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report 2025

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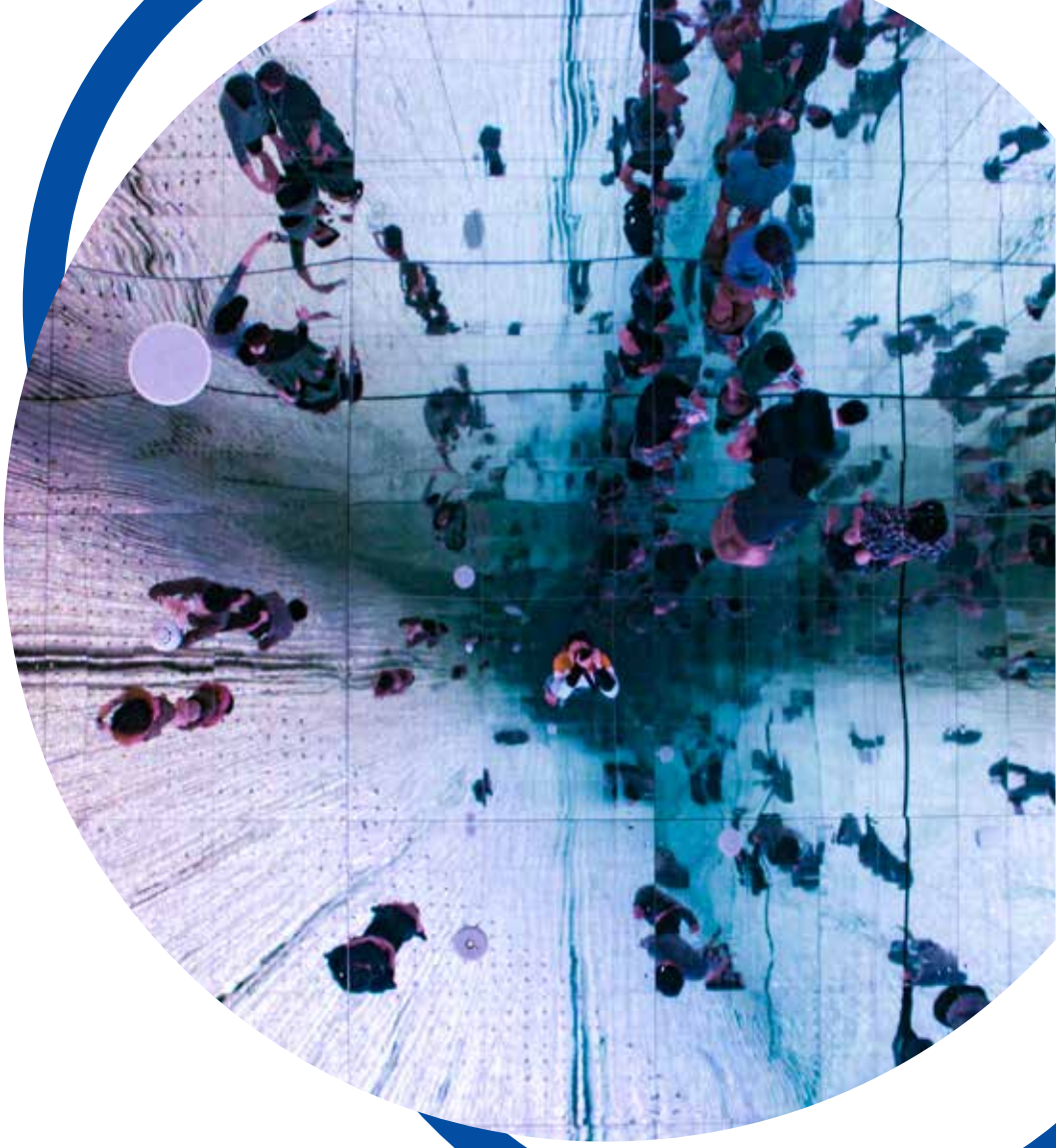

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Welcome to the Merchant Payments Ecosystem Conference 2025!

Payments trends 2025: A World of Possibilities

This year, for the first time ever, we've partnered with leading payments industry media experts *Payments Cards & Mobile* to bring you exclusive insights into the trends that will shape payments over the year ahead.

We've reached out to more than 50 leading payments companies from across the value chain – merchant service providers, acquirers, payments orchestration companies and security specialists – to get their views on the top seven trends for payments in today's market. All of these companies will be present at MPE, meaning that you get to listen to their views and quiz them in person!

The table of contents on the facing page provides an outline of what's in this report – everything from topics you might expect given their importance, such as fraud reduction and chargeback management, through to how merchants can maximize their turnover through better acquiring strategies.

Cross-border payments: a key opportunity

However, one theme stood out for us from our discussions with our sponsors and other companies taking part in this year's conference – and that's cross-border payments. The companies we engaged for this report spoke with one voice when they told us that cross-border payments, especially in digital channels, represent the most significant opportunity for merchants and the payments industry over the next five years.

"Forecasts suggest that cross-border retail payments could hit $7.9 trillion by 2030 – with more growth in cross-border payments between banks."

Cross-border payments are going to be a core engine of growth for our industry over the rest of this decade. The numbers speak for themselves, with forecasts that the total value of cross-border payments is projected to exceed $250 trillion by 2027, and cross-border retail is forecasted to reach $7.9 trillion by 2030.

To prepare for such epochal change, the industry will need to innovate across the payments value chain, whether that's improving the user experience in e-commerce payments, improving fraud prevention strategies, ensuring interoperability between real-time payments rails in different countries and regions, or employing AI to drive better value in foreign exchange for merchants operating across borders.

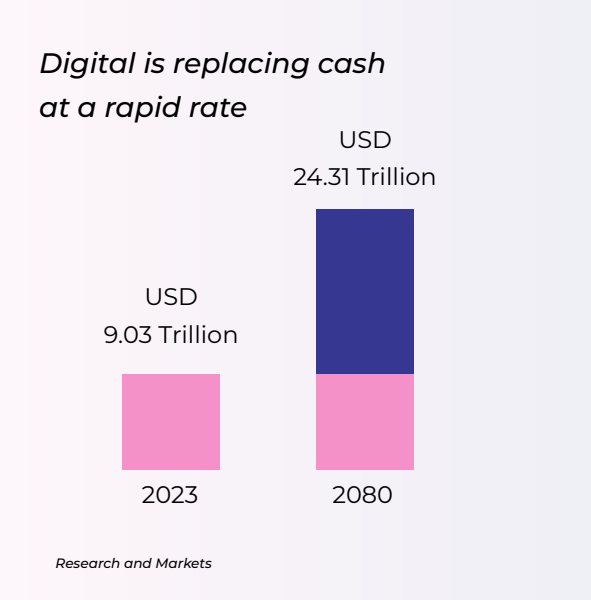
Whether you're a merchant, PSPs, or acquirer, cross-border payments are not just about solving individual processing challenges or getting a higher proportion of transactions approved: it's about unlocking new revenue streams and grasping the opportunities of borderless commerce.

To reflect the importance of cross-border payments to the attendees at this year's conference, we've created a special section in this report (see pp. 14 – 15) in which we ask leading companies for their views on the future of cross-border commerce. For each article in this report, we've also provided information on relevant conference sessions – so you can read the article, then engage in a live discussion about those trends most important to your business this year.

Making payments integrations easier

The next decade will see growing numbers of merchants make the switch to electronic and digital payment. While payments professionals might think the world has already gone digital, in fact just over half of Europe's merchants were fully digital pre-pandemic, with many smaller and micro-merchants still using cash payments. Post-pandemic, some sources project that the focus on digital payments will lead to a 30% increase in the number of merchants accepting digital payments of all kinds by 2030[1].

At the same time, growth in both the volume and value of non-cash payments is erupting. According to Worldpay's *Global Payments Report*, the last two years have seen significant global decline in cash usage, with cash transactions falling by 8% in 2023 and projected to continue declining at 6% through 2027[2]. By contrast, Research and Markets projects non-cash payments will grow by 15% per year out to 2030, driven by smart-phone use for tap to phone payments in store, and mobile e-commerce online[2].



More integrations and greater capacity

The clear implications of these trends are, firstly, that more merchants will require flexible payments integrations able to cope with a wide range of payment types – from cash and cards through to account-to-account, instant and QR-code payments. Secondly, as the volume of non-cash payments grows, Payment Service Providers (PSPs) – from acquirers through to processors – are going to require more capacity to handle higher volumes of payments at greater speed.

As these new, more powerful integrations take place, security is paramount. Having too many actors in the payments value chain generates more opportunities for fraudsters, while transaction security must also be maintained at the point of sale – whether in-store or online.

These points must have been evident for Payplug, a leading French payment transaction optimization firm that serves merchants, e-merchants, and fintechs. Payplug selected Thales as its partner for the implementation of network tokens to help secure payments for its 17,000-strong customer base. By tokenizing

sensitive payment and account information, network tokens massively reduce the risk of fraud in complex payment integrations. Payplug's partnership with Thales rapidly delivered a payment security solution which secured payments for their customer base, and could be scaled to match Payplug's ambitious growth plans.

Complex connections for global operations

The ambition to grow a business should be applauded. However, that growth can itself bring complexities. For instance, Flowbird, a technology firm specializing in payment and ticketing for car parks and public transport, now serves over 7 million users around the world and processes more than 350 million payments annually. Given its need to improve the efficiency of its payment stack and maintain compliance with global regulatory requirements, Flowbird partnered with Juspay on the integration of Juspay's composable open-source payments infrastructure platform, Hyperswitch.

To make its parking payment technology work, Flowbird needed to connect with the acquirer of choice for each city authority. And that, in turn, meant integrating with a huge range of payment processors and acquirers around the world. By integrating JusPay's Hyperswitch Control Center, Flowbird was able to onboard and manage hundreds of city authorities with very little difficulty. The company also succeeded in restricting access to data and sensitive customer information by managing access profiles for every use case, from their internal app team to payments enquiries and more.

The great event: simplicity made real

Complex integrations and payment routing aren't phenomena experienced by global companies alone. Howler, a leading event technology platform, faced a challenge common in its industry: making sure that people at sports, music and other events could pay securely using a wide range of methods. Traditionally, major events rely on closed-loop wallets, where attendees preload funds to make purchases.

This approach can hinder convenience and lower customer satisfaction, as it restricts the use of widely preferred payment methods such as credit and debit cards. To address this, Howler partnered with Halo Dot, leveraging its innovative Halo.Link solution, which makes use of app-to-app integration to accept contactless payments. This solution transformed Howler's existing hardware into a versatile payment system capable of accepting both traditional event wallet payments and direct card transactions, including Visa and Mastercard.

As Chris Reeves from Howler noted, "By integrating Halo Dot's app, we helped our customers to pay using their preferred payment method and without additional friction."
By integrating Halo Dot's solution, Howler successfully redefined the event payment experience, enhancing convenience, operational efficiency, and customer satisfaction—all while keeping the cost of payments down.

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Spoilt for choice? Finding the right payment solution to manage complexity

The payment landscape has changed beyond recognition in the past decade, largely due to consumers' preference for digital payments. Supportive regulations and innovative industry initiatives such as open finance and instant payments have accelerated this shift[1].

A plethora of solution providers now compete with wide-ranging options that aim to simplify processes and enable smoother, more secure payments. We explore how merchants can address their payment processing challenges.

The global e-commerce market is expected to exceed USD 6.3 trillion by 2027, catering for nearly 5.3 billion e-commerce users[2]. Research by S&P Global suggests 56% of payment and technology decision-makers prefer working with multiple payment processors, a figure that rises to 64% for merchants which do most of their business online[3].

Brady Harris, Chief Executive Officer (CEO) at IXOPAY, says: "If you look under the hood of these payment infrastructures, you'll find a complex network of providers supporting numerous geographies, payment methods and sales channels. Leading global merchants know that access to a multi-provider network is no longer in question. Instead, businesses should look to optimize the complexities of a multi-processor architecture."

Much at stake

"22% of consumers surveyed in the US abandon shopping carts because the check-out process is too slow and cumbersome."

If businesses get these technology choices wrong, their survival could be at risk. The Baymard Institute puts the average card abandonment rate at over 70%. Even if part of this is driven by shoppers who are just browsing and have no intention of buying, 22% of consumers surveyed in the US abandon shopping carts because the check-out process is too slow and cumbersome[4].

As e-commerce grows, cybercrime related to online

payments is soaring. Businesses need to protect consumers against fraud while delivering a simple and efficient online payment experience. For IXOPAY's Harris, the obvious answer is payments orchestration. He explains: "Orchestration helps global merchants manage processes by connecting payment service providers through a single API. In essence, merchants get the benefit of multiple payment providers without the overhead and integration time."

Spend management platform and unicorn, Payhawk, brings together company cards, expense reimbursements, accounts payable, and accounting integrations. When Payhawk launched its payment card services, achieving PCI DSS compliance became a priority. Meeting the requirements can be daunting for startups, so Payhawk partnered with 7Security. Keeping the compliance efforts lean and scalable, 7Security used serverless technology to build a setup to support growth while staying secure and compliant. The approach simplified initial compliance but also streamlined annual reassessments, cutting costs and effort. With an information security roadmap Payhawk has improved its processes, documentation and preparedness for various assessments.

Reconciliation and testing: cutting out bugs to save time and cash

Recharge.com, a global platform provider for prepaid transactions in 160 markets, faced increasing complexity in managing millions of transactions across multiple currencies, payment service providers (PSPs) and brand partners such as Paysafe, Google, and Sony PlayStation. It needed a scalable solution to handle discrepancies between PSP statements, transaction data, and bank settlements. Recharge selected Actuals' reconciliation platform. This platform provided solutions that enabled Payhawk to efficiently match data, address discrepancies, and foster constructive dialogues with PSPs, enhancing operational control and data reliability. Recharge's reconciliation process became faster, more reliable, and significantly less labor-intensive. Actual's user-friendly interface enabled the Recharge teams to detect and resolve issues early, allowing them to shift focus from managing processes to resolving high-value discrepancies.

Carry1st is an African gaming and payments platform at the intersection of African consumers wanting to pay for games through convenient, local payment methods and gaming companies wishing to reach African consumers but not set up for the range of payment options. Covering seven African markets, Carry1st offers 120 payment methods, including bank transfers, cryptocurrencies and African e-wallets. Testing 120 payment methods, some of which are hyper-localized, presented the company with major challenges.

To help manage this wide range of payment options, Carry1st turned to Global App Testing for a bespoke solution. This enabled Carry1st to run a set of test cases using real money, real cards, a real bank account, e-wallet and movement of funds – in other words, local functional testing on payments in a real-time environment. By identifying key defects, the payment success rate on one channel processing $300,000 per day increased from 78% to 90%: that's an extra $36,000 of value processed in a single day. Across one month, that works out to a million dollars – proof positive that orchestrating process brings results.

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POS: a market that favours the bold

In 2025, consumers expect items to be available, prices and descriptions to be clear and promotional information easy to find – whether that's on search engines, mobile apps or in-store. They want personal attention and service without compromising their confidential information – all delivered as rapidly as possible. This article explores the effect of these trends on Point-of-Sale (POS), and how some industry leaders are responding.

Data-driven insights and AI-powered tools are redefining how businesses engage with customers, streamline operations and outmaneuver competitors – online as well as in person. In response, leading companies are implementing new integrated POS solutions to manage inventory, track consumer data and enable payments across multiple channels to meet consumer expectations today and in the future. No longer limited to simply taking payment, POS systems are becoming tools for greater operational efficency, increased sales and greater customer satisfaction.

Soft POS: a solution to queues – and lots more

Payment solutions provider AXEPTA BNP Paribas is tackling queue times, a growing issue for its clients, with its new SoftPOS solution. In-store, the AXEPTA BNP Paribas Soft solution enables merchants to take payments from customers wherever they are. All it requires is a smartphone or a tablet enabled with NFC technology. In pubs and restaurants, the AXEPTA BNP Paribas Online gateway allows customers to view the menu, order and pay by scanning a QR code on their mobile phones. By integrating the customizable payment gateway into their app or website, merchants can accept all main card payment methods, including ApplePay and GooglePay wallets.

French post office La Poste is also using the power of Smart POS to help postmen and women accept contactless payments using their professional smartphones. Without requiring any additional hardware, La Poste has leveraged its existing business application, Facteo, already installed on its smartphones. This payment application is based on Market Pay's integrated

SoftPOS solution and executed in partnership with French payment service provider (PSP) Monext. The solution transforms professional smartphones into secure contactless payment terminals, enabling customers to pay directly for stamps or parcels. The solution is currently being rolled out to more than 62,000 postmen and women across the La Poste Groupe.

Netherlands-based Rabobank has empowered merchants to accept contactless payments on their Android devices and iPhones in partnership with Dejamobile (part of the Market Pay group). Market Pay and Rabobank have integrated Market Pay's SoftPOS solution into the Rabo SmartPin app. Merchants access the service by downloading the Rabo SmartPin app and activating the 'Tap to Pay' feature via Rabobank's merchant dashboard.

This feature turns smartphones into fully-fledged payment terminals capable of accepting contactless card payments and NFC mobile wallets. The Rabo SmartPin app is a comprehensive tool for business management through which merchants can create product catalogs, track inventory, link the app to multiple users, and register cash payments.

End-to-end: faster, cheaper and more efficient

In mid-2024 REMA 1000, a Norwegian discount grocery chain with more than 800 stores in the Nordic region deployed an end-to-end payment platform to address scalability issues, high operational costs and limitations in supporting modern payment methods. Partnering with Market Pay, the retailer implemented a nexo-compliant end-to-end payment platform, featuring PAX Android A35 terminals. The solution supports national and international payment methods and integrates loyalty programmes. Approximately 2,500 terminals have been installed. The retailer is seeing significantly faster transactions and reduced costs. The platform is also improving operational efficiencies and seamless integration with existing retail platforms.

Investing in Consumer Trust

In 2025, investment in payment processing will continue to aim at making the customer experience in payments faster, safer and more personalized. The privacy of personal information is now mission critical, with 90%[1] of consumers saying they will not buy from organizations they believe are not protecting their data. We investigate how businesses are using data privacy in payments as a competitive advantage.

Businesses believe there is financial value from investing in data privacy. In the Cisco Privacy Benchmark Study 2022, respondents estimated the financial value of their investment in privacy to have increased on average by 3% over the previous year. Keeping personal information safe – and private – can reap serious dividends in terms of customer loyalty, repeat business, higher turnover and more profits.

On the downside, phishing scams, hacked networks and other data breaches are exposing millions of stolen payment card numbers on the dark web. Nord VPN[2] analysed four million card numbers and discovered they can be bought on the black market for around $10, or as little as $5 in the USA. Needless to say, fraudsters use that data to buy thousands of dollars' worth of merchandise, creating headaches for cardholders and huge losses for merchants and card issuers.

Three companies representing at MPE this year demonstrate why the security of customer information through tokenization is so important. Tokenization helps to secure billions of payments every year by enabling merchants to turn a 16-digit card number into a code stored on the customer's device. Thanks to the tokenization process, sensitive card and other personal information is never shared during a payment. The following use cases show how tokenization helps to deliver smoother, safer transactions while also improving authorization rates – driving more completed transactions, higher volumes and greater revenue and profitability.

Tokenization as a business differentiator

Vinted, the Lithuanian unicorn which provides an international marketplace for second-hand fashion, connects millions of buyers and sellers across more than 20 markets. For a platform of this scale, Vinted aimed to reduce friction in the payment process while ensuring security and compliance. To achieve this, it partnered with

payment infrastructure provider Payrails in 2018 to centralize its payment tokens across payment processors and maintain direct integrations with payment service providers (PSPs). A PSP-agnostic token vault enabled more efficient and successful payments, streamlining payment routing with different PSPs and ensuring adherence to PCI-DSS standards.

Vinted integrated Payrails' PSP-agnostic token vault, allowing it to use tokens across multiple processors without being locked into one provider. Payrails then issued tokens that could be sent in proxy payment requests to individual processors.

Vinted was able to migrate all its tokens from integrated PSPs into the Payrails token vault, maintaining business continuity and a frictionless experience for its members. This solution allows Vinted to manage payment instruments without handling sensitive payment details directly. Vinted uses an API and intuitive UI for token management resulting in flexibilility and control, 100% processor independence and enriched BIN data.

London-based international fintech, Solidgate, helps online merchants and commerce platforms accept credit cards and alternative payments. With an ambition to process $100 billion's worth of payments per year, including subscription billing, Solidgate approached Amsterdam-based Silverflow for a tailored cloud-based payment processing solution.

Tokenization had to be added, particularly for subscription payments. With tokenization in place payment data is only taken once and can be re-used indefinitely because the underlying information is updated automatically. This strategy has boosted Solidgate's conversion rates by 7% and its net profit by 20%.

MEGOGO, an international media service in Ukraine, has collaborated with Solidgate to enhance its payment processing capabilities. As its Smart TV service gained popularity, it had to build in 3D-Secure authentication to ensure EU regulatory compliance.

The project included a single payment page with a unified payment interface, a single subscription service with multiple payment options and tokenization technology to secure sensitive payment data and streamline future transactions. An automated feature was implemented to update expired card details, ensuring uninterrupted subscription renewals and minimizing churn. The project has delivered a 10% increase in conversion rates and 5% reduction in churn rate.

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Advanced technologies and partnerships vital for cross-border success

With trillions of dollars moving between countries annually, cross-border payments are vital to the global economy. To remain competitive in this market, which is expected to grow to nearly USD 3 trillion by 2030[1], banks and merchants need to develop infrastructure that supports faster, cheaper and more secure international payments. In what follows, we consider the complexities of cross-border transactions and review solutions that deliver these benefits for consumers.

Cross-border transactions include traditional methods such as bank transfers and credit card payments, as well as emerging alternatives like digital wallets and mobile payment solutions. Each transaction involves multiple currencies, different financial systems, and varying regulatory schemes. In moving across borders, transactions are subject to currency fluctuations, international trade laws and compliance standards, which collectively make the process cumbersome and time-consuming. As a result, entire businesses have evolved to serve the need for cross-border money movement, handling Interactions with regulators, banks, fintechs, international non-profits, and payment schemes.

Advanced technologies such as Application Programming Interfaces (APIs), Artificial Intelligence (AI), blockchain, data enrichment and risk management are all key elements in the drive to build suitable solutions for the future. But, as history shows, success also requires suitable strategic partnerships. An example of such collaboration is Global Payments Europe (GPE) which in 2019 worked with Giesecke & Devrient Netcetera to reduce risk and improve customer interactions for online transactions. GPE adopted Netcetera's 3DS Server and 3DS 2.X technology. In 2022, GPE expanded this partnership to launch the first white-label Click to Pay Software as a Service (SaaS) solution. This initiative allows thousands of European merchants to utilize GPE's GP Webpay payment gateway to offer a seamless one-click checkout experience.

"Balancing simplicity, security, and convenience for online shoppers is something to look forward to with Click to Pay," explains Václav Keřka, Director of e-commerce solutions at GPE. Click-to-pay replaces traditional card payments requiring manual data entry, streamlines the checkout process and reduces errors in card data entry while also simplifying certification and speeding up implementation. In 2023, a network tokenization solution was added to enhance security and convenience.

The right partner to tackle a large-scale transformation has also been important for Auctionet, a digital platform provider for more than 70 auction houses and auctioneers across Europe. Auctions typically involve transactions for larger sums, which demand

up-to-date systems and processes to enable all those involved in the transaction to stay well connected. When banks are dealing with larger sums of money, it's important that they can handle resource-intensive disputes and possess effective tools against fraud and money-laundering. As with all companies dealing with cross-border transactions, key concerns are prohibitive costs and efficiencies.

With high value transactions comes the risk of fraud and exploitation, hence for Auctionet it was vital to find a reliable partner to modernize its technology. Brite Payments is delivering a solution specifically tailored for the auction industry with Solution Brite Instant Payments. By integrating Brite Payments, Auctionet has achieved cost reductions and approximately 20% of payments for onboarded auction houses are now processed via Brite.

Brite adheres to strict regulatory standards, particularly when it comes to anti-money laundering (AML) compliance. This ensures a secure environment for transactions and instills operational integrity, building trust and confidence in Brite's technology on the part of buyers and sellers. By working with Brite, Auctionet is able to offer faster onboarding and greater efficiency. This factors in turn mean that Auctionet can grow their business while maintaining seamless payment processes.

Cross-border transactions are one of the fastest-growing – and most complex – areas of the payments business. We look forward to rich discussions during MPE 2025 on this topic.

Reference

1 Javelin Strategy and Research

Cross-border payments – industry leaders speak...

We reached out to today's payment industry leaders for their comments on cross-border payments in the years ahead. Here's what they told us...

The impact of cross-border on the global economy

"Cross-border transactions offer a wide range of benefits, including the ability to reach wider markets, tap into greater revenue potential and simplify the overall user journey. This is particularly favored by an increasingly mobile workforce, strong global tourism and expanding business activities.

For consumers, being able to rely on their usual payment methods in foreign markets not only reduces perceived risk - whether in-store or online - but also provides a much-appreciated sense of comfort and routine. Thus, the presence of faster, more reliable cross-border payment systems enhances the customer experience, promotes loyalty and, ultimately, supports business growth."

Arnaud Crouzet, Deputy SVP Consulting and Head of Business Advisory, Consult Hyperion

"We believe that we should globalize EU payments innovation – some of the world's most exciting payments innovation is happening here. The EU should be ambitious in turning local champions into global success stories, modelled on UPI's expansion from India into Southeast Asia. Pushing homegrown digital payment methods out to the world, such as Swish or BLIK (and soon WERO), rivalled in popularity only by Visa and Mastercard, can fuel the growth of innovative European companies at home through access to global markets while also powering cross-border trade and boosting economic activity globally."

Julius Danek, Head of Product DACH, Stripe

How new standards and regulations will affect cross-border payments

"The adoption of ISO 20022 is transforming cross-border payments, but its influence extends beyond international transactions. PSPs, payment facilitators, and orchestration platforms are working towards compliance with these standards. However, adopting ISO 20022 is not just about compliance—it requires a company-wide transformation, including new data security protocols, staff training, and procedural changes to ensure secure, structured data handling.
As cross-border payments continue to evolve, businesses must embrace these trends to stay ahead in a more connected, real-time, and secure financial ecosystem."

Ran Cohen - Co- founder & CEO, BridgerPay

"The future of cross-border payments isn't just about speed—it's about trust. Over the next 18 months, we'll see a seismic shift as real-time payment systems connect across borders, but the true challenge will be ensuring these systems are secure, compliant, and accessible to all. At Rapyd, we believe that innovation in payments must go hand-in-hand with innovation in regulation. By leveraging AI and embracing global standards like ISO 20022, we can build a payments ecosystem that is not only faster but also fairer, safer, and more inclusive for businesses and consumers worldwide."

Dr. Shlomit Wagman, Rapyd's Chief Regulation and Compliance Officer

Integrating real-time payment systems across borders

"One of the key problems with national payment systems is their lack of interoperability across borders. The integration of national systems opens up a significant new spending market for merchants, especially where government-regulated payment systems have previously formed a monopoly and consumers already prefer those payment methods as their way to pay, or where they may only have credentials to pay utilising the national system. Merchants can tap into this customer base when consumers travel and via cross-border e-commerce. Authentication and authorization rates are typically lower for cross-border payments, due to increased risk and systems such as 3DS/SCA not being optimized by merchants and PSPs in some markets. This is an area that payment orchestration can help with, offering merchants a single authentication flow for any PSP or gateway, from global providers to market-specific offerings."

Tom Voaden, VP Commercial, BR-DGE

"The growing interconnectivity of national real-time payment systems, such as India's UPI linking with networks in the Middle East and Europe, is a game-changer for cross-border payments. At Checkout.com, we see this as a major step toward a more cost-effective, and inclusive global payments ecosystem. By enabling real-time transactions across geographies, businesses and consumers alike will benefit from faster settlements, reduced reliance on legacy intermediaries, and lower costs - particularly for underserved markets. Our role is to ensure merchants can fully capitalize on these advancements, offering them better access to the evolving real-time payments landscape."

Antoine Nougué, Chief Revenue Officer at Checkout.com

On managing AML and authentication across borders

"Managing authentication, AML compliance, and fraud prevention in cross-border payments is a three-step process: KYC, transaction monitoring, and post-monitoring—all equally important. Payment service providers must be in a position to trust their customers while also educating them on fraud risks, similar to how UK banks actively engage in consumer protection.

At the same time, adopting more sophisticated screening tools and building a strong AML profile for each client allows providers to eliminate many risks without negatively impacting the customer experience. Advanced data analytics and machine learning can enhance fraud detection while reducing false positives, ensuring smoother transactions."

Kristaps Zips, UK CEO, payabl.

"The effective management of authentication, AML, and compliance functions in cross-border payments is increasingly reliant on advanced technologies. AI-powered transaction monitoring tools are enhancing fraud detection by identifying suspicious patterns in real-time, improving both security and efficiency. Additionally, innovations in KYC, such as biometric authentication and electronic ID verification, are streamlining onboarding processes while strengthening regulatory compliance. These advancements are critical in balancing risk mitigation with a seamless customer experience in the evolving payments landscape."

Karin Milková, Commercial Director, TrustPay.

Cutting the cost of chargeback management

Designed to give consumers a sense of security while using cards by reimbursing them for fraud, chargeback management costs are rocketing into billions – not least from customers who commit fraud themselves. We examine steps being taken to cut costs and improve the efficiency of chargebacks.

The ability for consumers to challenge, or "charge back" payments for faulty goods, processing mistakes, perceived fraud or unrecognized transactions is a defining benefit of paying by card – and it distinguishes card payments from other forms such as instant account-to-account (A2A) payments, where this process can be more challenging.

When merchants receive a chargeback request from their bank, they will be required to deliver a raft of evidence, including receipts, proof of delivery, customer service records and more. Very often, these items must be provided in a tight timeframe. In addition, if the chargeback request is upheld, the merchant could be liable for a chargeback fee on top of the cost of goods, usually between €20 and €25, but sometimes as high as €180[1] depending on the category of chargeback and complexity of the process.

"In the worst cases, some retailers do not challenge many chargebacks, preferring instead to pay out and reduce overall costs."

World-wide, chargebacks are proving to be an expensive yet necessary process for business – especially online. PYMNTS say that 76% of e-commerce merchants experience an annual increase in the percentage of transactions which are contested by merchants, alongside chargeback costs that now exceed €50 billion per annum[2]. Increasingly, so-called "first party fraud" is responsible for much of these high chargeback rates – meaning that customers are knowingly initiating chargebacks for transactions they originally authorized.

To add to the scale of the problem, new regulations are making chargebacks more complex – right at the very time when ingenious fraud threats such as Account Takeover and Synthetic ID are emerging to add to the number of disputed transactions. Taken together, these factors add up to so much complexity and cost that some retailers simply do not challenge many chargebacks, preferring instead to pay out and reduce their overall cost.

The answer: outsourced strategies, integrated platforms

To help streamline their chargeback management processes and bring down costs, many major retailers are now turning to specialist consultants with software platforms that zero in on factors triggering specific kinds of chargeback, such as shipping delays, inconsistent billing descriptions and others.

For example, one large US retailer engaged specialists Chargebacks911 to deal with a continuous increase in chargebacks over an extended period of time. Thanks to an extended

audit of the retailer's operations, Chargebacks911 were able to help the retailer challenge more chargebacks, recover more lost revenue and reduce the overall number of disputed transactions by almost 30% within three months. In turn, this enabled their client to reallocate their internal resources to revenue-generating activities, rather than disputed transactions. As a spokesman from chargebacks911 puts it, "Our Intelligent Source Detection (ISD) technology confirmed that most of these chargebacks were due to friendly fraud. This enabled us to implement strategies for the client that helped their responses to "friendly fraud" disputes, while providing better-quality data to their fraud prevention engine."

Global payments services leader PXP Financial faced a different problem with chargebacks – and adopted a different solution. Processing more than €22.7 billion through its unified payments gateway, PXP Financial provides its clients with all the services required to power online, mobile and POS payments from one source. As its business grew, PX Financial recognized the need for a robust and effective solution to better support its clients and mitigate the complex and expensive environment they faced surrounding chargebacks and fraud.

PXP Financial partnered with DisputeHelp to implement an an advanced, centralized solution to handle disputes, chargebacks and fraud mitigation. This enabled PXP to bring a fully-integrated tool to market that simplifies and consolidates dispute management processes, supporting all major payment schemes through one platform and eliminating the need for multiple systems.

Thanks to the integration of the DisputeHelp Platform, PXP's clients were able to record impressive results. One Global Communications Platform which worked with PXP reduced their chargeback ratio by 50%, while another client, a Technology Services Organization, saw a greater than 80% reduction in the ratio of chargebacks to transactions. Kasia Gruszka, Senior Card Scheme Relationship Manager at PXP Financial, said: "DisputeHelp see beyond the label of a customer or partner and cherish the individual behind the business. The offer not just innovative technology, but a personalized approach as well."

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Fraud – the spectre at the feast?

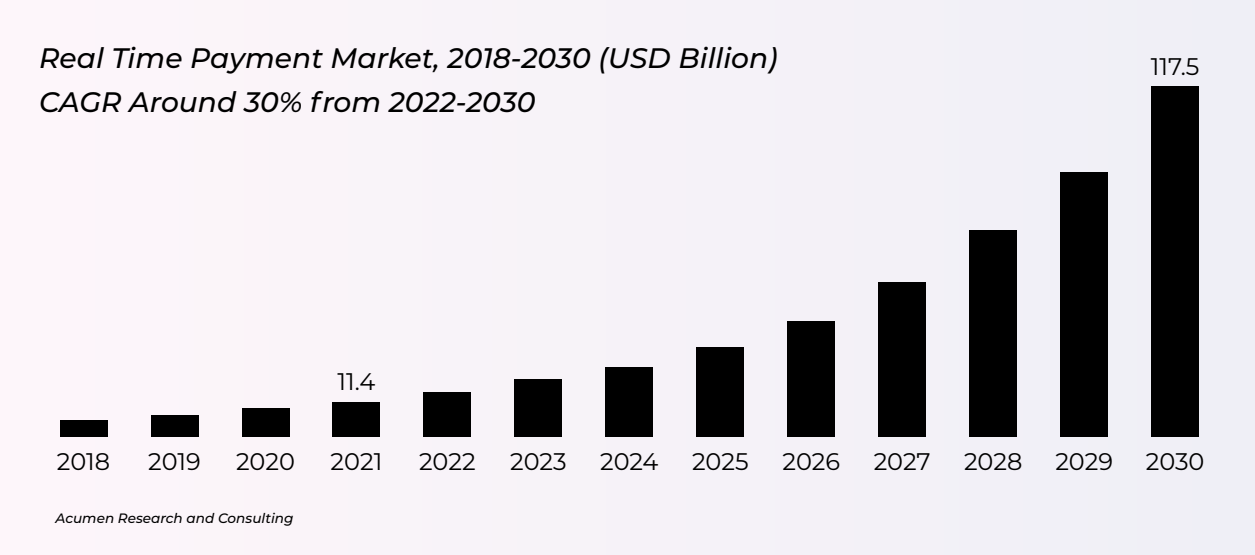
Right now, the future looks bright, with soaring cross-border online transaction volumes and values, plus faster and more convenient payments in-store. Yet even as these inspiring trends grow, new forms of fraud and automated attack-bots threaten to spoil the party. We examine the latest fraud vectors, and talk to some companies finding novel fraud solutions.

A visitor from thirty years ago would be stunned by what's possible today: using your thumbprint on a digital watch to confirm an e-commerce transaction on the other side of the world. Real-time transaction and settlement across borders. Multi-function, biometric cards and new payment forms that open up access to financial services for communities from Africa's Great Lakes through to villages in the Andes.

As is widely understood, electronic payments continue to displace cash at a tremendous rate, with the ECB estimating cash acceptance dropped by 7% last year[1]. Meanwhile, e-commerce (as distinct from ePOS transactions) grew at 8.4% a year[2], roughly twice as fast as overall growth in the world economy. Within e-commerce, cross-border transactions are growing at around 25% per year, topping US$1 trillion in transaction volume in 2024[3]. And all of this is happening in parallel with a huge explosion in instant payments, which are projected to account for one in three transactions world-wide by 2030[4].

Faster fraud, new threats

If innovations such as instant payments and cross-border commerce via mobile device are the upside of digital commerce, then heightened fraud risk is its downside. In 2025, fraud is shaping up differently, from the use of



AI-enabled "bots" to attempt fraud at massive scale, through to new forms of fraud such as Automated Push Payment (APP) fraud, Account Takeover and Synthetic ID fraud. Account Takeover, or ATO, occurs when fraudsters dupe users into giving up their account details, then use these details to commit fraud. In synthetic ID, various compromised identities are merged to form a fake persona that's used for fradulent transactions.

Two examples in digital fraud prove just how fast it's growing: powered by automated "bots", online fraud attempts associated with payments have grown by 80% since 2022[5]. At the same time, fraud in just one category – APP fraud – now accounts for more than $5.25 billion of losses between the US, UK and India alone[6].

Leading digital entertainment marketplace G2A.com has partnered with Forter, an identity intelligence company focused on e-commerce, to address such challenges. G2A.com deployed Forter's Trust Platform to help authenticate the parties to online transactions and spot both known and unknown forms of fraud. Forter's technology uses the speed and sophistication of AI to detect patterns across vast datasets and the savvy of fraud experts to continuously update its models. "Our top priority is protecting sellers and buyers and continuously enhancing their experience across 400 banking channels", says Dorota Wróbel, chief R&D officer at G2A.com. "To safeguard our platform, we've partnered with industry leaders like Forter to secure key technological areas, ensuring our platform remains robust. This collaboration allows our experts to focus on enhancing the marketplace and driving strategic initiatives."

If G2A.com have chosen to attack fraud attempts head-on, then another aspect of the fraud management process – managing disputed transactions such that they are resolved to everyone's satisfaction, with a great customer experience at the heart of this process – has also required fresh thinking for a digital-first era.

ZenBusiness, a leading business formation platform, has helped more than 700,000 businesses get off the ground since their formation in 2017. As the business scaled, they needed a solution that could manage a growing number of disputed transactions without compromising on the quality of responses. They chose to work with Justt, a comprehensive dispute tracking and management system, to streamline their operations and facilitate their growth. Despite not adding headcount to their dispute management team, ZenBusiness have achieved zero missed cases and complete coverage of all their disputes, managing to respond to all enquiries even during periods of high volume.

Both partnerships demonstrate companies employing new advances in technology to combat fraudsters who are themselves using emerging technologies such as massive data pools and Artificial Intelligence to amplify the fraud threat. If such examples point to one clear trend in fraud over the years ahead, then it is a form of technology "arms race" between legitimate companies and fraudsters, in which law enforcement and business will need to work hard to stay ahead of criminal organizations.

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