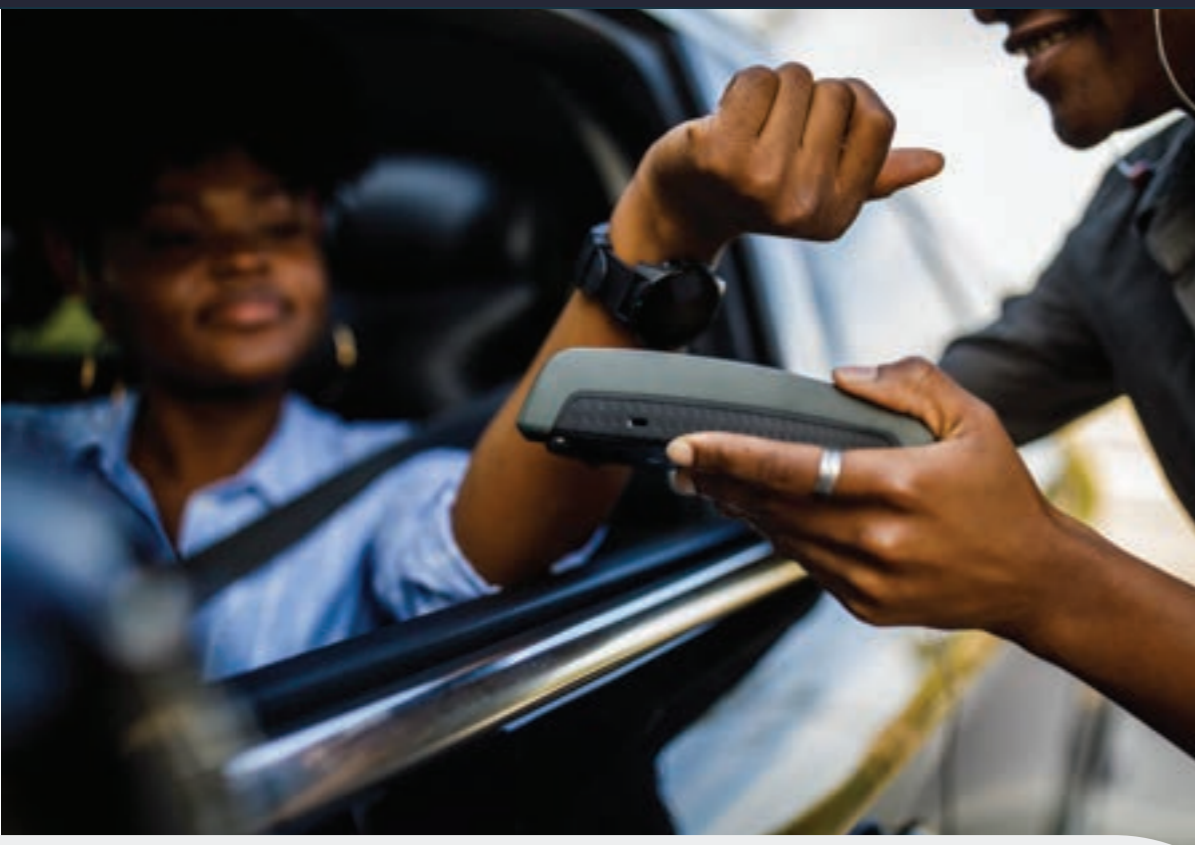


To hedge against macroeconomic challenges, payment firms will prioritize three critical focus areas



CUSTOMER FIRST

ENTERPRISE MANAGEMENT

INTELLIGENT INDUSTRY

### Market forces will catalyze...

### The success of payment firms will depend on...

#### CUSTOMER FIRST

Treasury services transformation sparked by globalization and supply chain disruptions

Consumer demand for frictionless, more convenient, and fast payment transactions

Leveraging real-time treasury capabilities to help corporate clients modernize and become more operationally efficient

Initiating strategic FinTech partnerships to offer consumers alternative payment methods, including pay by bank and buy now/pay later

#### ENTERPRISE MANAGEMENT

Need for streamlined back-end processes with cloud-native applications while retaining compatibility with legacy systems

Demand for integrated order-to-cash and pay-to-procure cycles for efficient cash management services

Emergence of local and regional payments initiatives

Regulatory push for more efficient cross-border transactions and payments innovation

Adopting composable and modular SaaS-based payment infrastructure to ensure adaptability within the evolving landscape

Building digitized, intelligent, and automated accounts payable/receivable processes

Developing a interoperable cross-border global network that can streamline international trade

Adoption of ISO 20022, upcoming regulatory standards such as PSD3, and leveraging QR payments initiatives

#### INTELLIGENT INDUSTRY

Customer demand for 24/7, always-on real-time payments

Need for lower barriers to inclusion for global unbanked and underbanked populations

Demand for programmable payments, increased transaction security, and enhanced transparency

Profitability considerations and the need to streamline labor-intensive tasks, minimize errors, and expedite transactions

Adopting instant payment services to increase efficiency and achieve quicker settlement times

Leveraging CBDCs to boost intermediation efficiency of payment networks globally while lowering costs and improving financial inclusion

Adopting card tokenization and blockchain-based decentralized finance for value creation

Leveraging AI-based models to boost personalization and grow revenue while reducing fraud and safety risks

### FUTURE FOCUS

In 2024, payment firms will look to streamline processes, realize efficiencies, and leverage new-age technologies such as DeFi and Generative AI as they face regulatory changes and competition from alternative payment methods and BigTech companies.

- Technology advancements, such as tokenization, AI, automation, CBDC, and cloud services, will significantly impact the payments industry value chain
- Firms will adopt composable platforms to offer new payment solutions
- Rationalization and streamlining will be another area of focus in the months ahead, in addition to the compatibility of regional initiatives to achieve a interoperable and seamless global payments network

Payment firms will also focus on digitally transforming accounts payable/receivable processes and adopting new-age technologies to fulfill evolving customer expectations.



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