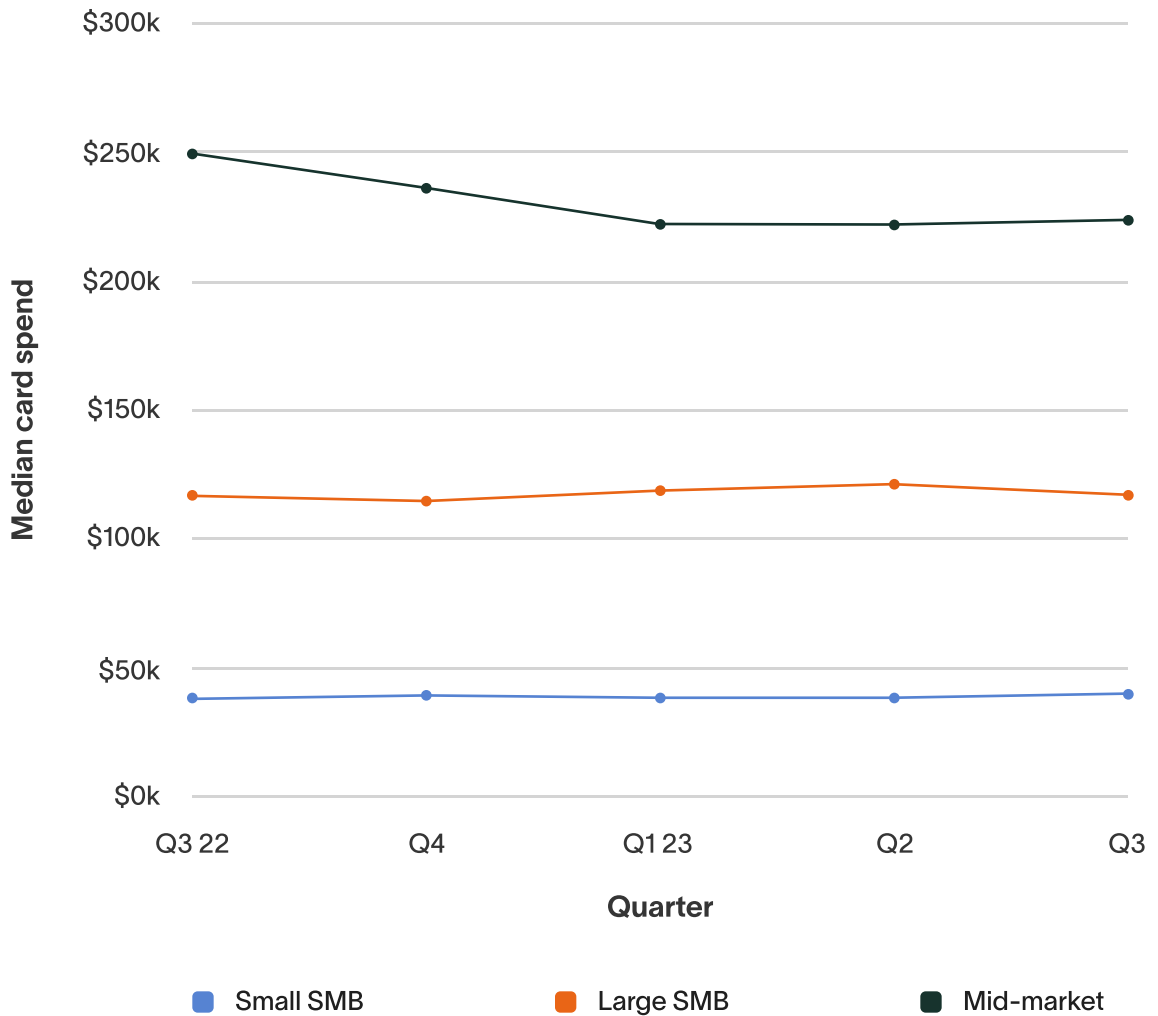


Chart 02

Median AP spend

Large SMBs may want to rein in their AP spend, with median AP spend for the segment jumping for the second quarter in a row.

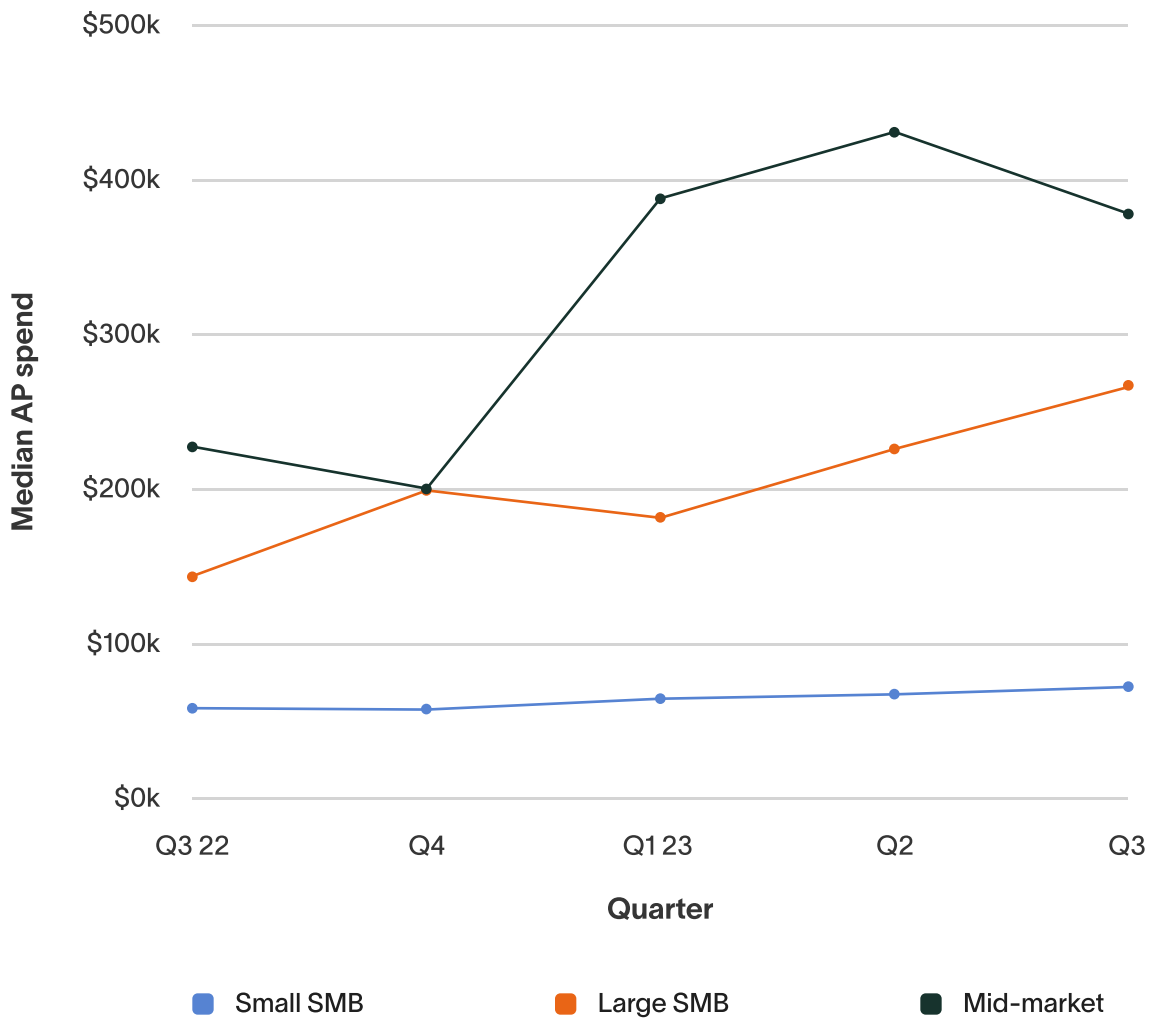


Chart 03

Top expense categories by card transaction volume

Keep an eye on advertising, general merchandise, SaaS/software, and professional services—these four categories account for more than half of all spending in Q3.

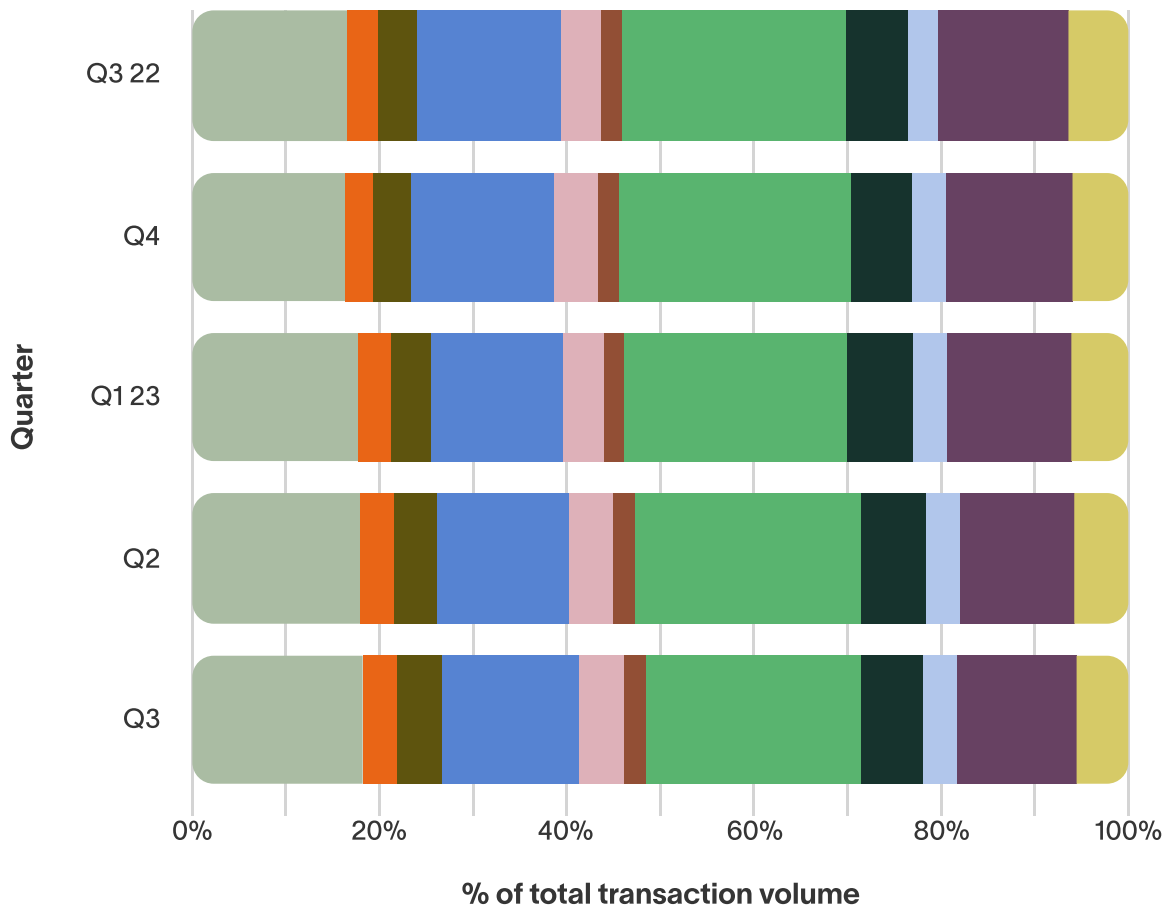


Chart 04

Change in card spend in Q3 vs Q2 2023

Advertising spend builds on last quarter's momentum, emerging as the highest-growth expense category.

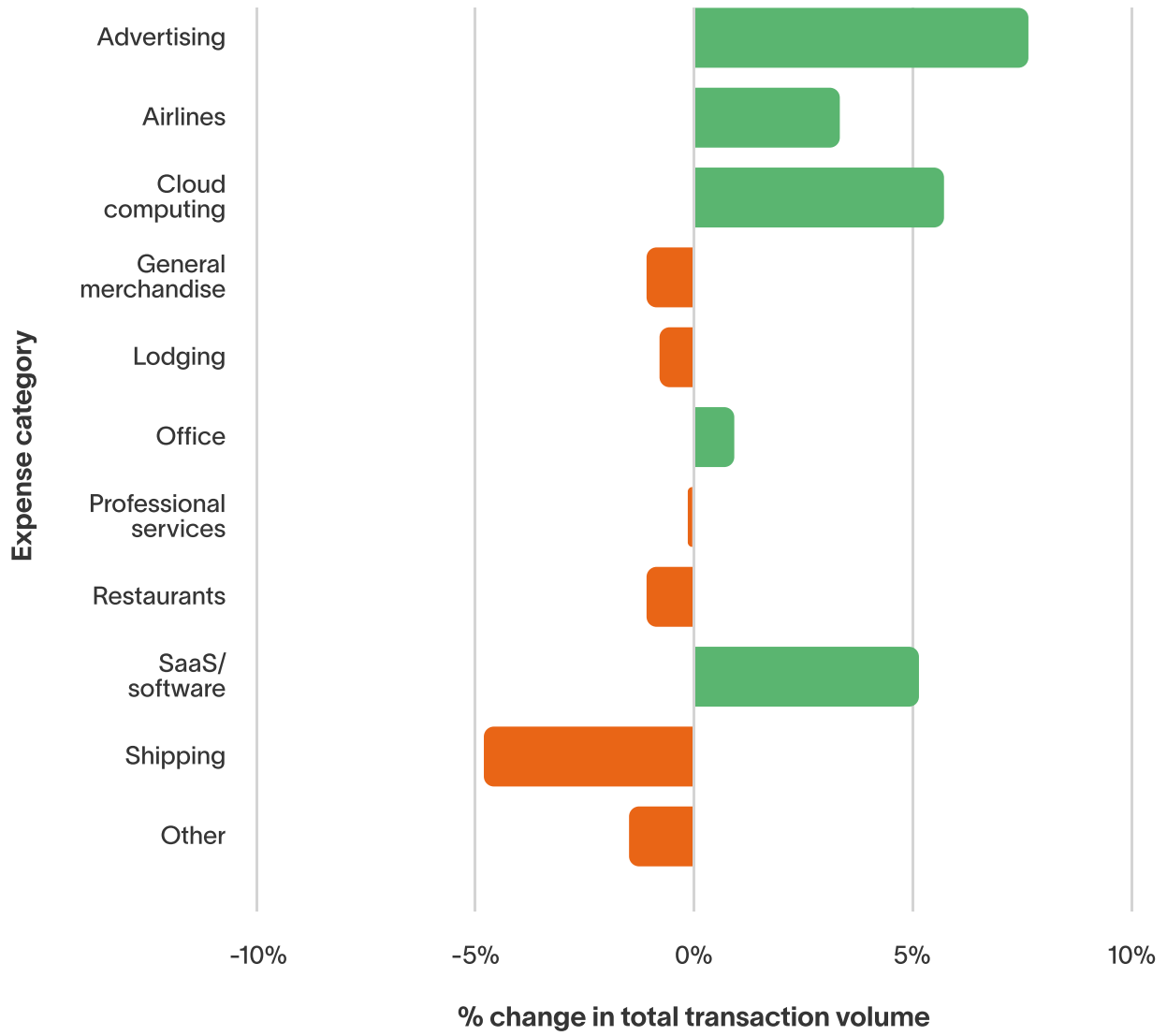


Chart 05

Same store spend by category

Spending pullbacks continue in many categories at the onset of Q3, but start reverting in September.

■ Increase in mean 3-month spend
 ■ Decrease in mean 3-month spend

Expense category	Apr 23	May	Jun	Jul	Aug	Sep
Advertising	■	■	■	■	■	■
Airlines	■	■	■	■	■	■
Alcohol and bars	■	■	■	■	■	■
Books and newspapers	■	■	■	■	■	■
Car rental	■	■	■	■	■	■
Car services	■	■	■	■	■	■
Charitable donations	■	■	■	■	■	■
Clothing	■	■	■	■	■	■
Cloud computing	■	■	■	■	■	■
Clubs and memberships	■	■	■	■	■	■
Education	■	■	■	■	■	■
Electronics	■	■	■	■	■	■
Entertainment	■	■	■	■	■	■
Fees and financial institutions	■	■	■	■	■	■
Fines	■	■	■	■	■	■
Freight, moving, and delivery services	■	■	■	■	■	■
Fuel and gas	■	■	■	■	■	■

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■ Increase in mean 3-month spend
 ■ Decrease in mean 3-month spend
 ■ No change

Expense category	Apr 23	May	Jun	Jul	Aug	Sep
General merchandise	■	■	■	■	■	■
Government services	■	■	■	■	■	■
Insurance	■	■	■	■	■	■
Internet and phone	■	■	■	■	■	■
Legal	■	■	■	■	■	■
Lodging	■	■	■	■	■	■
Medical	■	■	■	■	■	■
Office	■	■	■	■	■	■
Office supplies and cleaning	■	■	■	■	■	■
Parking	■	■	■	■	■	■
Political organizations	■	■	■	■	■	■
Professional services	■	■	■	■	■	■
Religious organizations	■	■	■	■	■	■
Restaurants	■	■	■	■	■	■
SaaS/software	■	■	■	■	■	■
Shipping	■	■	■	■	■	■
Streaming services	■	■	■	■	■	■
Supermarkets and grocery stores	■	■	■	■	■	■
Taxes and tax preparations	■	■	■	■	■	■
Taxi and rideshare	■	■	■	■	■	■
Travel misc.	■	■	■	■	■	■
Utilities	■	■	■	■	■	■

Chart 06

Small SMB card spend by category

Year-over-year spending on advertising and software is creeping up for SMBs, making these categories critical to monitor for the segment.

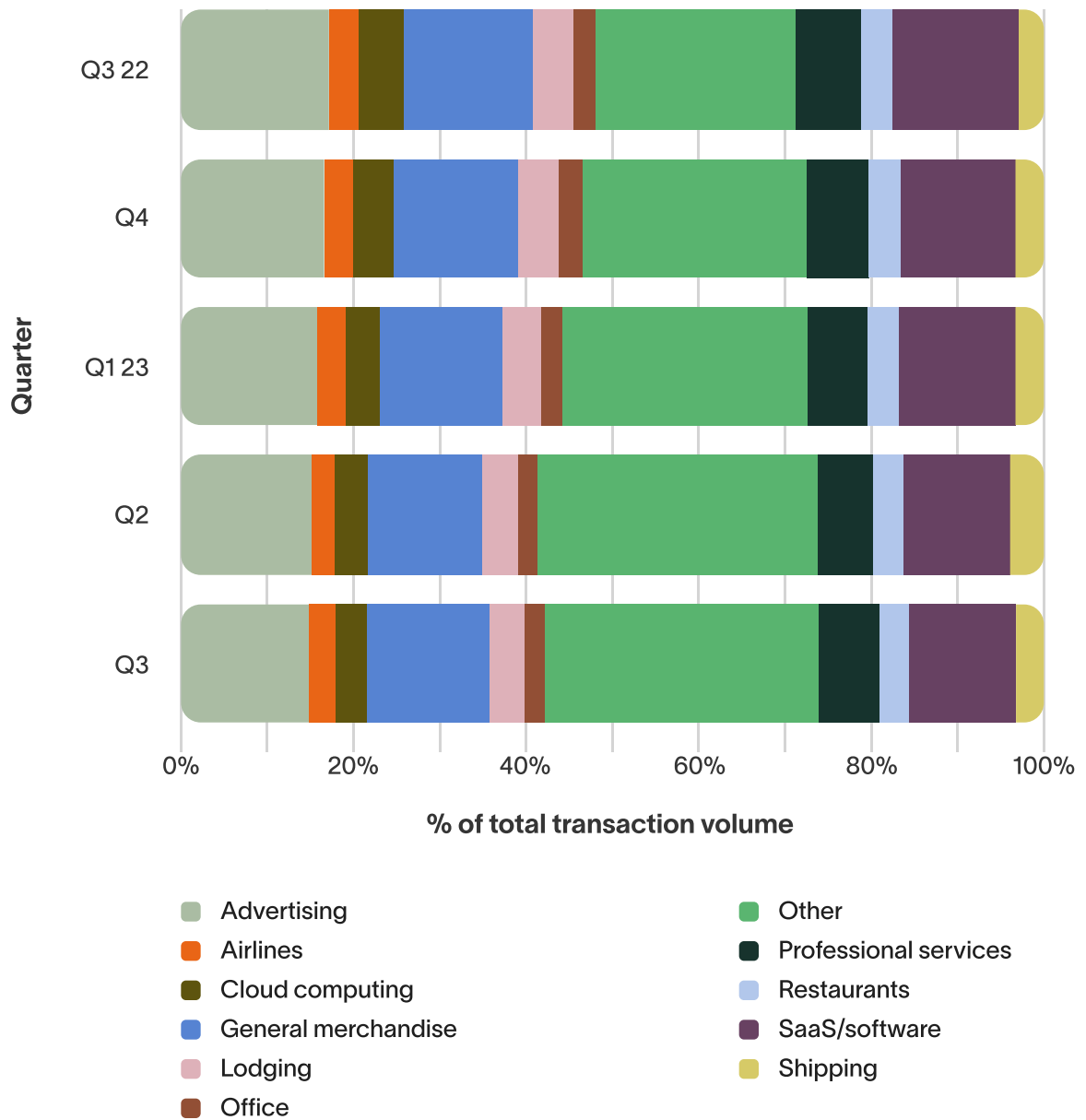


Chart 07

Large SMB card spend by category

Large SMB card spend by category remains relatively consistent over the past year.

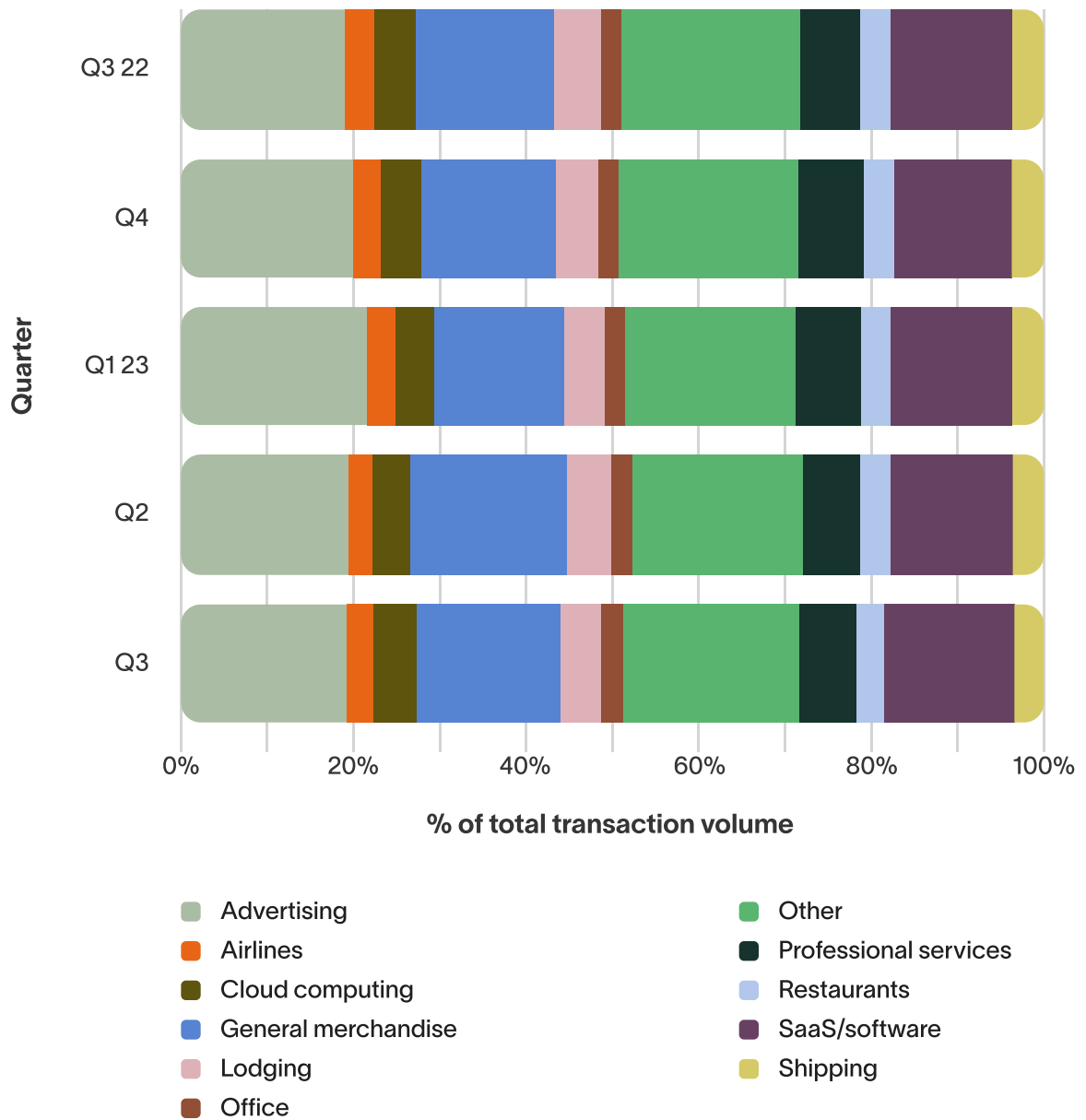


Chart 08

Mid-market card spend by category

Mid-market businesses are increasing proportional spend on advertising, while cutting back on SaaS/software spend.

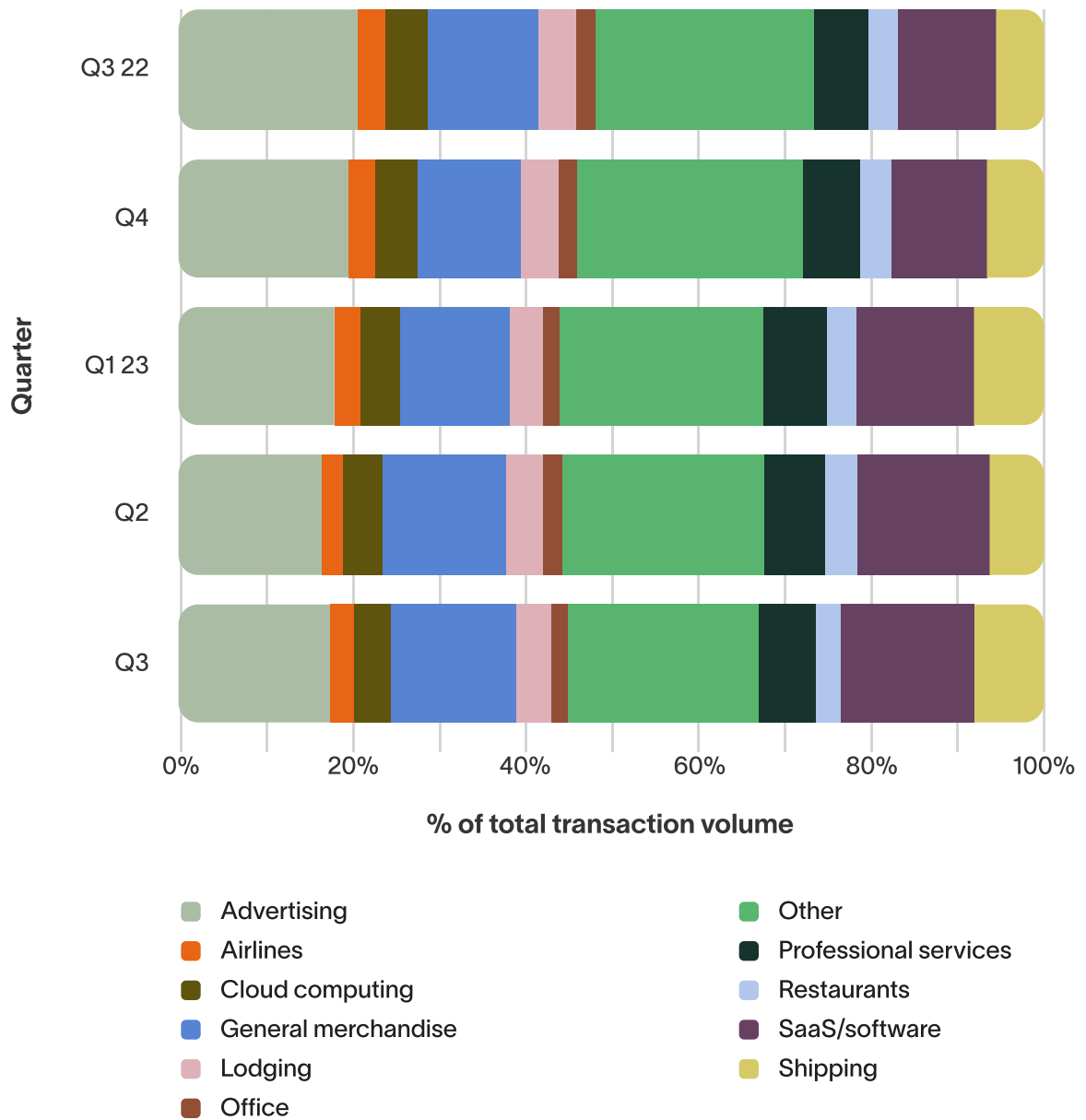


Chart 09

Top vendors in Q3 2023 by card transaction volume

Companies mostly continue to increase spending with top vendors, suggesting they're cutting back on the long-tail, given flat to up median card spend quarter over quarter.

Vendor	Change from Q2	YoY change
1. Google Ads	6.1%	4.9%
2. Facebook Ads	14.6%	16.8%
3. Amazon	5.7%	-10.0%
4. Amazon Web Services	4.5%	12.4%
5. FedEx	-8.2%	-25.8%
6. United Airlines	2.4%	24.6%
7. Delta Air Lines	2.6%	4.5%
8. UPS	10.5%	-14.4%
9. The Home Depot	-5.0%	7.9%
10. American Airlines	2.2%	5.8%

Chart 10

Top vendors in Q3 2023 by AP transaction volume

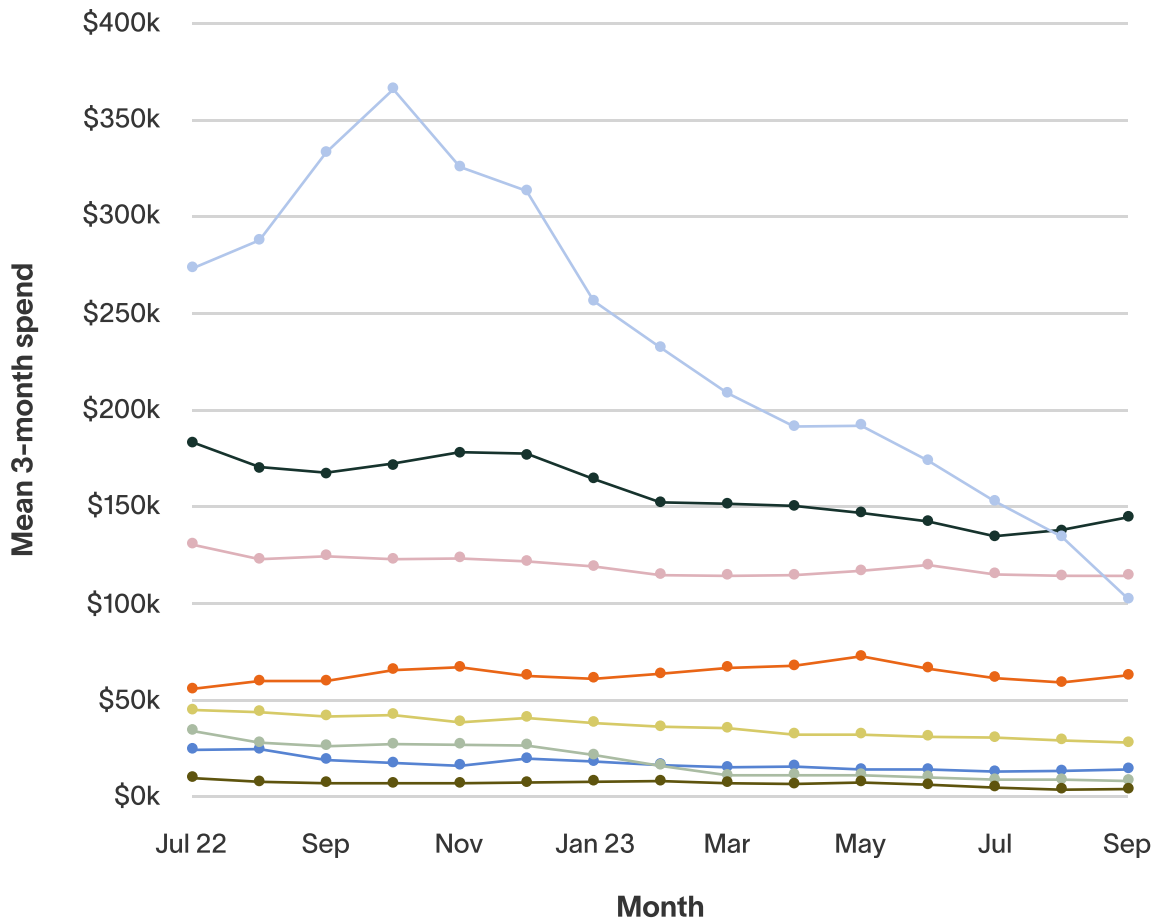
Companies should monitor their AP spend, with transaction volume jumping more than one-third quarter over quarter for many top vendors.

Vendor	Change from Q2	YoY change
1. Amazon Web Services	32.3%	265.7%
2. Google	-3.8%	-46.6%
3. Oracle	-8.3%	4386.5%
4. Cooley LLP	35.9%	26.0%
5. Goodwin Procter LLP	39.2%	-2.6%
6. Salesforce	-7.3%	61.6%
7. Orrick, Herrington & Sutcliffe LLP	165.5%	—
8. Gunderson Dettmer	-42.0%	4.5%
9. Fenwick & West LLP	43.1%	—
10. LinkedIn	-21.4%	-60.3%

Chart 11

Same-store card spend for top advertising vendors

Companies are favoring mainstream advertising channels, as Twitter Online Ads sees the largest drop in customer count. Spend on TikTok Ads continues to slide.



- Apple Search Ads
- TikTok Ads
- Capterra
- Twitter Online Ads
- Facebook Ads
- Yelp for Business Owners
- Google Ads
- Microsoft Advertising

Chart 12

Mean count of software vendors for businesses in their fourth quarter on Ramp

Companies are slowing down on the number of tools they're adding. In Q3, companies that have been with Ramp for four quarters have an average of 16 vendors, down from 21 last year.

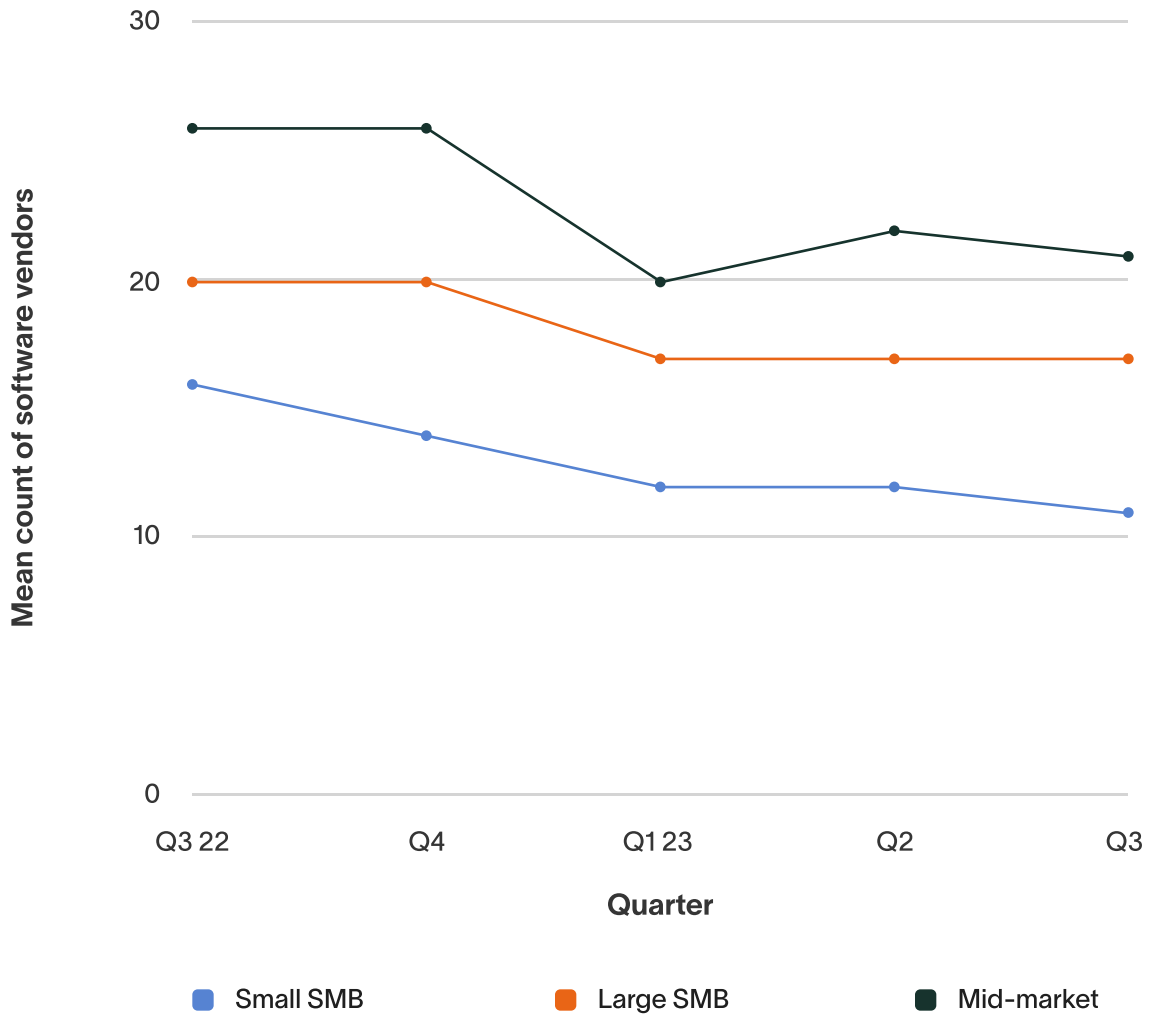
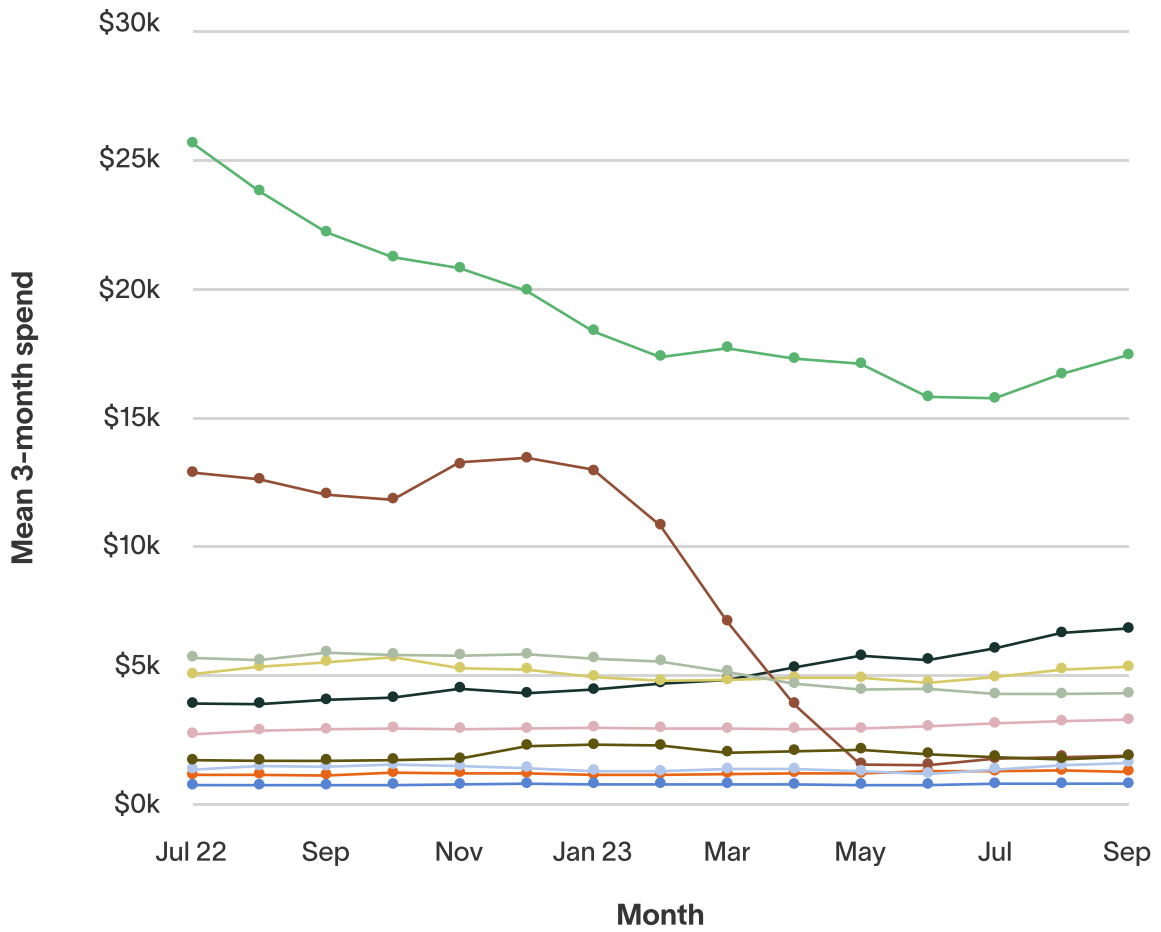


Chart 13

Same-store card spend for top software vendors

Recurring costs for top software vendors seem to be coming down, except with cloud tools like Datadog and Twilio.



- Adobe
- LinkedIn
- Datadog
- Microsoft Office/Azure
- Google G Suite
- Slack
- HubSpot
- Twilio
- Intuit
- Zoom

Chart 14

Fastest-growing software vendors in Q3 2023 by customer count

Fastest-growing software vendors include targeted AI tools, rather than more general ones.

Vendor	Change from Q2
1. Super	85.0%
2. Mobbin	61.3%
3. Instantly	56.9%
4. Scribe	53.8%
5. Evernote	36.0%
6. Substack	35.3%
7. accessiBe	31.1%
8. Slack	28.8%
9. Events	26.8%
10. fireflies.ai	25.0%

Deep dive: T&E spend

While business travel hasn't skyrocketed like consumer leisure travel, T&E spend is steadily consuming a larger portion of company budgets over time, making it a pivotal expense category for cost-conscious finance teams to monitor.

Average trip spend has stubbornly hovered around \$1,213 this past year, even as airfare and lodging inflation has improved and average trip length has remained constant at four days. Upward-trending airfares are the likely culprit. In response, we see Ramp customers dialing up the limits that employees are allowed to spend per diem, and on flights and hotels.

Finance leaders can take steps to help their organizations curb T&E spend:

- **Airfares:** Steer employees towards legacy carriers like Alaska and United Airlines, which are showing the most improvement in fare inflation. Among low-cost carriers, Southwest is a great option, but watch out for JetBlue Airways, which has kept fares high. Keep a close watch on how much you're allowing employees to spend on different airline classes; many Ramp customers have fine-tuned fare limits for business, premium economy, and economy plus classes in Q3.
- **Ground transportation:** Look into rolling out corporate rideshare programs for your employees. The average taxi fare climbed 20.1% this past year, while Uber and Lyft costs have dropped. Uber is the top rideshare choice for Ramp businesses, with travelers using it three times more often than Lyft.
- **Lodging:** Mean transaction amounts for both Airbnb and hotels are dropping, but finance teams should stay vigilant in enforcing their lodging policies. We see card declines for lodging vendors of 6% (by count) and 17% (by volume).

Chart 15

T&E spend

Spending on categories like airlines, lodging, restaurants, and entertainment is inching up across all company segments.

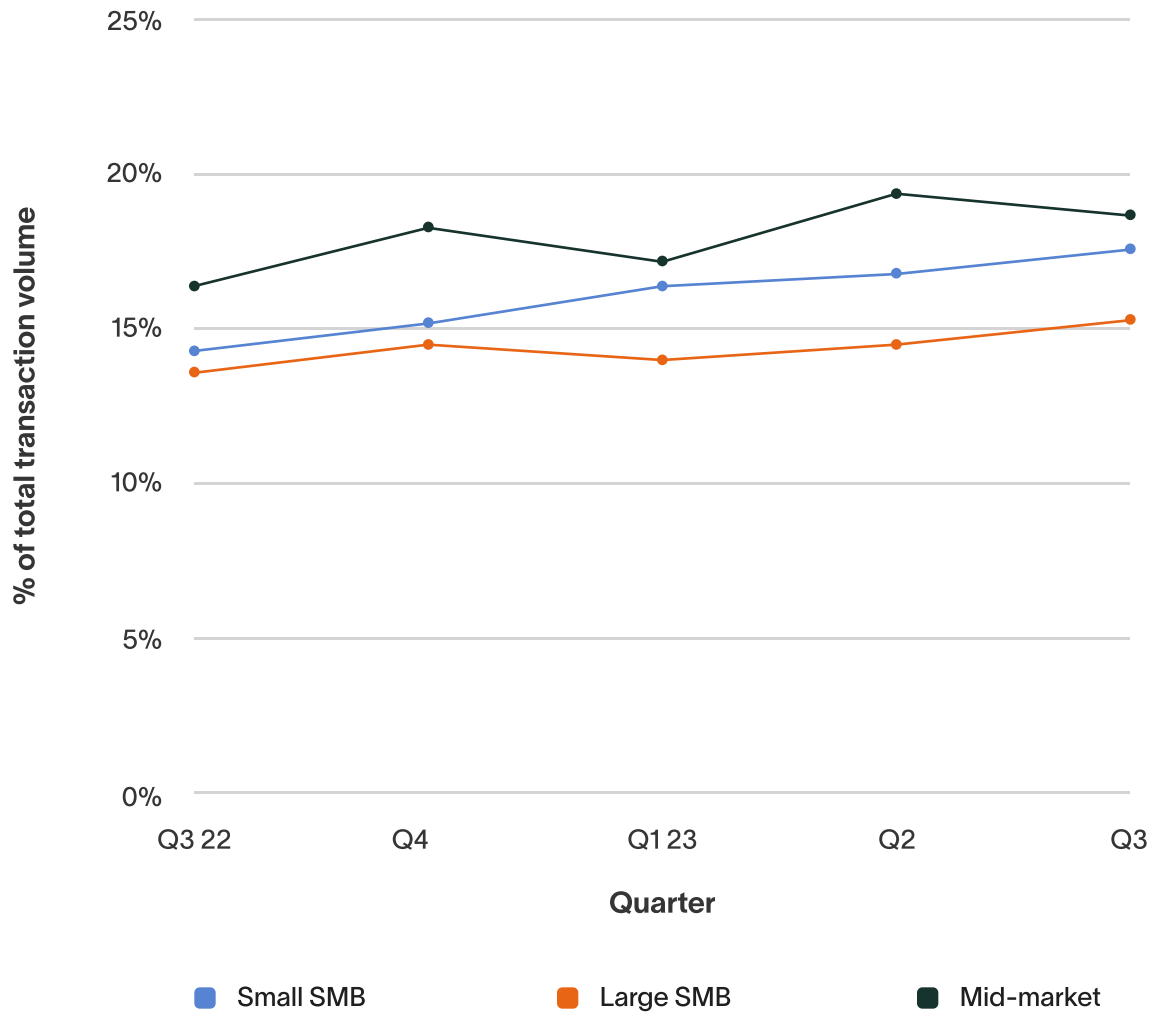


Chart 16

Moving average of airfares

Airfare inflation has improved the most with United Airlines and Alaska Airlines this past year.

■ Decrease in moving average
 ■ Increase in moving average
 ■ No change

Expense category	Alaska	American	Delta	JetBlue	Southwest	United
Jan 22	■	■	■	■	■	■
Feb	■	■	■	■	■	■
Mar	■	■	■	■	■	■
Apr	■	■	■	■	■	■
May	■	■	■	■	■	■
Jun	■	■	■	■	■	■
Jul	■	■	■	■	■	■
Aug	■	■	■	■	■	■
Sep	■	■	■	■	■	■
Oct	■	■	■	■	■	■
Nov	■	■	■	■	■	■
Dec	■	■	■	■	■	■
Jan 23	■	■	■	■	■	■
Feb	■	■	■	■	■	■
Mar	■	■	■	■	■	■
Apr	■	■	■	■	■	■
May	■	■	■	■	■	■
Jun	■	■	■	■	■	■
Jul	■	■	■	■	■	■
Aug	■	■	■	■	■	■

Chart 17

Moving average for nightly hotel rates

Lodging inflation has improved since mid-year 2022.

■ Decrease in moving average
 ■ Increase in moving average
 ■ No change

Expense category	Airbnb	Courtyard	Fairfield	Hampton	Hilton	Hotels.com	HotelTonight	Marriott
Jan 22	■	■	■	■	■	■	■	■
Feb	■	■	■	■	■	■	■	■
Mar	■	■	■	■	■	■	■	■
Apr	■	■	■	■	■	■	■	■
May	■	■	■	■	■	■	■	■
Jun	■	■	■	■	■	■	■	■
Jul	■	■	■	■	■	■	■	■
Aug	■	■	■	■	■	■	■	■
Sep	■	■	■	■	■	■	■	■
Oct	■	■	■	■	■	■	■	■
Nov	■	■	■	■	■	■	■	■
Dec	■	■	■	■	■	■	■	■
Jan 23	■	■	■	■	■	■	■	■
Feb	■	■	■	■	■	■	■	■
Mar	■	■	■	■	■	■	■	■
Apr	■	■	■	■	■	■	■	■
May	■	■	■	■	■	■	■	■
Jun	■	■	■	■	■	■	■	■
Jul	■	■	■	■	■	■	■	■
Aug	■	■	■	■	■	■	■	■

Chart 18

Round-trip airfare limits in Ramp travel policies

Ramp customers have increased how much employees can spend on round-trip airfares.

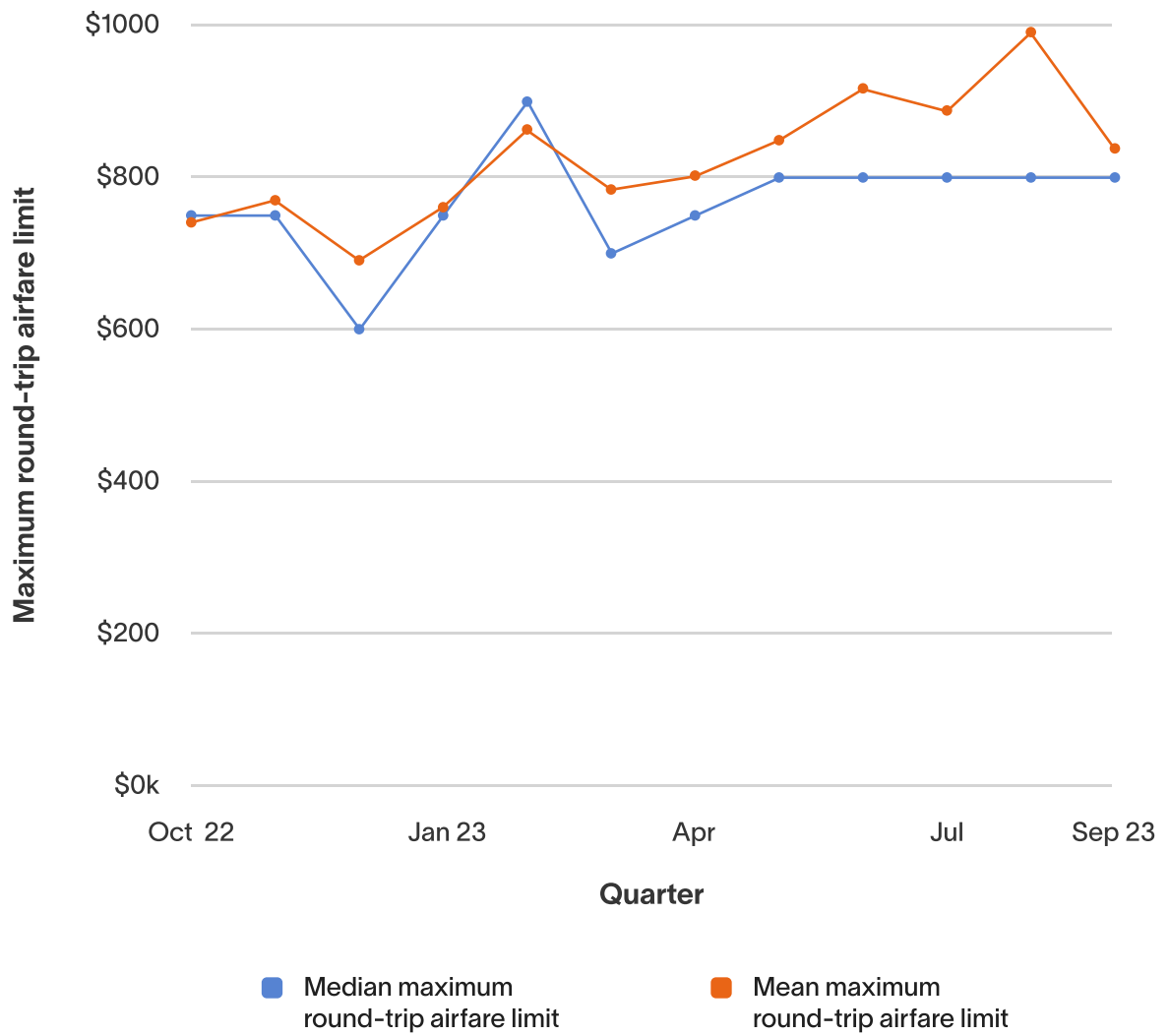


Chart 19

Nightly hotel rate limits in Ramp travel policies

Since May, Ramp customers have increased how much employees can spend on lodging.

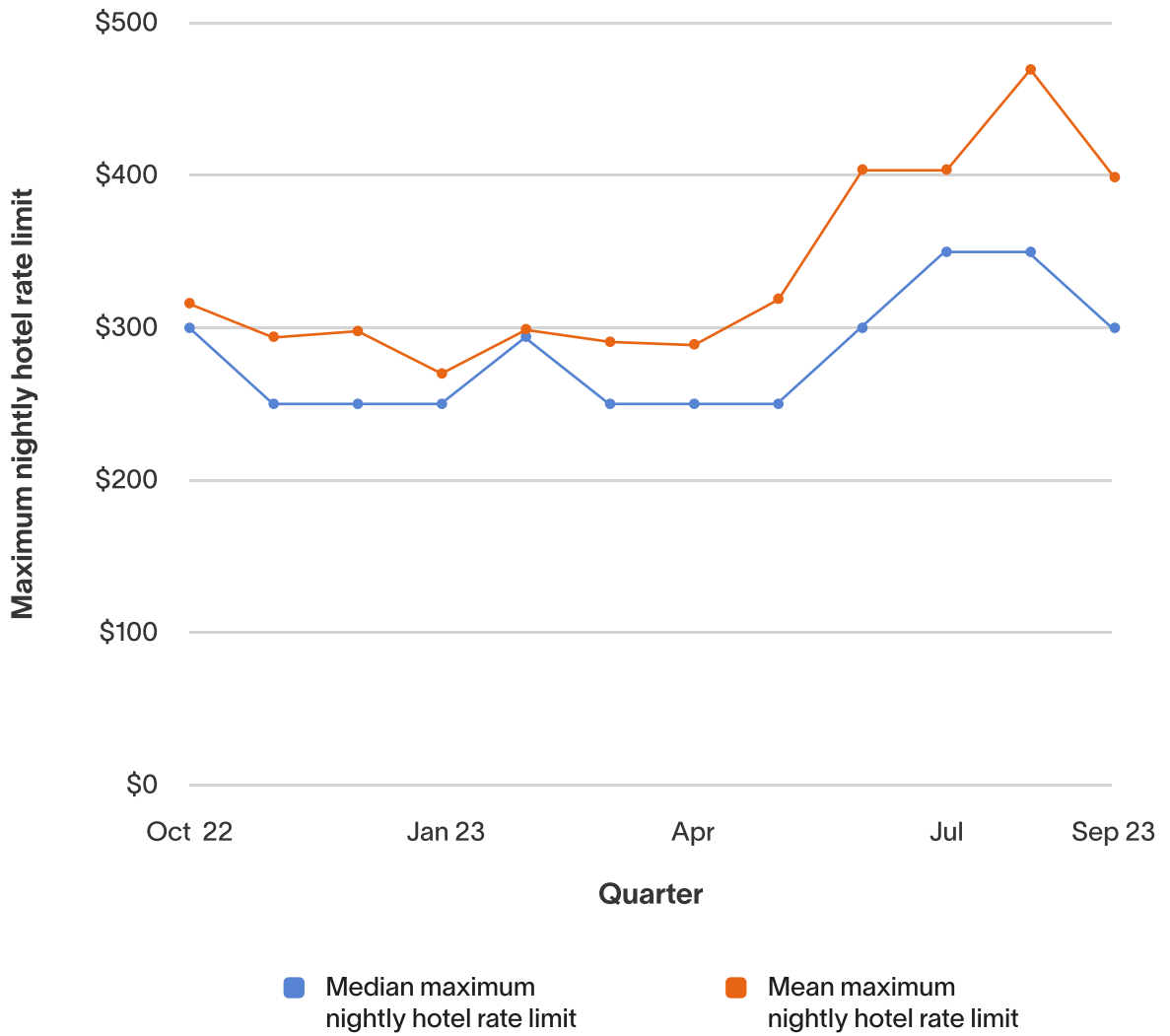
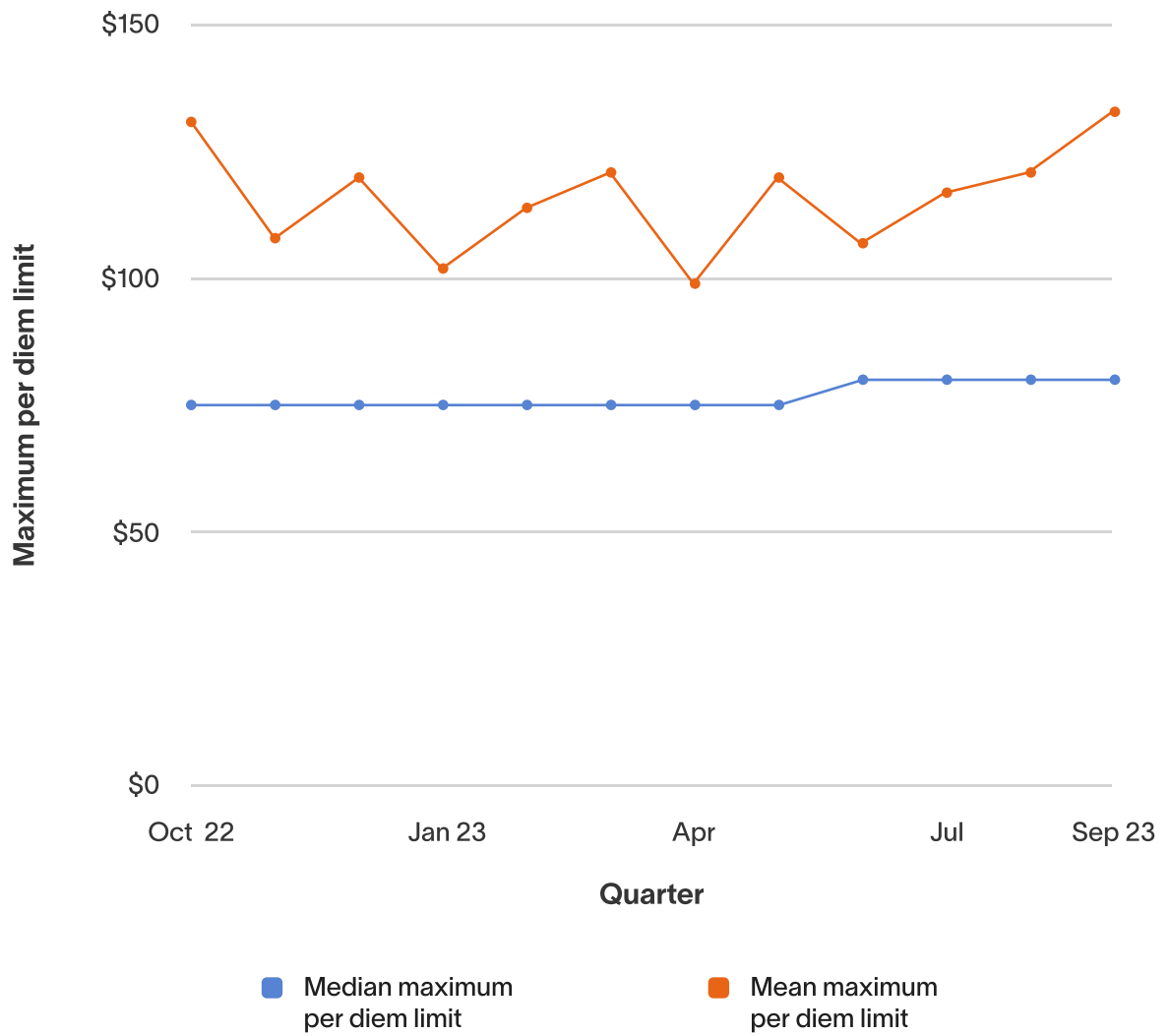


Chart 20

Per diems in Ramp travel policies

The mean per diem limit has been on the rise since June.



Spend by industry: Consulting & professional services

Mid-market companies in this sector are steadily decreasing their spending, largely driven by pullbacks in advertising, cloud computing, and office. In contrast, large SMBs continue to increase their AP spend, mostly for software and legal needs.

Chart 21

Median card spend

Mid-market consulting & professional services companies trim their spending for the fourth quarter in a row.



Chart 22

Median AP spend

Large SMBs offering consulting & professional services should watch out for developer software and legal expenses driving up AP spend.

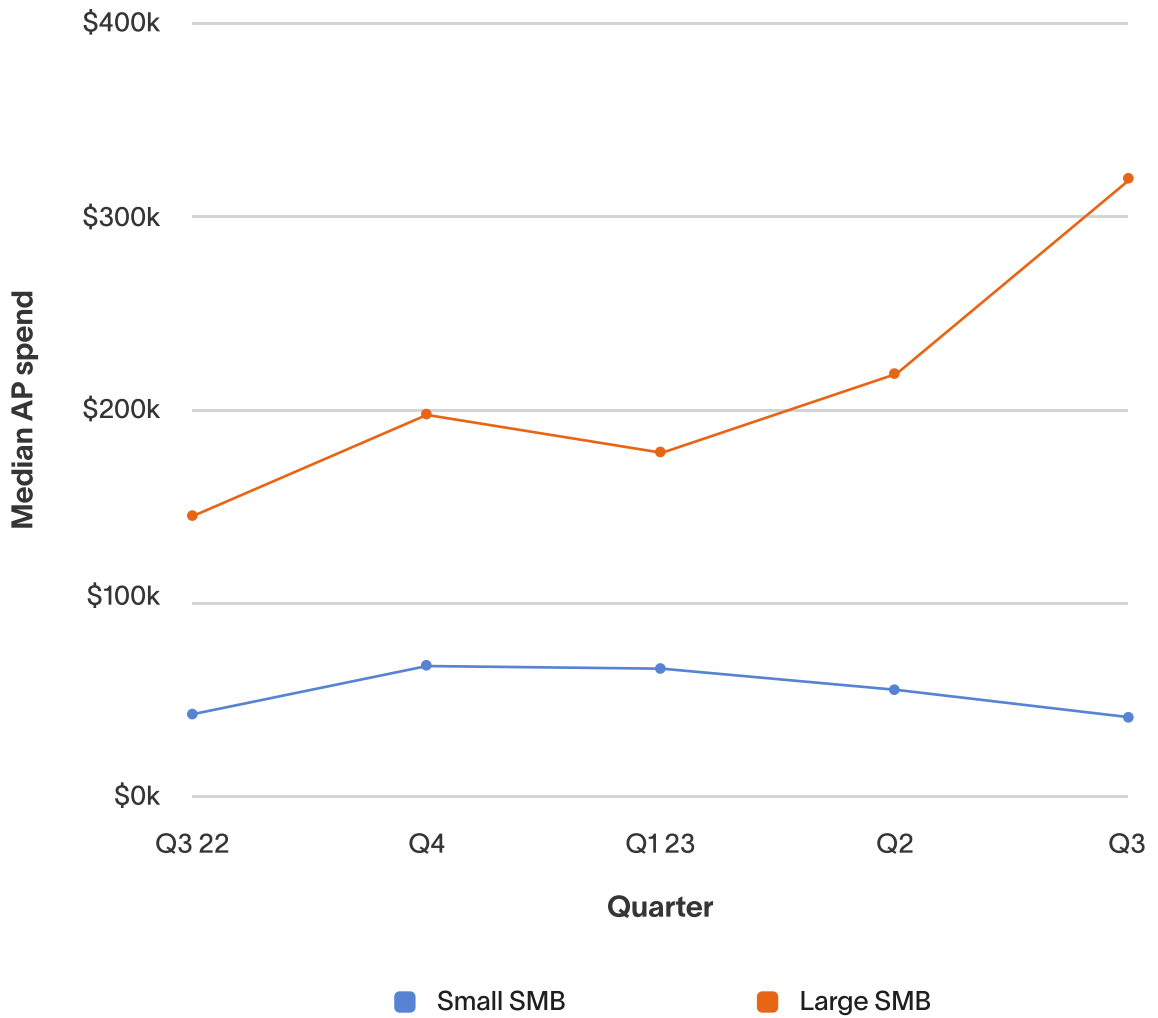


Chart 23

Top expense categories in Q3 2023 by card transaction volume

Consulting & professional services SMBs should monitor their advertising and software spend, while mid-market companies would do well to watch their advertising spend.

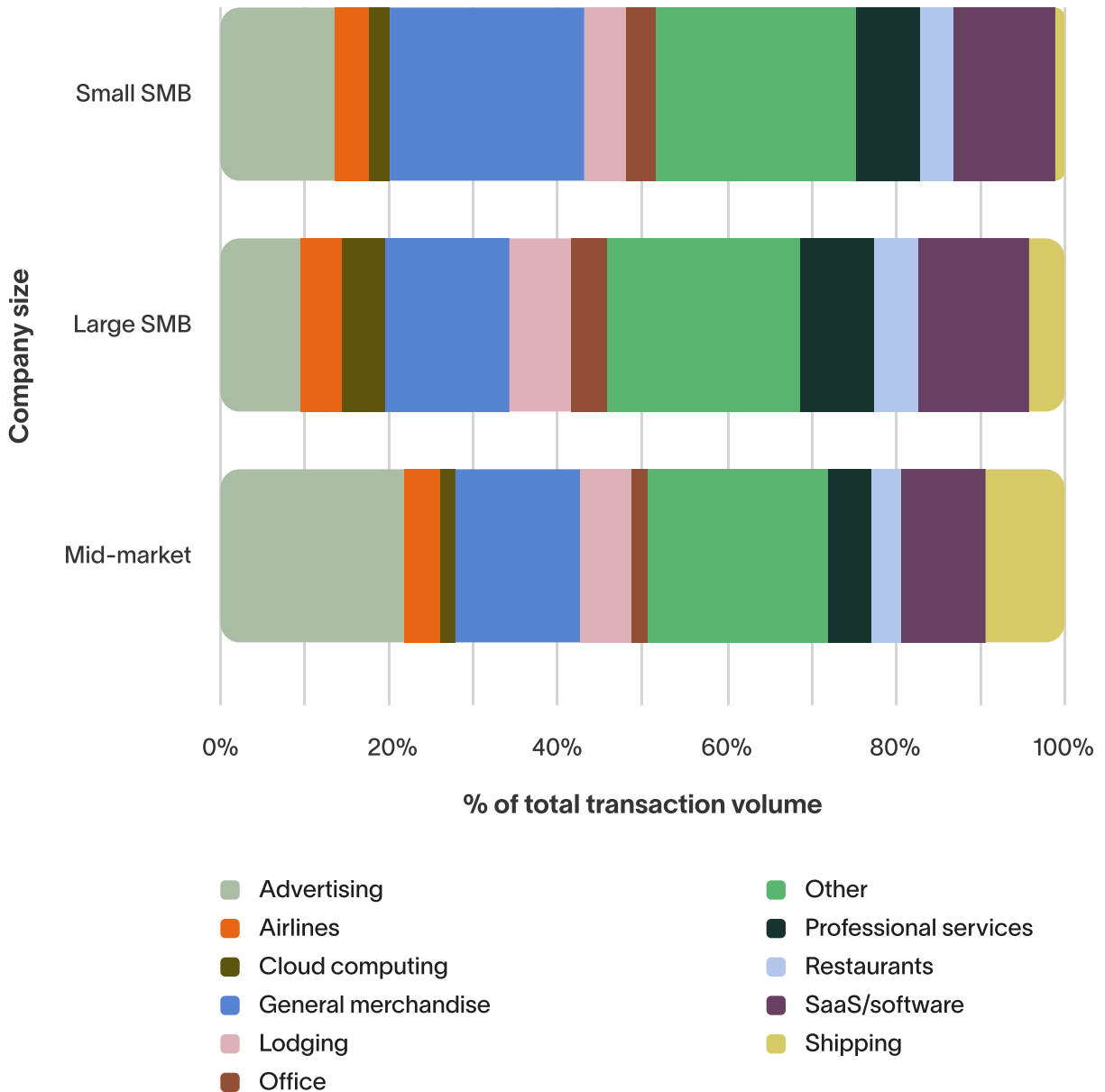


Chart 24

Change in small SMB card spend in Q3 vs Q2 2023

Small SMBs in the consulting & professional services space are pulling back spend on advertising, but increases elsewhere offset cuts.

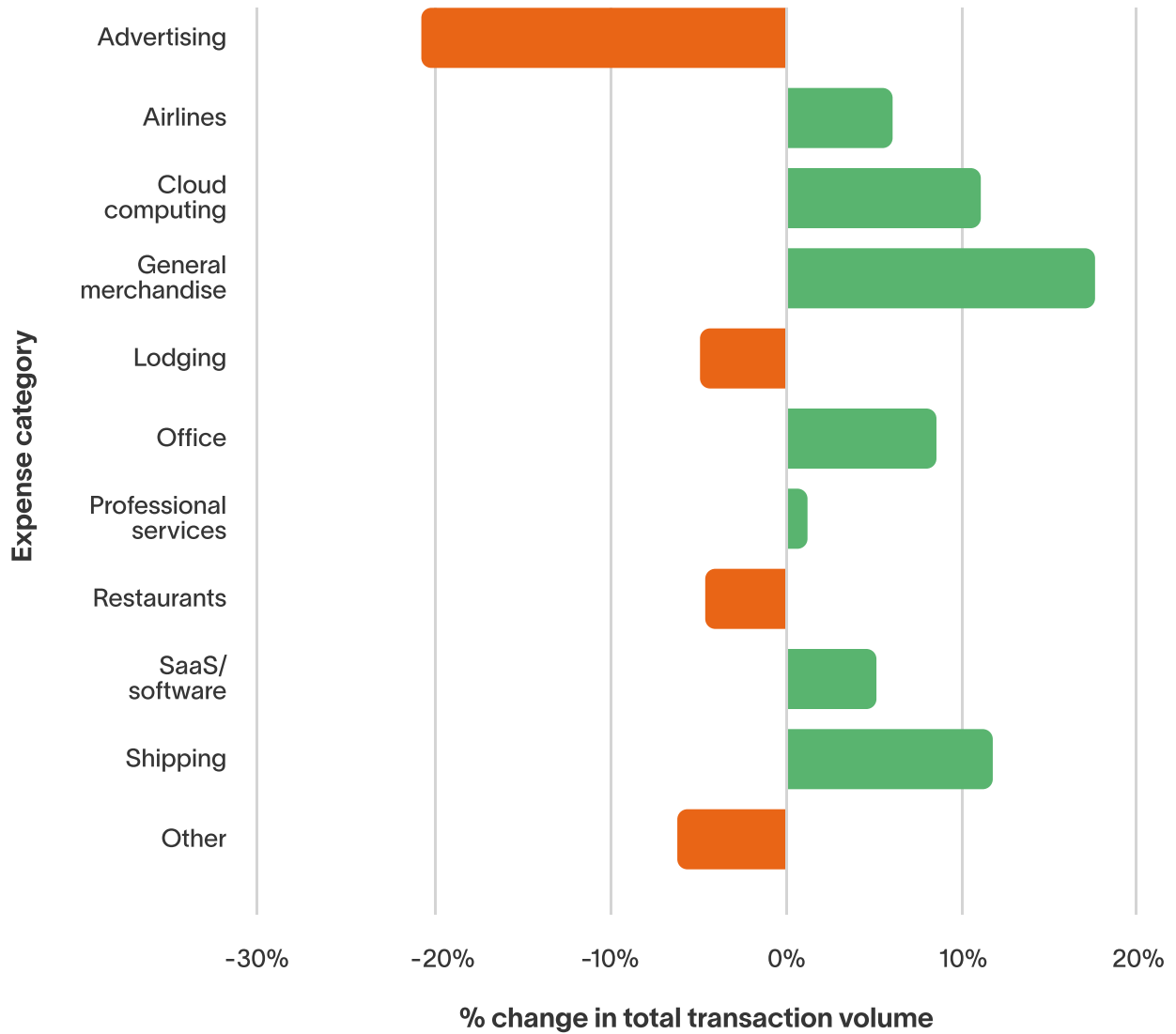


Chart 25

Change in large SMB card spend in Q3 vs Q2 2023

Large SMBs offering consulting & professional services are shifting spend from advertising to cloud computing.

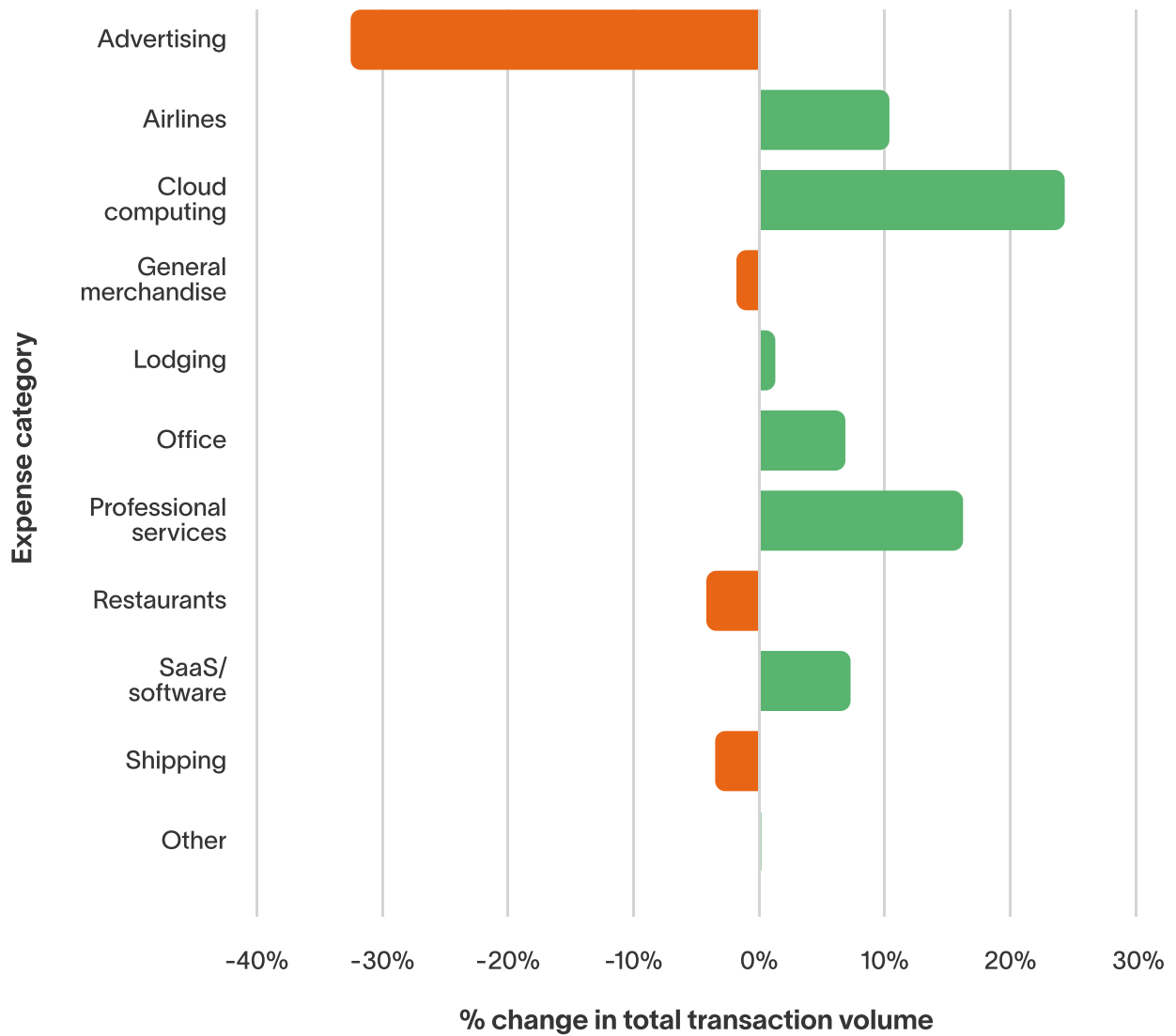


Chart 26

Change in mid-market card spend in Q3 vs Q2 2023

Mid-market companies providing consulting & professional services are making substantial spend pullbacks on cloud computing, advertising, and more.

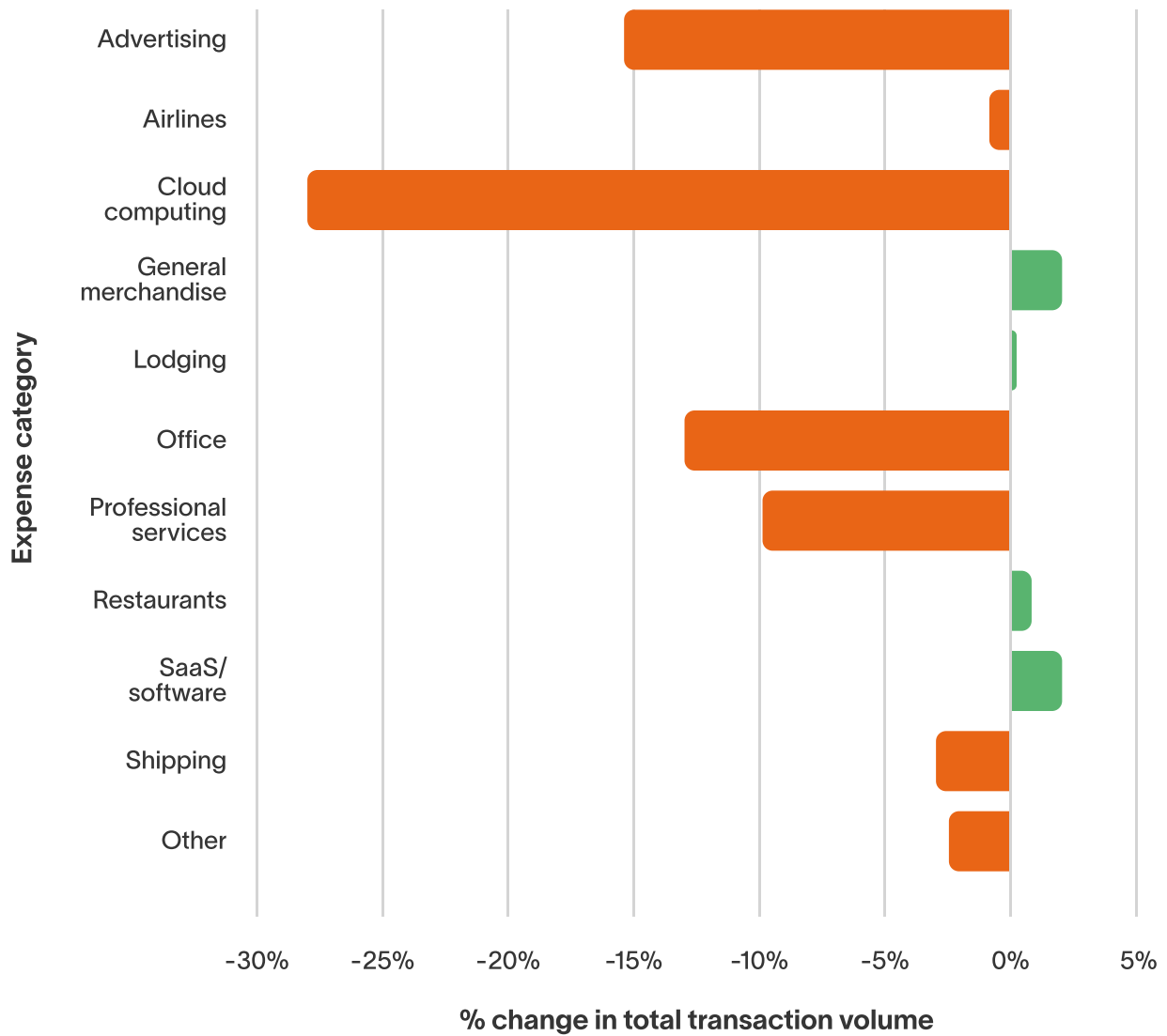


Chart 27

Top vendors in Q3 2023 by card transaction volume

Consulting & professional services companies use similar top vendors, except when it comes to lodging, restaurants, and software.

■ Increase from Q2 ■ Decrease from Q2 ■ No change						
Small SMB			Large SMB		Mid-market	
Category	Vendor	Mean card spend	Vendor	Mean card spend	Vendor	Mean card spend
Advertising	Facebook Ads	\$52,676 ■	Google Ads	\$63,490 ■	Google Ads	\$163,906 ■
Airlines	United Airlines	\$3,438 ■	United Airlines	\$4,409 ■	United Airlines	\$8,475 ■
Cloud computing	Amazon Web Services	\$11,763 ■	Amazon Web Services	\$32,578 ■	Amazon Web Services	\$23,026 ■
General merchandise	Amazon	\$3,299 ■	Amazon	\$5,885 ■	Amazon	\$10,566 ■
Lodging	Airbnb	\$3,352 ■	Hotels.com	\$3,995 ■	Holiday Inn Express	\$3,421 ■
Office	WeWork	\$6,607 ■	Microsoft Store	\$2,274 ■	Microsoft Store	\$3,435 ■
Professional services	Upwork	\$3,837 ■	Indeed	\$14,763 ■	Indeed	\$15,047 ■
Restaurants	DoorDash	\$962 ■	UberEats	\$818 ■	ezCater	\$2,185 ■
SaaS/software	HubSpot	\$4,541 ■	Microsoft Office/Azure	\$6,513 ■	Zoom	\$5,713 ■
Shipping	FedEx	\$2,021 ■	FedEx	\$5,990 ■	FedEx	\$1,975 ■

Chart 28

Top software & cloud computing vendors in Q3 2023 by card transaction volume

Consulting & professional services SMBs may want to monitor their spending with top software and cloud computing vendors.

Vendor	Small SMB		Large SMB		Mid-market	
	Mean card spend		Mean card spend		Mean card spend	
Amazon Web Services	\$11,763	Decrease from Q2	\$32,578	Increase from Q2	\$23,026	Decrease from Q2
LinkedIn	\$1,634	Increase from Q2	\$2,936	Increase from Q2	\$5,713	Increase from Q2
Google G Suite	\$863	Increase from Q2	\$2,789	Increase from Q2	\$4,939	Decrease from Q2
HubSpot	\$4,541	Increase from Q2	\$7,605	Increase from Q2	—	No change
Zoom	\$615	Increase from Q2	\$2,234	Decrease from Q2	\$5,713	Increase from Q2
Microsoft Office/Azure	\$1,217	Increase from Q2	\$6,513	No change	\$6,646	No change
Adobe	\$469	Increase from Q2	\$1,223	Decrease from Q2	\$2,852	Increase from Q2
Google Cloud	\$3,577	No change	\$4,195	Increase from Q2	—	No change
Intuit	\$779	Increase from Q2	\$1,158	Increase from Q2	\$2,074	No change
Atlassian	\$637	No change	\$2,758	Increase from Q2	\$7,157	Decrease from Q2

Spend by industry: Financial services

In Q3, smaller financial services companies appear to be betting big on cloud computing and SaaS/software, while their mid-market and larger counterparts increase T&E spend. Electronics is another top expense to watch for companies in this space.

Chart 29

Median card spend

Mid-market financial services companies do a better job at reining in spending in Q3.



Chart 30

Median AP spend

Larger SMBs in the financial services space drastically reduce AP spend.

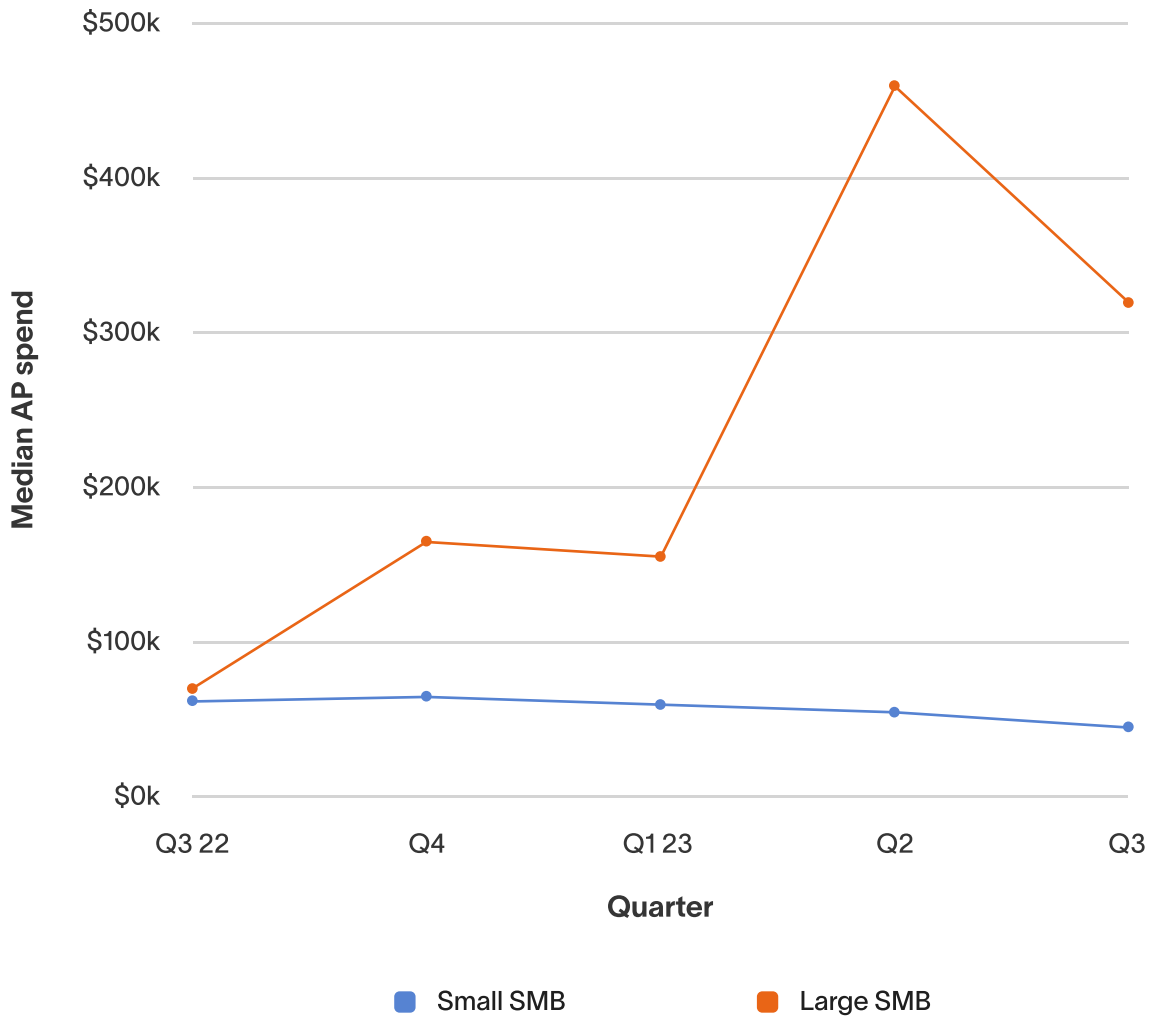


Chart 31

Top expense categories in Q3 2023 by card transaction volume

Small SMBs looking to scale should expect to double their advertising spend.

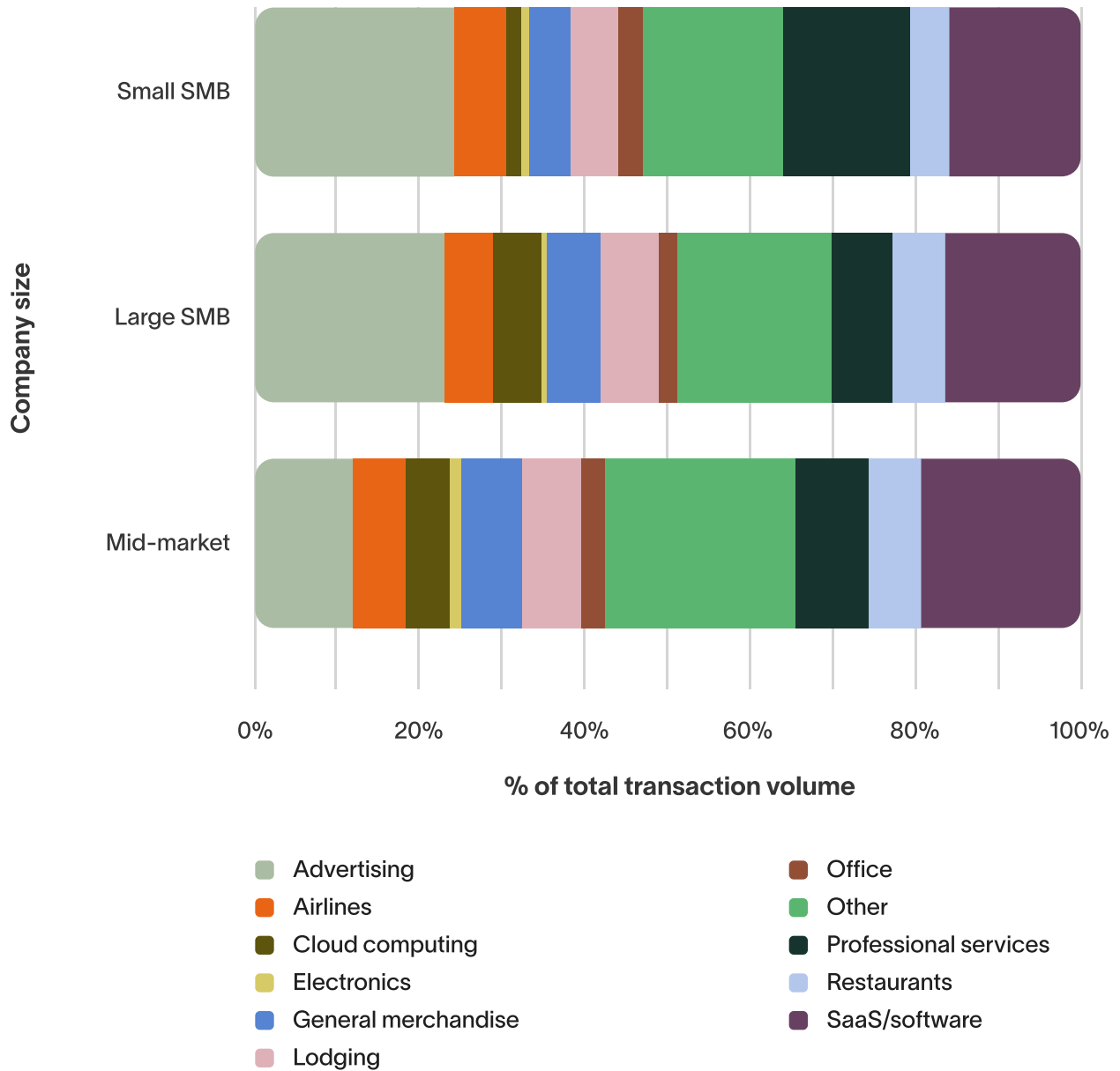


Chart 32

Change in small SMB card spend in Q3 vs Q2 2023

Smaller financial companies in our sample seem to be betting on cloud computing and SaaS/software as a growth lever.

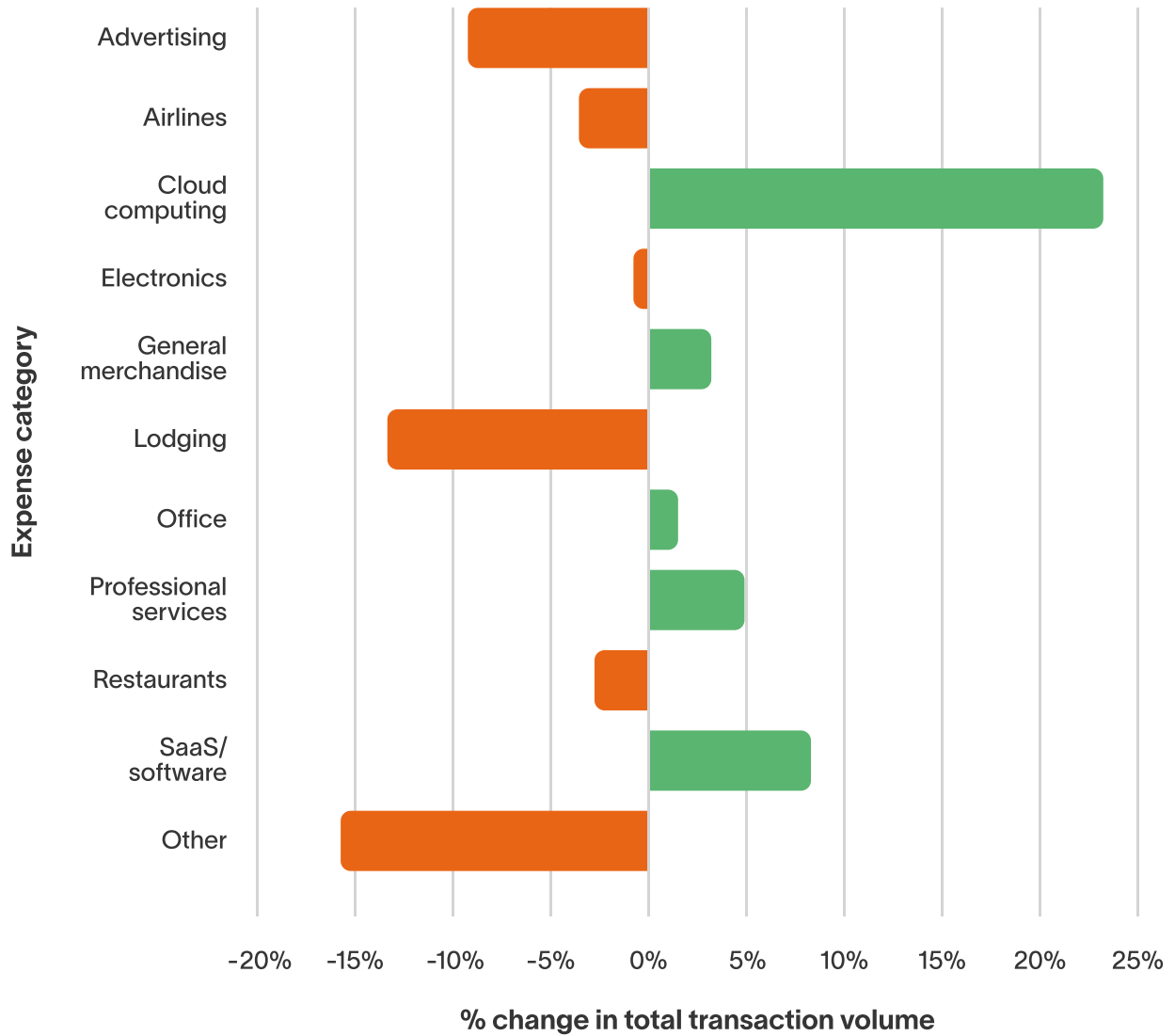


Chart 33

Change in large SMB card spend in Q3 vs Q2 2023

Larger financial companies in our sample cut back on SaaS/software, but boost spend on lodging by nearly 45%.

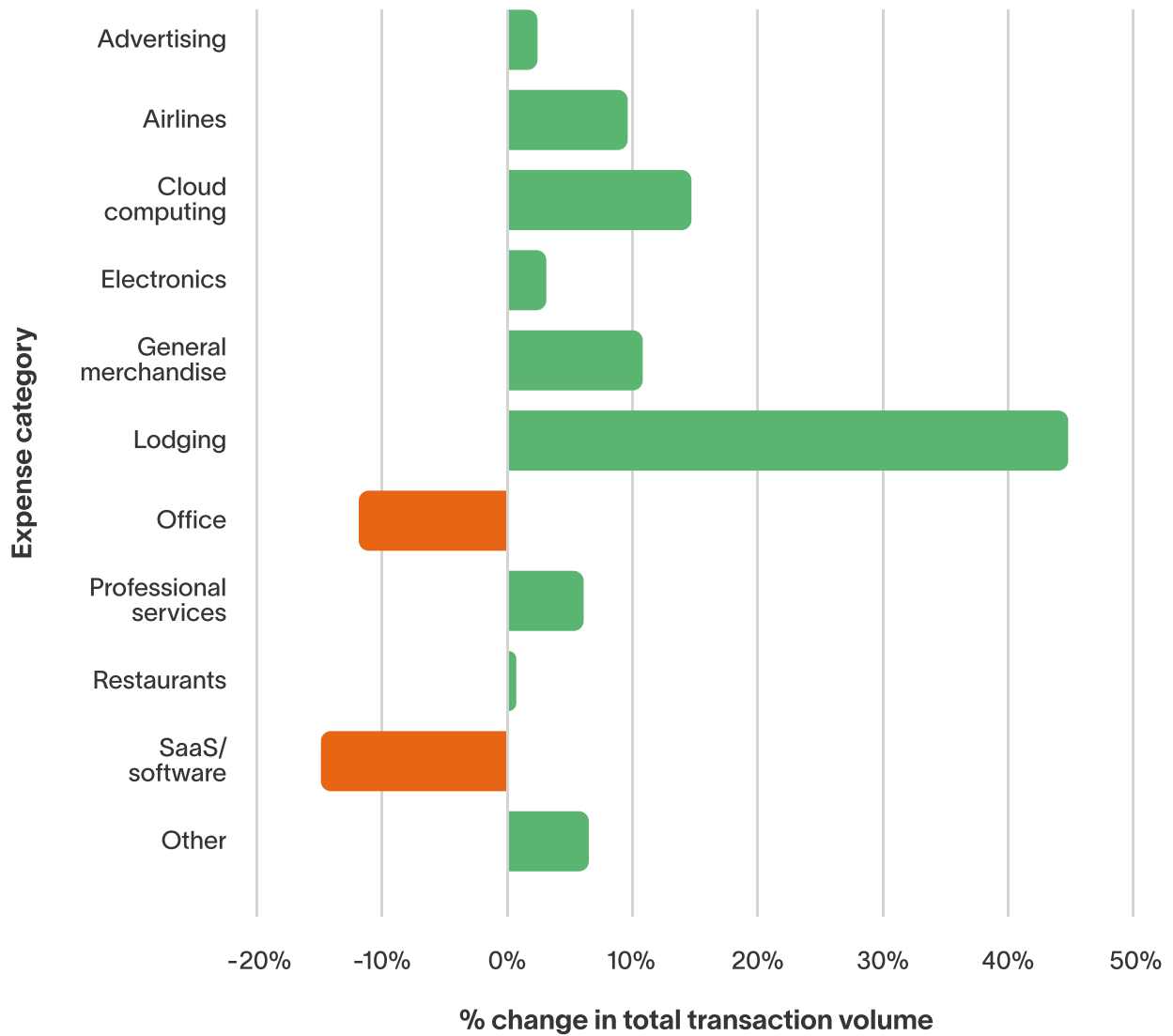


Chart 34

Change in mid-market card spend in Q3 vs Q2 2023

Mid-market financial services companies are back in the skies, boosting airline spending by over 40%.

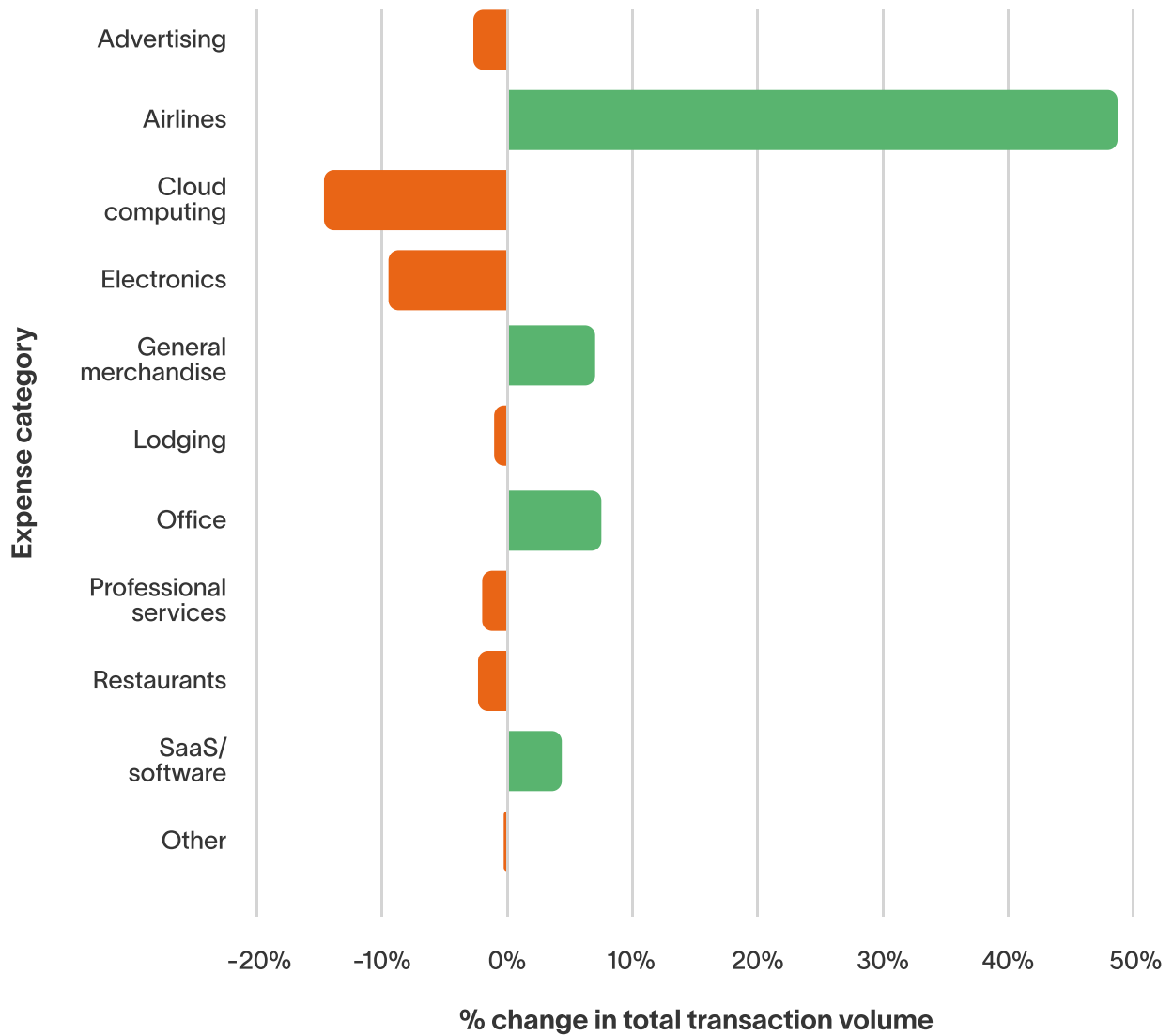


Chart 35

Top vendors in Q3 2023 by card transaction volume

Financial services companies of all sizes mostly rely on the same set of vendors. Large SMBs should watch out for increasing vendor costs.

		■ Increase from Q2 ■ Decrease from Q2 ■ No change					
		Small SMB		Large SMB		Mid-market	
Category	Vendor	Mean card spend	Vendor	Mean card spend	Vendor	Mean card spend	
Advertising	Facebook Ads	\$31,550 ■	Google Ads	\$107,454 ■	Google Ads	\$232,127 ■	
Airlines	United Airlines	\$3,003 ■	United Airlines	\$6,561 ■	United Airlines	\$13,983 ■	
Cloud computing	Amazon Web Services	\$8,126 ■	Amazon Web Services	\$27,814 ■	Amazon Web Services	\$18,611 ■	
Electronics	Apple	\$2,672 ■	Apple	\$5,949 ■	Apple	\$18,572 ■	
General merchandise	Amazon	\$1,566 ■	Amazon	\$5,290 ■	Amazon	\$7,027 ■	
Lodging	Airbnb	\$2,189 ■	Airbnb	\$3,001 ■	—	■	
Office	WeWork	\$3,036 ■	Microsoft Store	\$1,546 ■	Microsoft Store	\$12,888 ■	
Professional services	Upwork	\$5,123 ■	Upwork	\$4,763 ■	—	■	
Restaurants	DoorDash	\$971 ■	DoorDash	\$2,351 ■	DoorDash	\$1,399 ■	
SaaS/software	Datadog	\$4,852 ■	Twilio	\$10,178 ■	Atlassian	\$16,277 ■	

Chart 36

Top software & cloud computing vendors in Q3 2023 by card transaction volume

SMBs—especially smaller ones—should monitor their tech stack costs and ensure they’re seeing value.

Vendor	Small SMB		Large SMB		Mid-market	
	Mean card spend		Mean card spend		Mean card spend	
Amazon Web Services	\$8,126	■	\$27,814	■	\$18,611	■
Google Cloud	\$8,542	■	\$7,988	■	\$9,400	■
Google G Suite	\$817	■	\$3,851	■	\$8,684	■
Twilio	\$2,471	■	\$10,178	■	—	■
Atlassian	\$1,204	■	\$3,200	■	\$16,277	■
Microsoft Office/Azure	\$2,369	■	\$2,084	■	—	■
HubSpot	\$2,076	■	\$5,823	■	—	■
Zoom	\$600	■	\$1,811	■	\$5,568	■
LinkedIn	\$827	■	\$2,235	■	\$1,829	■
Slack	\$693	■	\$1,954	■	\$2,061.60	■

Spend by industry: Healthcare & biotech

Mid-market companies are currently the big spenders for this industry, boosting card spend drastically and increasing investments in advertising, airlines, and lodging. Unsurprisingly, medical expenses rank among the top for this category, especially for small SMBs.

Chart 37

Median card spend

Mid-market healthcare and biotech companies may want to curb their card spend as they enter Q4.

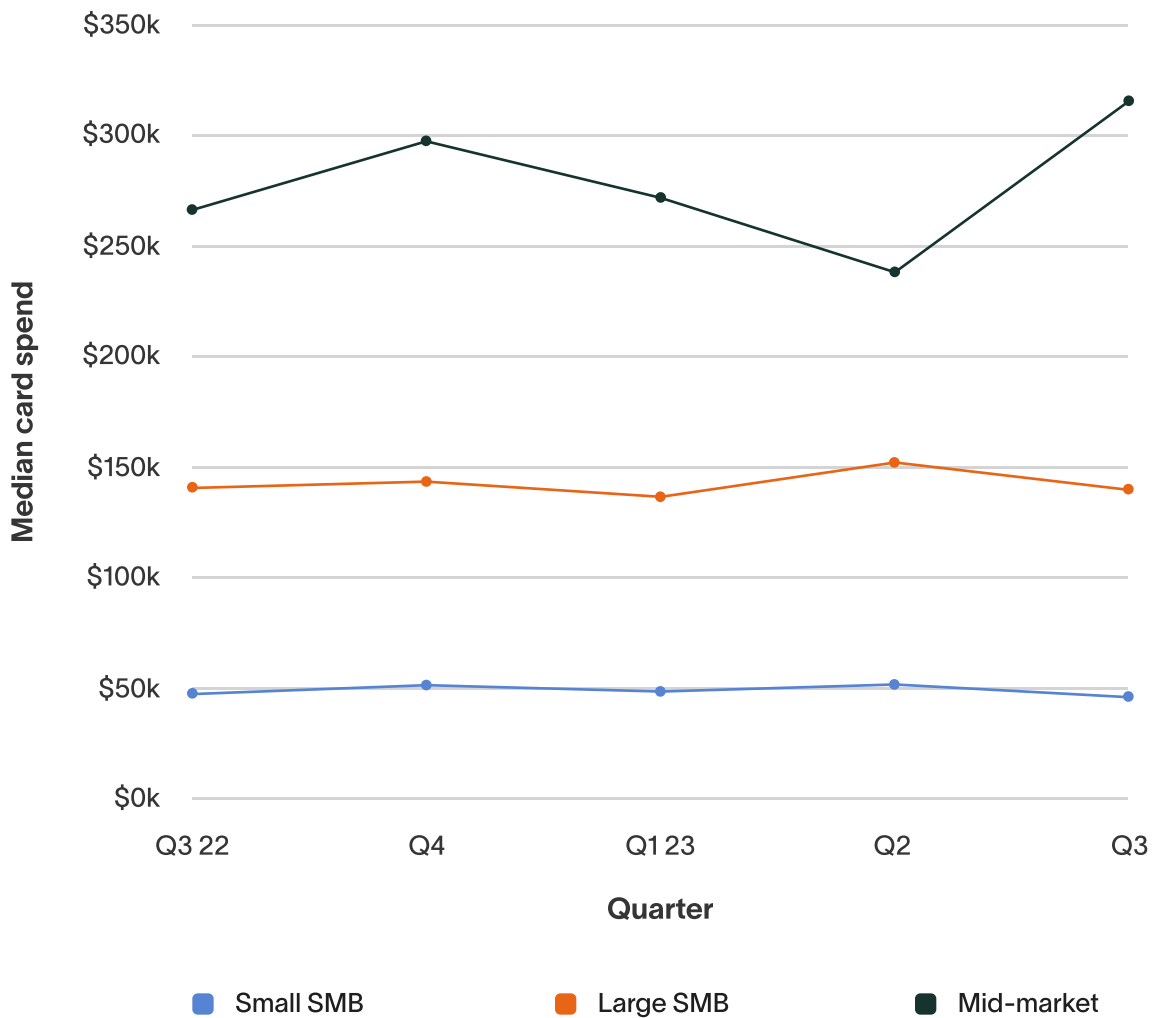


Chart 38

Median AP spend

Median AP spend rises 25% quarter over quarter for healthcare and biotech companies, primarily driven by legal fees.

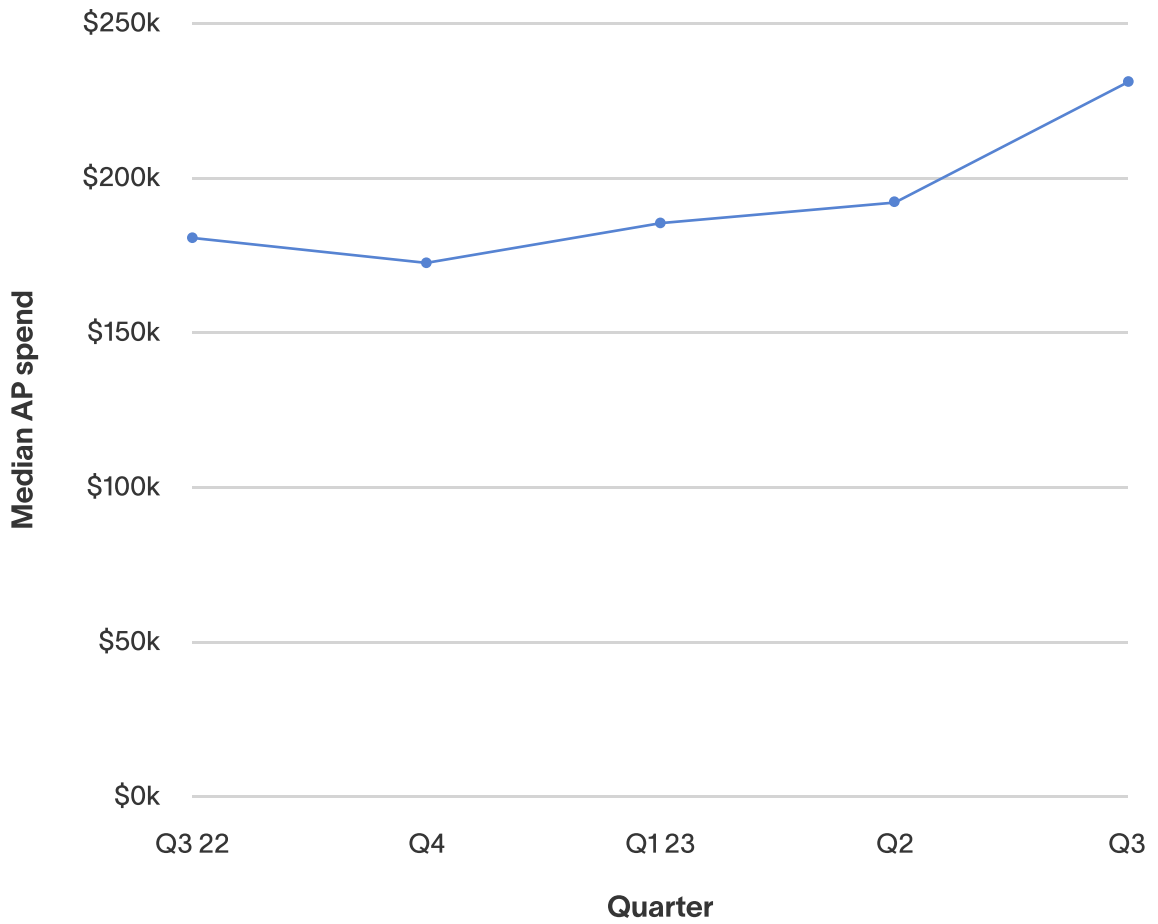


Chart 39

Top expense categories in Q3 2023 by card transaction volume

Small healthcare and biotech SMBs looking to scale should expect to increase their advertising and medical expenses by more than 10%.

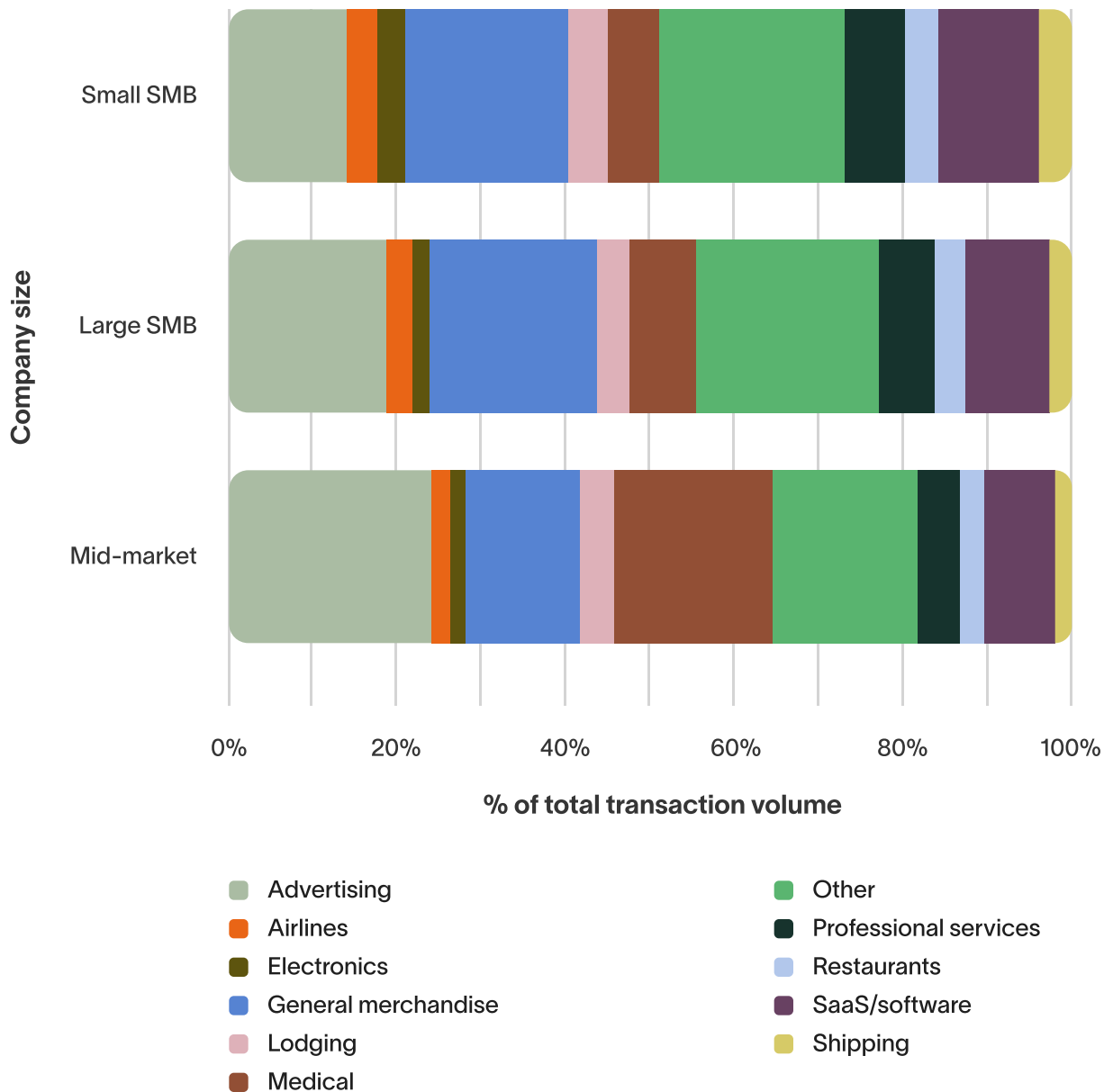


Chart 40

Change in small SMB card spend in Q3 vs Q2 2023

Medical and shipping expenditures are areas to watch for small healthcare and biotech SMBs.

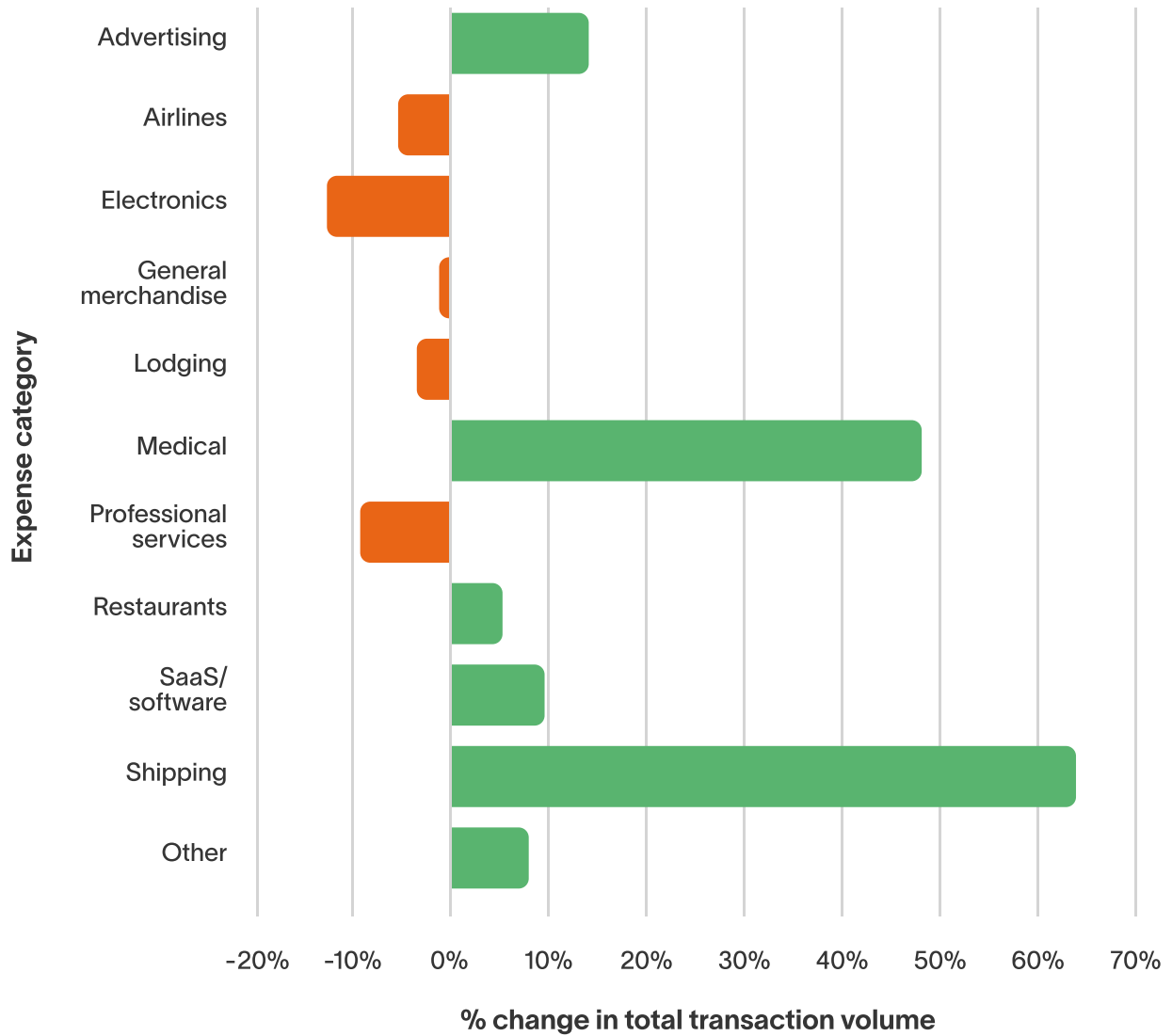


Chart 41

Change in large SMB card spend in Q3 vs Q2 2023

General merchandise and advertising expenses are good categories to target for cost-conscious large healthcare and biotech SMBs.

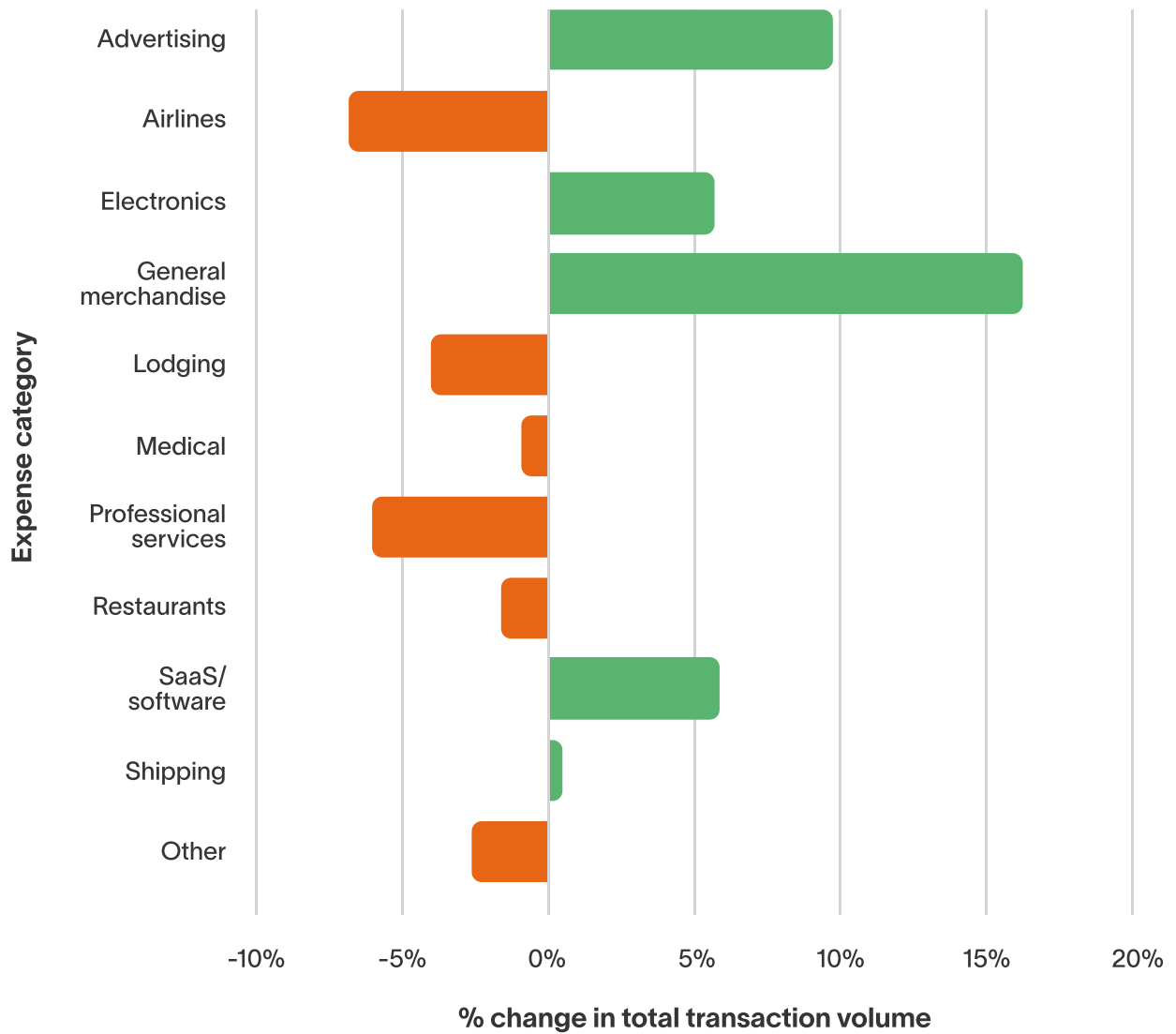


Chart 42

Change in mid-market card spend in Q3 vs Q2 2023

Mid-market healthcare and biotech companies are unique in their increased spend on airlines and lodging.

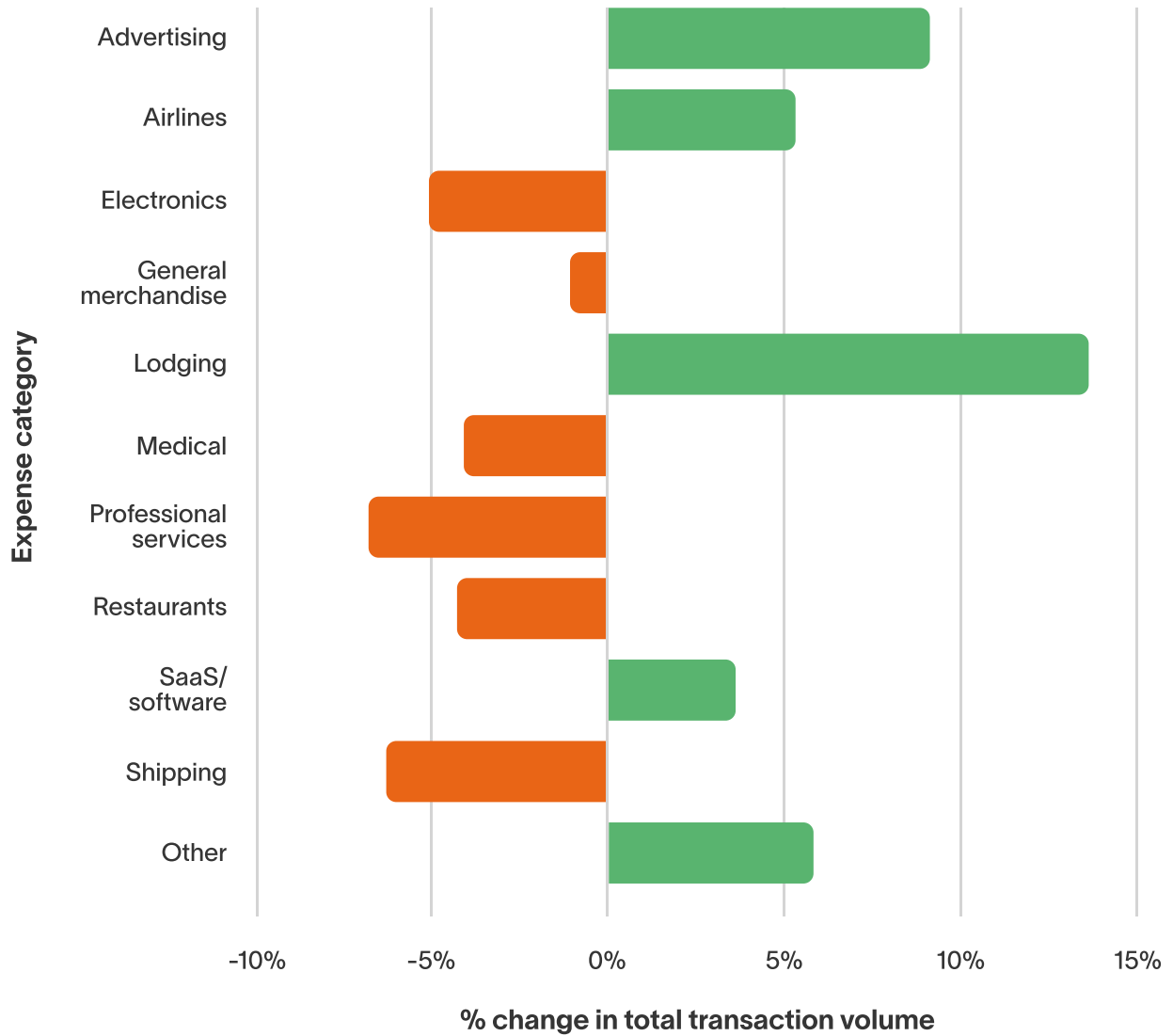


Chart 43

Top vendors in Q3 2023 by card transaction volume

Healthcare and biotech companies vary in their airline of choice, but use similar vendors for most other categories.

	Small SMB		Large SMB		Mid-market	
Category	Vendor	Mean card spend	Vendor	Mean card spend	Vendor	Mean card spend
Advertising	Google Ads	\$39,581 ■	Google Ads	\$116,245 ■	Google Ads	\$272,076 ■
Airlines	United Airlines	\$2,387 ■	American Airlines	\$4,415 ■	Delta Air Lines	\$8,757 ■
Electronics	Apple	\$8,217 ■	Apple	\$7,265 ■	Apple	\$4,909 ■
General merchandise	Amazon	\$3,743 ■	Amazon	\$11,775 ■	Amazon	\$18,971 ■
Lodging	Airbnb	\$2,253 ■	Airbnb	\$2,885 ■	Courtyard by Marriott	\$2,806 ■
Medical	Henry Schein	\$6,441 ■	—	—	—	—
Professional services	Upwork	\$7,072 ■	Upwork	\$5,949 ■	Indeed	\$13,592 ■
Restaurants	DoorDash	\$892 ■	DoorDash	\$1,658 ■	DoorDash	\$2,801 ■
SaaS/software	Google G Suite	\$1,758 ■	Google G Suite	\$3,686 ■	Google G Suite	\$13,354 ■
Shipping	UPS	\$20,644 ■	UPS	\$10,244 ■	FedEx	\$23,929 ■

Chart 44

Top software & cloud computing vendors in Q3 2023 by card transaction volume

Mid-market healthcare and biotech companies don't use a lot of top-ranking software and cloud computing vendors, indicating an opportunity for them to become more tech-forward.

■ Increase from Q2
 ■ Decrease from Q2
 ■ No change

	Small SMB		Large SMB		Mid-market	
Vendor	Mean card spend		Mean card spend		Mean card spend	
Google G Suite	\$1,758	■	\$3,686	■	\$13,354	■
Twilio	\$1,635	■	\$5,865	■	—	
LinkedIn	\$1,390	■	\$3,327	■	\$2,301	■
Zoom	\$873	■	\$2,045	■	\$4,306	■
Atlassian	\$1,545	■	\$2,631	■	\$9,329	■
Adobe	\$378	■	\$1,205	■	\$1,822	■
RingCentral	—		\$6,562	■	—	
Microsoft Office/Azure	\$4,161	■	\$1,019	■	—	
HubSpot	\$3,025	■	\$4,445	■	—	
Slack	\$1,009	■	\$2,206	■	—	

Spend by industry: Tech

In Q3, large tech SMBs appear to be boosting travel, while small SMBs are pouring more money into office and cloud computing expenditures. Mid-market companies, meanwhile, seem to be pulling back on spend overall—perhaps an indication that given a tighter funding market, it will be more difficult to compete than in the past.

Chart 45

Median card spend

Mid-market tech companies continue to decrease their spending for the fourth quarter in a row, particularly in advertising.

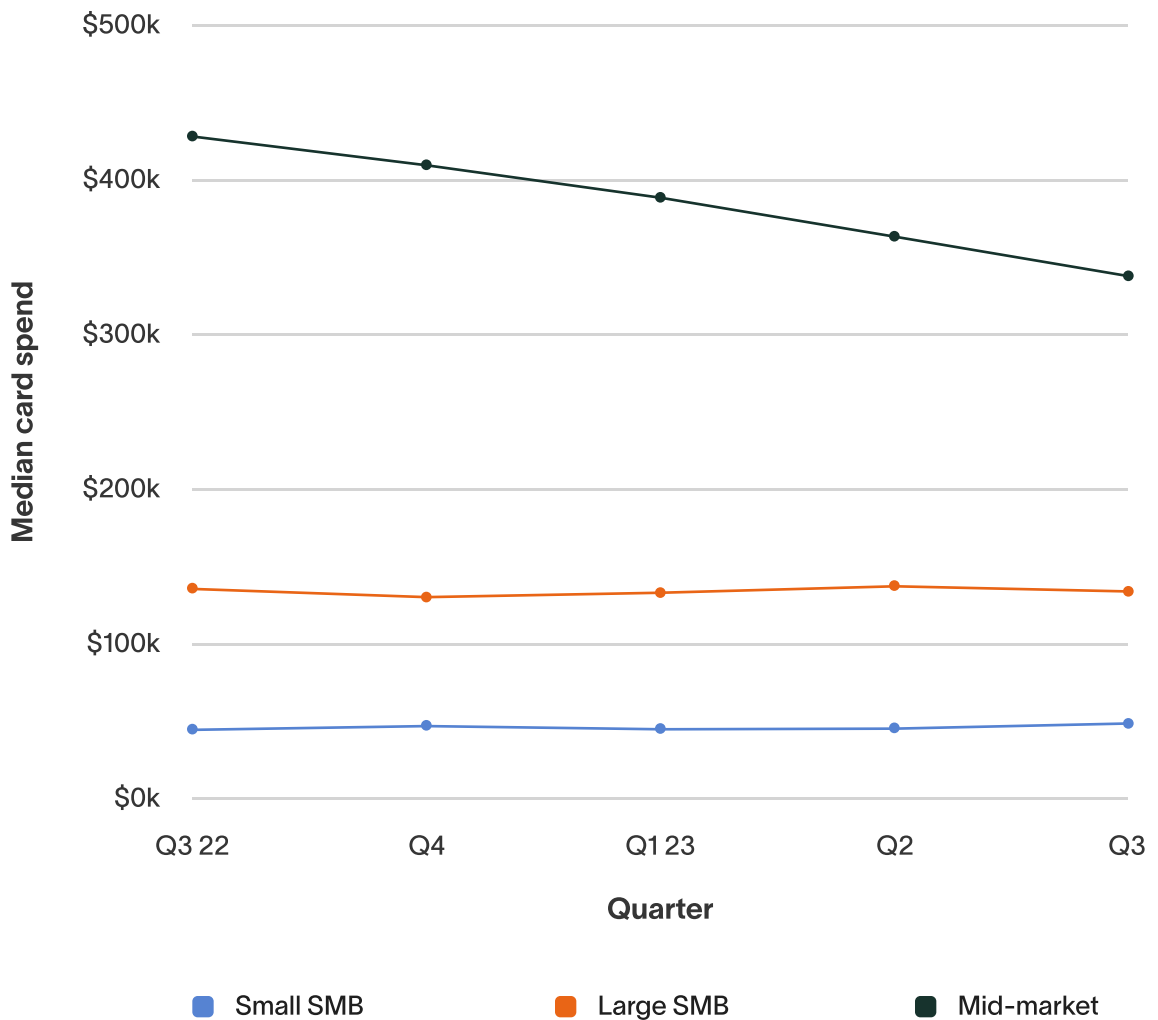


Chart 46

Median AP spend

Mid-market tech companies also lead the charge in decreasing AP spend.



Chart 47

Top expense categories in Q3 2023 by card transaction volume

Small tech SMBs looking to scale should expect to double their advertising spend and pull back on professional services.

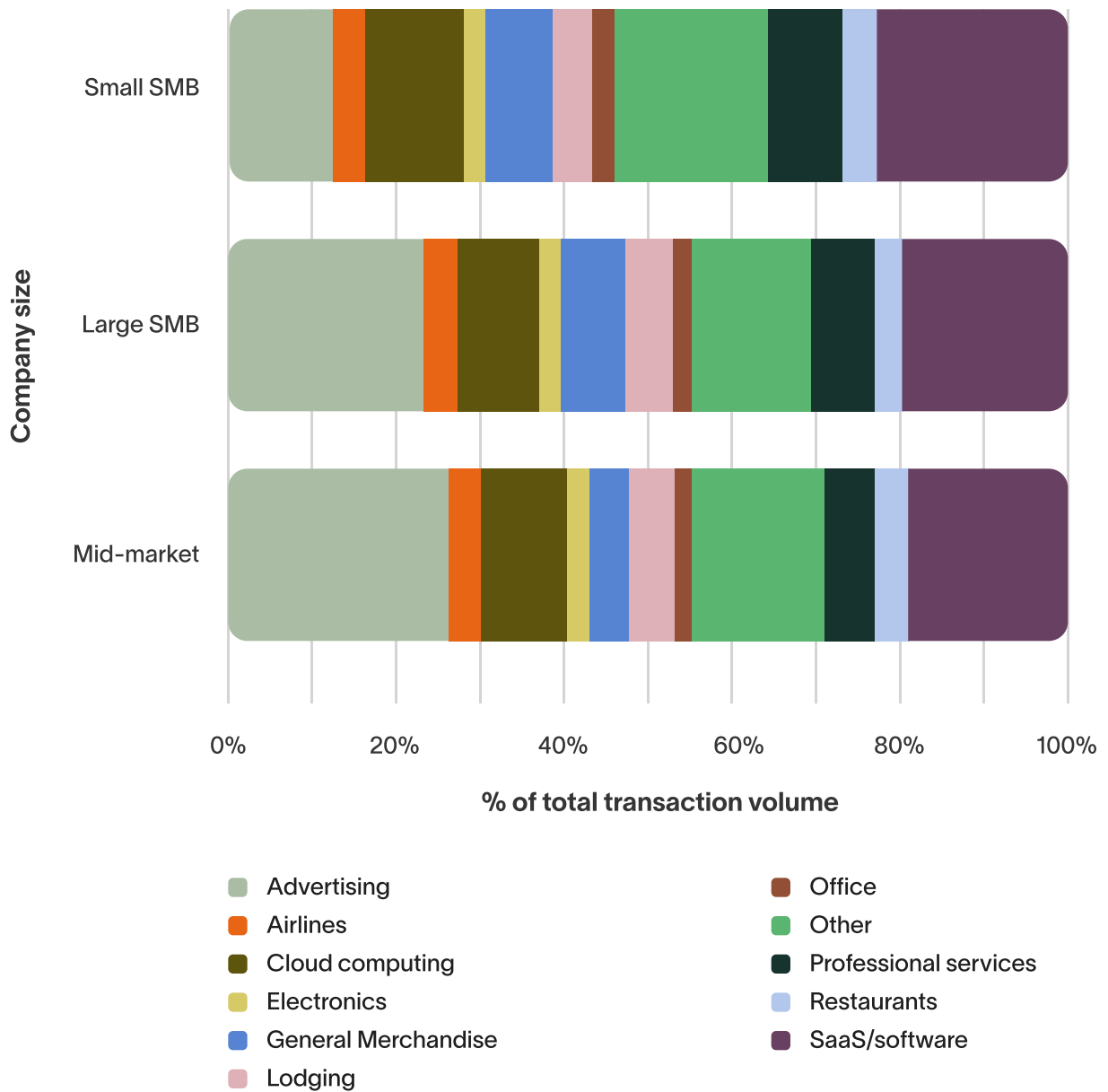


Chart 48

Change in small SMB card spend in Q3 vs Q2 2023

Small tech SMBs are investing in office, cloud computing, and advertising expenditures.

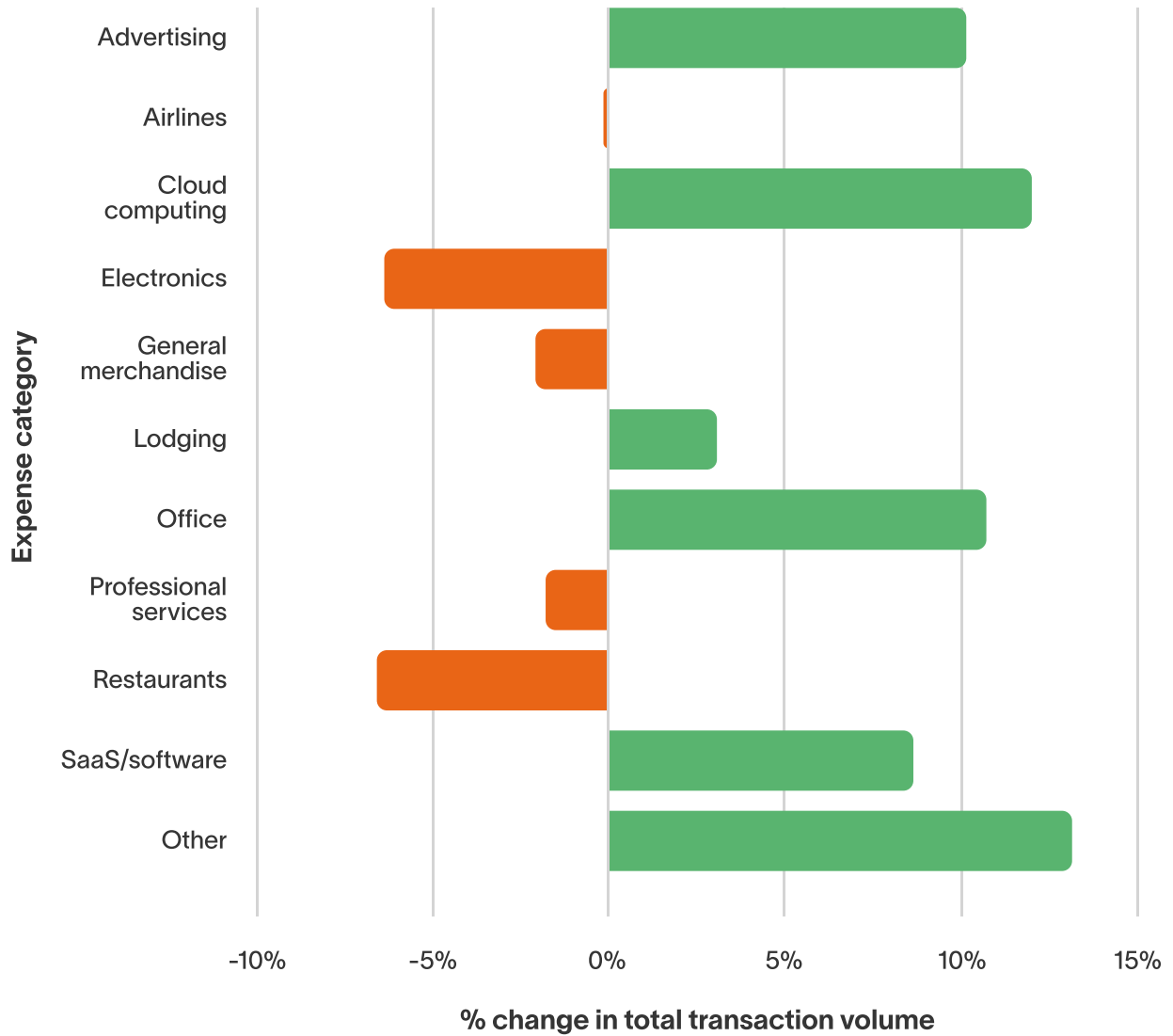


Chart 49

Change in large SMB card spend in Q3 vs Q2 2023

Lodging is the expense category that large tech SMBs should monitor heading into Q4.

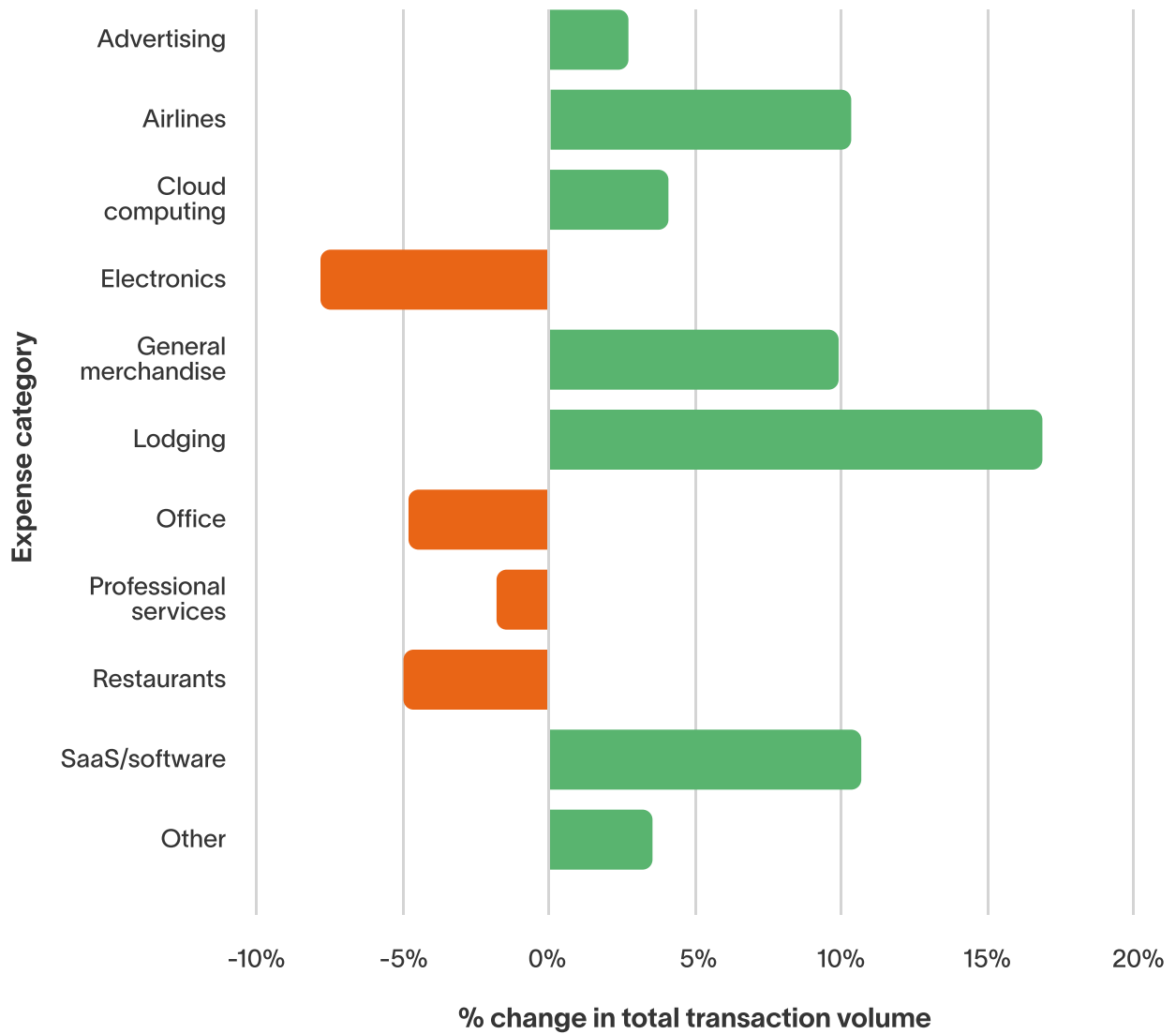


Chart 50

Change in mid-market card spend in Q3 vs Q2 2023

Mid-market tech companies have been able to significantly reduce lodging and office expenditures.

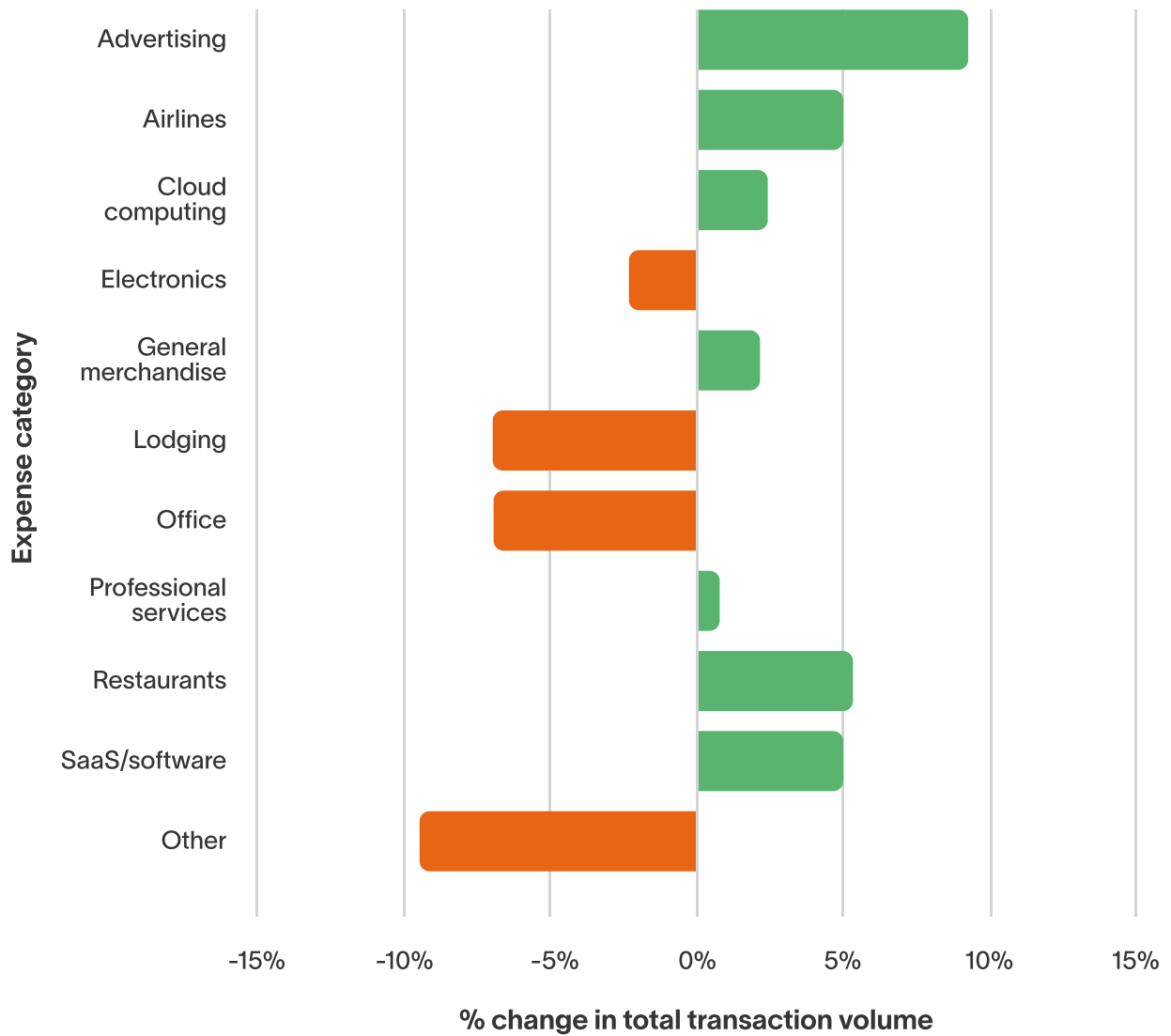


Chart 51

Top vendors in Q3 2023 by card transaction volume

Tech companies of all sizes spend with the same top vendors, with the bulk of spend going to Google Ads and Amazon Web Services.

	Small SMB		Large SMB		Mid-market	
Category	Vendor	Mean card spend	Vendor	Mean card spend	Vendor	Mean card spend
Advertising	Google Ads	\$22,583 ■	Google Ads	\$104,047 ■	Google Ads	\$106,928 ■
Airlines	United Airlines	\$2,663 ■	United Airlines	\$4,967 ■	United Airlines	\$9,118 ■
Cloud computing	Amazon Web Services	\$19,029 ■	Amazon Web Services	\$45,973 ■	Amazon Web Services	\$103,252 ■
Electronics	Apple	\$3,958 ■	Apple	\$8,294 ■	Apple	\$13,391 ■
General merchandise	Amazon	\$4,402 ■	Amazon	\$9,597 ■	Amazon	\$10,410 ■
Lodging	Airbnb	\$3,132 ■	Airbnb	\$2,849 ■	Airbnb	\$4,436 ■
Office	Microsoft Store	\$1,041 ■	Microsoft Store	\$3,064 ■	Microsoft Store	\$2,746 ■
Professional services	Upwork	\$9,078 ■	Upwork	\$8,235 ■	Upwork	\$10,013 ■
Restaurants	DoorDash	\$1,920 ■	DoorDash	\$853 ■	DoorDash	\$2,021 ■
SaaS/software	Twilio	\$5,977.09 ■	Twilio	\$18,821 ■	Twilio	\$18,691 ■

Chart 52

Top software & cloud computing vendors in Q3 2023 by card transaction volume

Large tech SMBs are keeping a tight rein on how much they're spending with top vendors.

	Small SMB		Large SMB		Mid-market	
Vendor	Mean card spend		Mean card spend		Mean card spend	
Amazon Web Services	\$19,029	■ Increase from Q2	\$46,039	■ Increase from Q2	\$103,475	■ No change
Google Cloud	\$10,517	■ Increase from Q2	\$10,380	■ No change	\$19,663	■ Increase from Q2
Twilio	\$5,977	■ Decrease from Q2	\$18,821	■ No change	\$18,691	■ Increase from Q2
HubSpot	\$2,884	■ Increase from Q2	\$7,721	■ No change	\$14,624	■ Increase from Q2
Google G Suite	\$1,153	■ Increase from Q2	\$3,402	■ Increase from Q2	\$9,099	■ No change
Atlassian	\$1,245	■ No change	\$3,922	■ No change	\$9,341	■ No change
Slack	\$972	■ Increase from Q2	\$2,755	■ Increase from Q2	\$6,838	■ Increase from Q2
Microsoft Office/Azure	\$3,352	■ Increase from Q2	\$5,250	■ No change	\$4,995	■ Decrease from Q2
Zoom	\$736	■ Decrease from Q2	\$2,832	■ No change	\$6,288	■ No change
LinkedIn	\$1,015	■ Increase from Q2	\$3,017	■ Increase from Q2	\$4,194	■ Decrease from Q2

Customer spotlight: How Mix Talent increases savings

Thanks to strong customer demand, life science recruiting and consulting firm Mix Talent is in hyper-growth mode with plans to hire hundreds more new employees. But until recently, the company didn't have the tools that allowed them to control spend efficiently. Mix Talent Accounting & Finance Lead, Paul Streitenberger, turned to Ramp to improve their spend management.

A consolidated spend management system

Before Ramp, Mix Talent used a slew of expense management tools, including Bill.com and Expensify. Streitenberger replaced them with Ramp's all-in-one corporate card and expense management program.

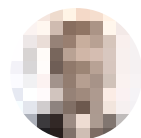
"Having a one-stop shop for all those expense needs has really simplified my job," says Streitenberger. Ramp made it easy for the finance team to issue cards quickly and securely to as many employees as needed, including partners who were previously making purchases on their personal cards. Thanks to Ramp's receipt automation, "I'm not having to spend a lot of time in compliance tracking down receipts," notes Streitenberger.

Greater efficiency and cost savings

Streamlining their spend management process has enabled Mix Talent to operate with more financial rigor. "Previously, we didn't really know how much we were spending per vendor, because our spend wasn't on a centralized system," says Streitenberger. "Now I use Ramp to understand whether we're getting the best terms, as opposed to just trying to get the bill paid. We've saved over \$10K in Zoom consolidation alone."

Improved spend visibility has also led to more accurate forecasting. "Ramp has allowed us to project cash flow so much better," says Streitenberger.

Since partnering with Ramp, Mix Talent has instituted new systems and policies that make daily work easier for the finance team and non-finance employees alike. Finance team members are able to turn their attention to higher-value tasks. That's an important accomplishment at any point in a company's life—but especially during periods of growth.



"Ramp is easily paying for itself."

Paul Streitenberger
Accounting & Finance Lead, Mix Talent

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About Ramp

Ramp is the ultimate platform for modern finance teams. Combining corporate cards with expense management, bill payments, vendor management, accounting automation and more, Ramp is the all-in-one solution designed to save businesses time and money, and free finance teams to do the best work of their lives. Our mission is to help build healthier businesses, and it's working: over 15,000 businesses on Ramp save an average 5% more and close their books 8x faster. Founded in 2019, Ramp powers the fastest-growing corporate card and bill payment platform in America, and enables tens of billions of dollars in purchases each year.

ramp.com

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