

# INSTANT PAYMENTS AND OPEN APIs DRIVE PAYMENTS TRANSFORMATION IN EUROPE

Discover what's driving digital payments innovation, and where the industry players are prioritizing their investment



The European Payments Council anticipates **50% of SEPA credit transfer transactions will be processed under the SEPA Inst scheme in the next five years.**<sup>1</sup>



Instant payments growth is expected to rise to **13% of total payments** for all payment methods by 2020 and 23% by 2023.<sup>2</sup>

## THE MARKET IS MOVING, ARE YOU?



**66% of banks** in markets with live instant payments infrastructure **view this as a revenue driver** for their institution.<sup>3</sup>



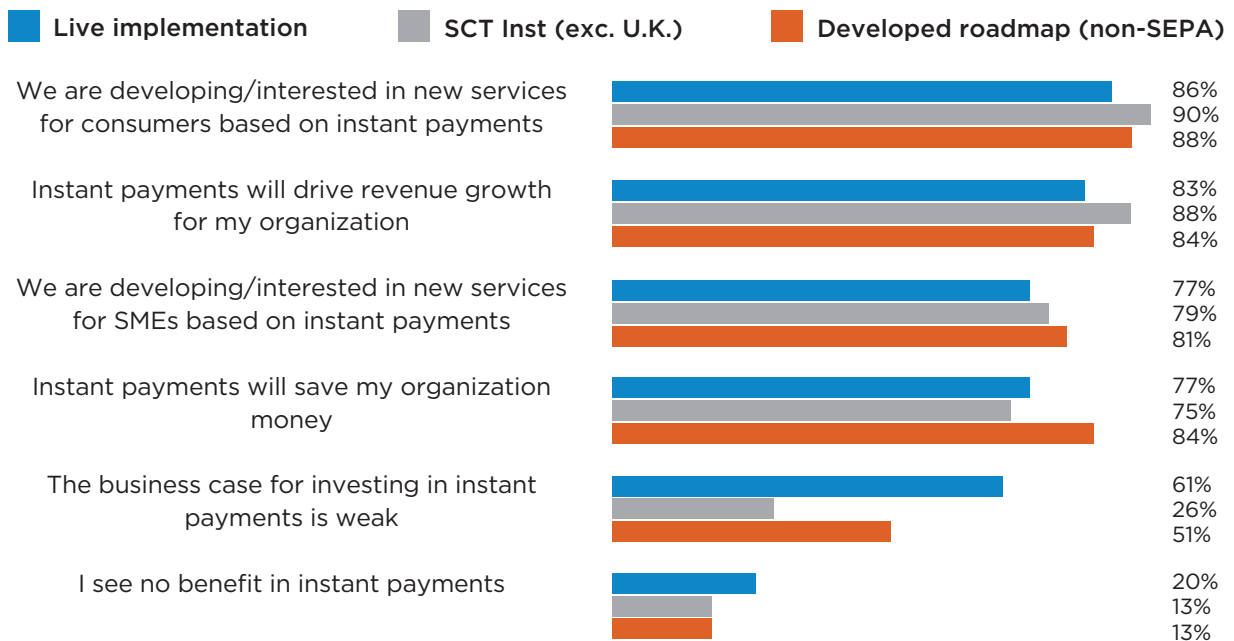
**68% of banks** are **enhancing online payment capabilities** like tokenization, while instant payments drive a new wave of payment hub investment for 43% of respondents.<sup>3</sup>



**78% of banks** and **68% of merchants globally** believe that the combination of **instant payments and open banking** will see the importance of payment cards decline over time.<sup>3</sup>

The expected impact of instant payments is largely matched by the experience of those in markets with live infrastructure.<sup>3</sup>

Please state your level of agreement with the following statements about instant payments

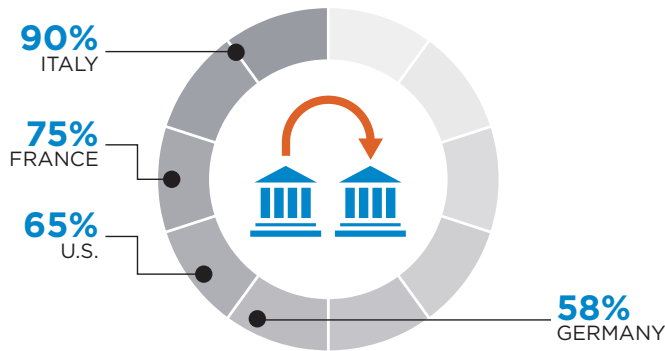


Proportion of respondents that agree with each statement

# STAND APART WITH INSTANT PAYMENTS INNOVATIONS THAT TRANSFORM CUSTOMER EXPERIENCE

## INSTANT PAYMENTS OFFER A PRIME OPPORTUNITY TO INCREASE SATISFACTION OF SMALL BUSINESS CUSTOMERS<sup>4</sup>

Competition is increasing and customers have more choice. Financial institutions must offer instant payments or risk being replaced.



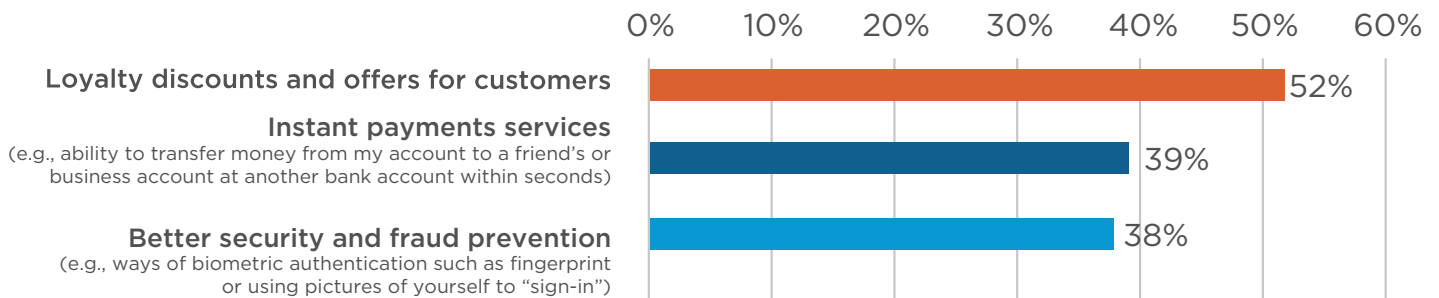
**SMEs WHO WILL CONSIDER SWITCHING BANK PROVIDERS FOR THE OFFER OF INSTANT PAYMENTS**

SMEs are willing to embrace innovative, digital payment services that can help their business succeed.



**SMEs WHO SAY INSTANT PAYMENTS WOULD BE ESSENTIAL TO THE SUCCESS OF THEIR BUSINESS**

**Instant payments was the second most popular offering** selected when consumers were asked which three service they would desire from their provider.<sup>5</sup>



## ALTERNATIVE PROVIDERS AND OPEN BANKING ARE INCREASING COMPETITION<sup>6</sup>



Payments are the single biggest point of everyday contact between FinTech providers and consumers.



Over half of FinTechs view mobile commerce and digital payments as an area with the greatest potential for development.

## PROGRESS YOUR INSTANT AND OPEN PAYMENTS STRATEGY TODAY

**Book an appointment with one of our experts to see how we can partner with you for success**

<sup>1</sup> European Payments Council, An Update on the Implementation of the SEPA Inst Credit Transfer Scheme, July 2017

<sup>2</sup> TIPS Market Consultation on Volumes, March 2018

<sup>3</sup> Ovum's 2018 Payment Insights Survey: OVUM survey; 277 respondents globally, assets between \$200BN ± \$10BN (CIO, IT Director, Global Head of Payments, Head of Operations, Head of Retail)

<sup>4</sup> All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 1,255 adults (US 501, Italy 249, France 251, Germany 254). Fieldwork was undertaken between 3rd to 13th February 2017. The survey was carried out online and all respondents were senior decision makers in SMEs with no more than 250 employees

<sup>5</sup> All figures are from YouGov Plc. Total sample size was 9,372 adult consumers across Italy, France, Spain, Germany Hungary, U.K. and the U.S.

<sup>6</sup> <https://www.aciworldwide.com/-/media/files/collateral/trends/2017-fintech-disruptors-report.pdf>