

# Payments in transition: Leadership in an era of transformation



# Report outline

01 Foreword

02 Introduction: The payments market imperative for the decades ahead

## - LAYER ONE

03 Critical barriers and drivers – Navigating a landscape of requirements

04 The perception paradox: Leadership vs. readiness

05 Confronting the barriers: The forces holding back progress

06 The engines of change: Forces driving the industry forward

07 The duality of regulations, standards, and requirements: Barrier and driver

08 Summary

## - LAYER TWO

09 The leadership blueprint – Forging advantage amid increasing complexity

10 The anatomy of leadership

12 The leadership blueprint

13 Pillar 1: Executive ownership & long-term vision

14 Pillar 2: Capability and talent activation

15 Pillar 3: Agility and future readiness

16 Summary

## - LAYER THREE

17 An ecosystem in transition – Implications for navigating a space of rapid change

18 Ecosystem shift 1: The modernization of payments

19 Ecosystem shift 2: Advancing protection, trust, and identity

20 Ecosystem shift 3: Maximizing performance in the era of automation

21 Conclusion: Optimizing performance and protection through modernization in a changing ecosystem

22 ACI Worldwide: Your partner in navigating the future of payments



# Foreword

“,”

---

Whether it's paying a bill, purchasing goods or doing a transaction at a bank, payments have never felt easier for consumers. A tap, a swipe, or a process so integrated that it's automatic, and customers expect it to work. Yet behind that simplicity, the industry is facing growing complexities defined by a dynamic state of requirements pushing and pulling the market. The industry is held back by persistent barriers that hinder innovation and modernization, while powerful forces impacting experiences push the industry forward, driving progress simultaneously.

On one side, increasing functionality, proliferating payment types and methods, tightening regulation, rising fraud costs, and outdated infrastructure are adding complexity. Legacy systems, even with ongoing enhancement over time with custom code and downstream system integrations, simply can't keep pace with a real-time economy. These legacy systems slow innovation and create financial risk by tying up cash flow through delayed receivables and latent reconciliation cycles. Solutions like intelligent payment hubs offer a practical answer to overcoming traditional barriers and letting companies meet the ever-evolving customer expectations.

On the other side, innovation continues at high speeds. Real-time payment rails are proliferating globally. Alternative payment methods are expanding. Artificial intelligence is enhancing decision-making capabilities and opening new doors for value-added services. AI has become a necessary tool for sharpening fraud detection, improving sanctions screening, strengthening risk models and improving liquidity management through intelligent routing. Agentic commerce is beginning to take hold, improving customer experiences with digital assistants and contextual triggers influencing purchasing decisions on behalf of consumers and businesses.

Together, the market push-pull and underlying forces are impacting how money moves, and ratcheting up the competitive stakes. Those who wish to lead the market will need to navigate and address the persistent barriers and advancing innovation simultaneously. Capturing the momentum of emerging technologies means being able to remove structural barriers to gain market share, grow revenue and optimize ROIs. For every player in payments, that means making modernization a strategic priority, building resilience as conditions shift, increasing protection, and strengthening the capabilities to exceed customer expectations. Those who do will be the ones to truly influence the payments industry topography.

Philip Bruno

Chief Strategy and Growth Officer

ACI Worldwide



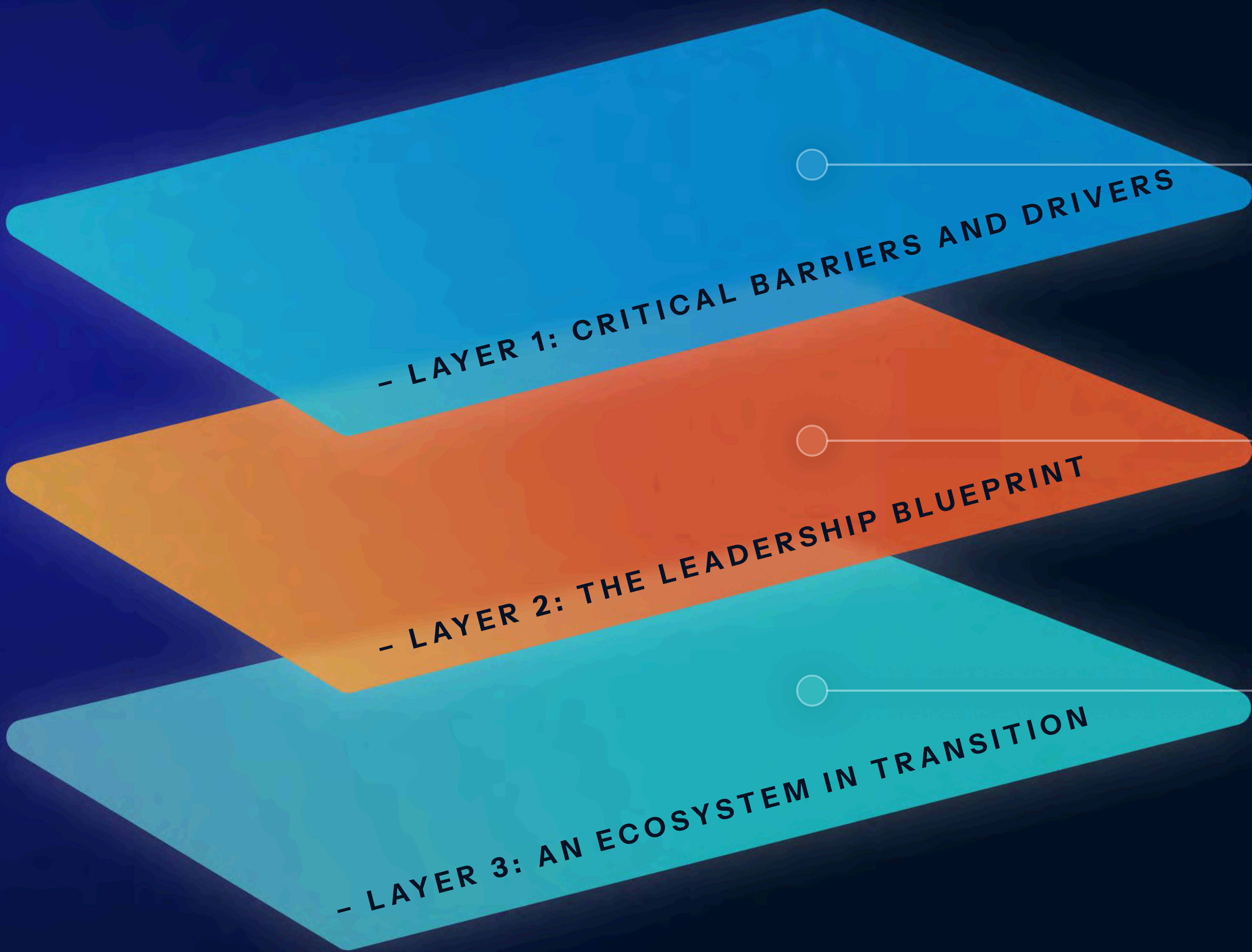
# Introduction: The payments market imperative for the decades ahead

The exchange of money drives the global economy, yet the systems that support it are undergoing change. Market players who want to lead will need a clear strategy to navigate the ever-changing payments space.

This report, Payments in Transition: Leadership in an Era of Transformation, draws on extensive research, including a survey of 500 industry executives and in-depth discussions with practitioners and thought leaders.

Its purpose is to provide a clear view of today’s landscape and a practical roadmap navigating its dynamic shifts. With it, you will gain insights into barriers slowing innovation, increasing operational risk, and complexities across regulatory, customer, and competitive landscapes. You will also gain insights into industry leaders, and how they’re prioritizing modernization, protections, and system resiliency for success in the shifting market.

Our findings have been organized into three strategic layers to outline the current state:



- Diagnosing the friction points that hold the industry back and exploring ways to overcome them.
- Defining the attributes and actions that distinguish true leaders from laggards in a rapidly evolving payments landscape.
- Exploring the three transformative ecosystem shifts redefining how money and value is exchanged.

Progress is already demanding greater adaptability, and a commitment to innovation. This report is intended to highlight key areas for standing out in the transitioning ecosystem.

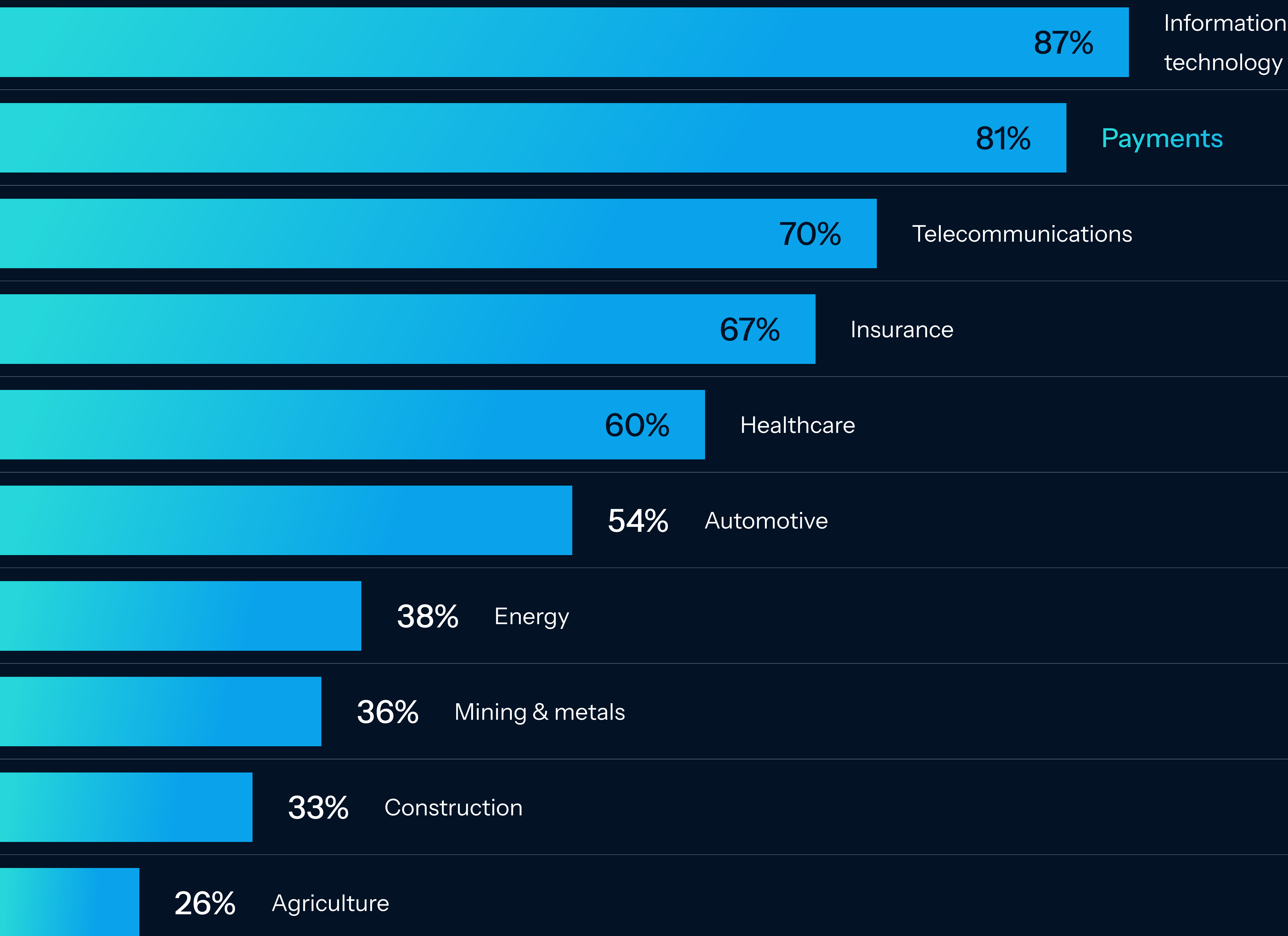


# Critical barriers and drivers:

## Navigating a landscape of requirements

The research survey data paints a clear picture: the payments industry has a reputation as one of the world’s most innovative industries, second only to information technology. This reputation sets lofty expectations. Customers, regulators, and partners all assume the industry will deliver experiences that work and are faster, safer, and smarter. To do that, progress must keep pace with those expectations.

Survey prompt: Please rank the following industries in order of how quickly they evolve and innovate (within the payments industry). Please rank based on your perceptions with 1 being the fastest-moving and 10 being the slowest-moving. N = 500 responders. N = 5,000 responses.



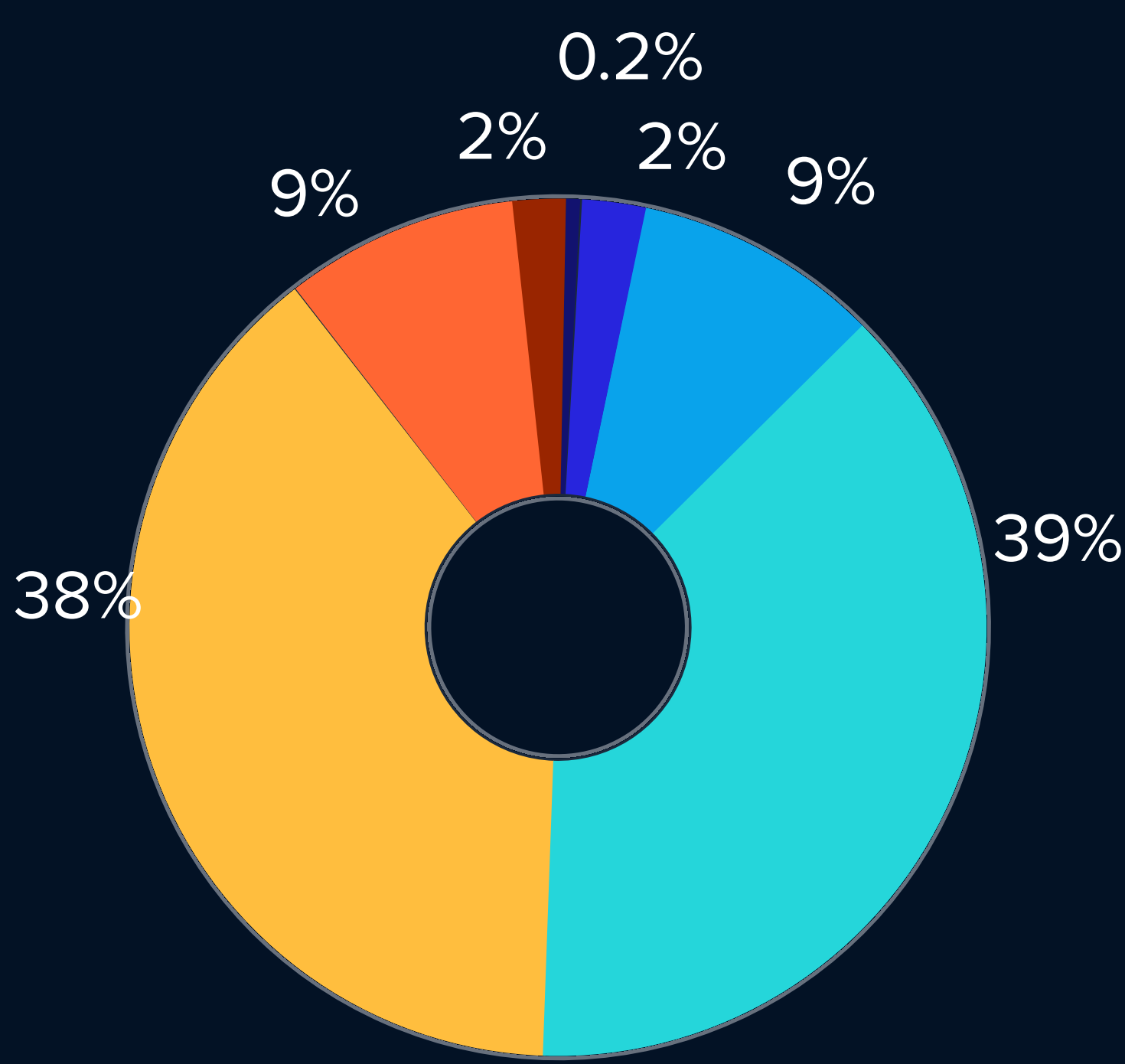
The chart shows the % of total Borda count (weighted ranking). See appendix page 24 for further details.



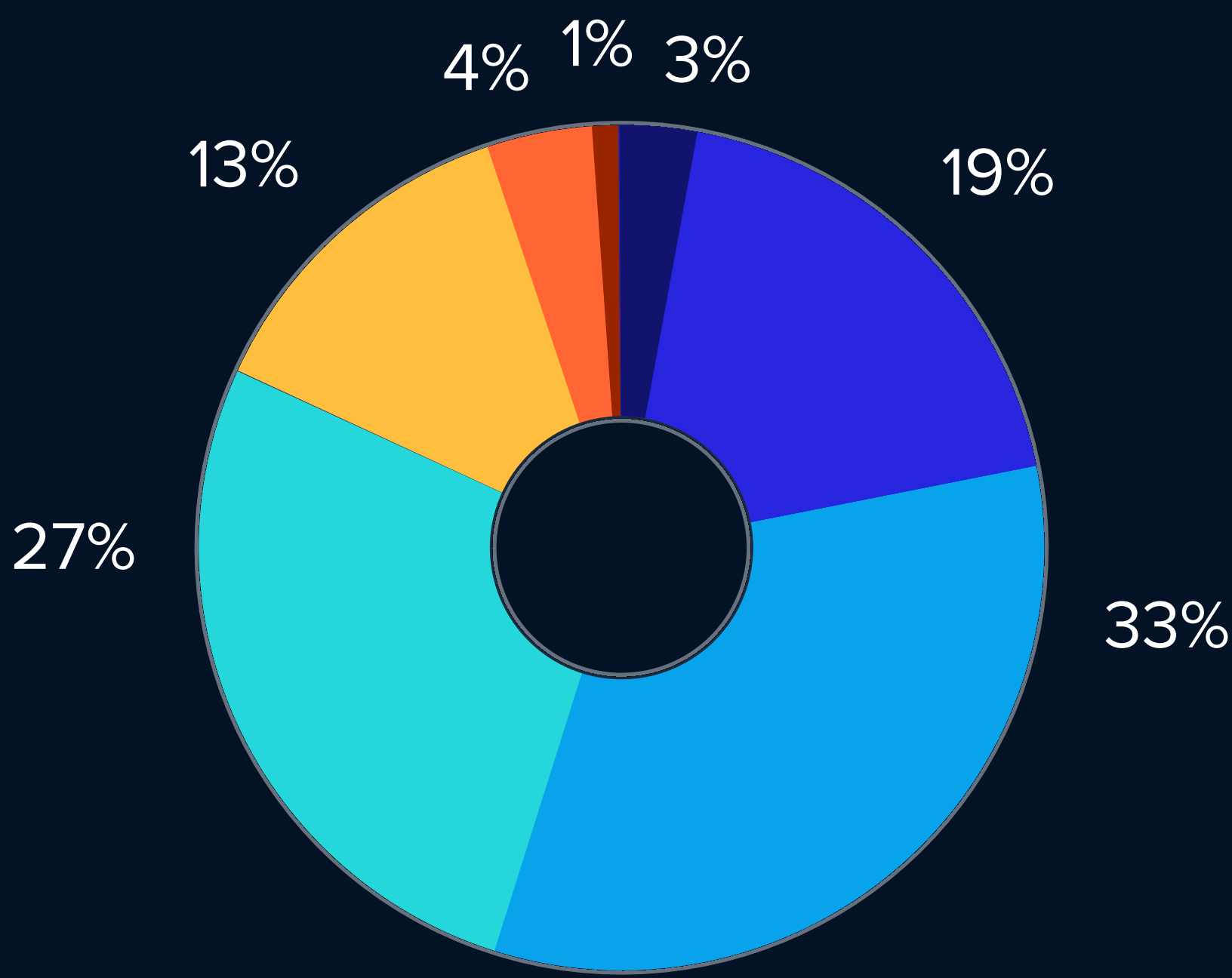
# The perception paradox: Leadership vs. readiness

Most executives appear confident about the pace of payments innovation. Only 12% believe it’s falling behind other sectors on technological innovation. However, the same group admits they are not making full use of the technology already available (55%), and less than half (44%) completely agree payments innovation is a C-suite priority. The survey results show a contrast between perception and reality. While companies believe they’re leading, they also believe they’re not using technology to its full extent. In other words, the industry’s confidence is high, but many organizations remain unprepared to move at the speed customers and regulators now expect<sup>1</sup>. As the cost of delay keeps rising, hesitation has a price. If the technology is ready, what’s keeping companies from adopting it?

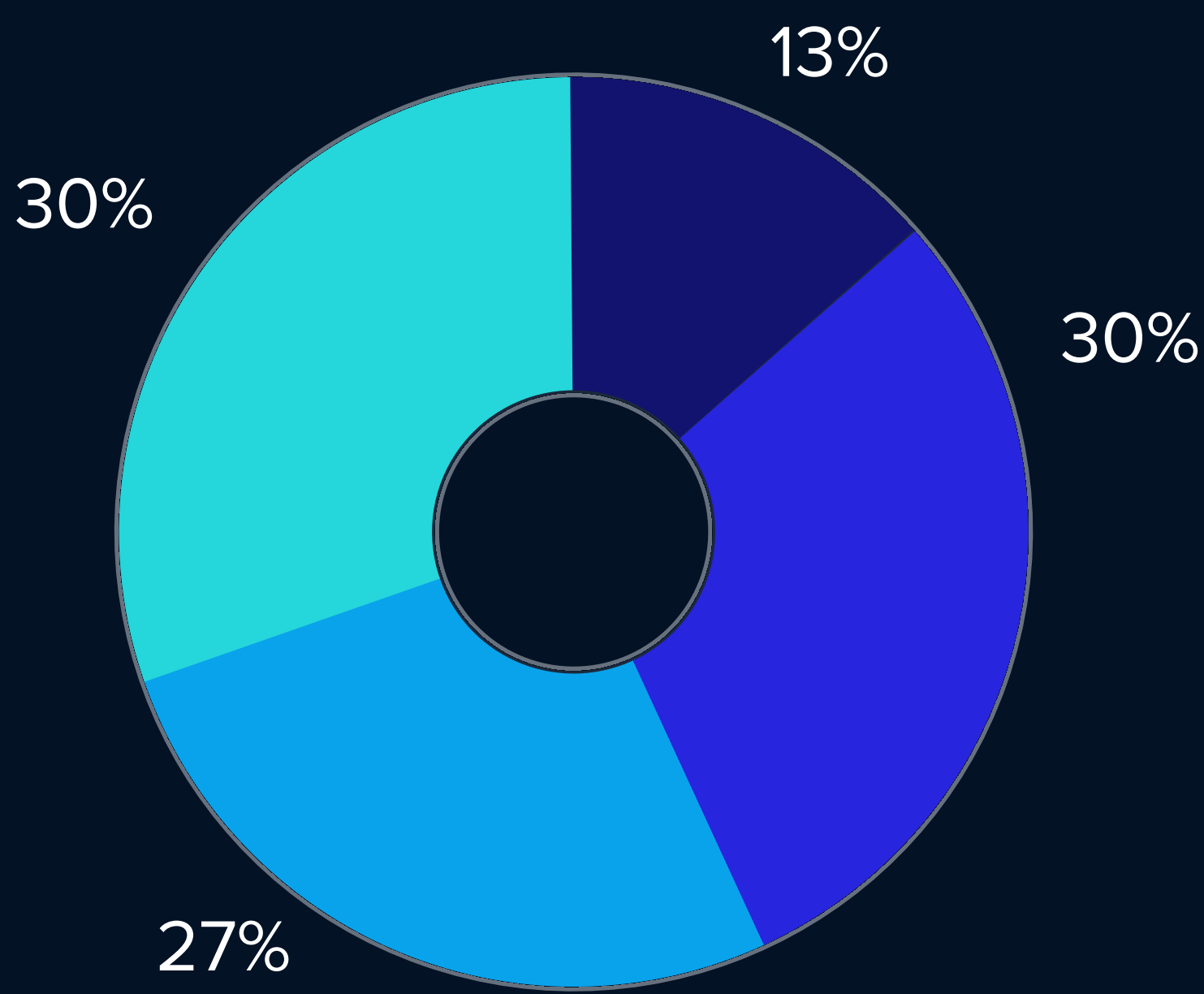
Survey prompt: How much do you agree with the following statement? The payments industry is falling behind other industries when it comes to technological innovation. Please rate on a scale of 1 to 7, where 1 is completely disagree and 7 is completely agree. N=500 responders. N=500 responses.



Survey prompt: How much do you agree with the following statement? Technology products and solutions are not being used to the fullest extent by the payments industry today. Please rate on a scale of 1 to 7, where 1 is completely disagree and 7 is completely agree. N=500 responders. N=500 responses.



Survey prompt: How well does the following statement describe your company? Payments innovation is a C-suite priority in my organization. Please select a number from "1" to "7" where "1" means "Does not describe well" and "7" means "Describes very well". N=500 responders. N=500 responses.



Completely agree   Agree   Moderately agree   Neutral   Moderately disagree   Disagree   Completely disagree

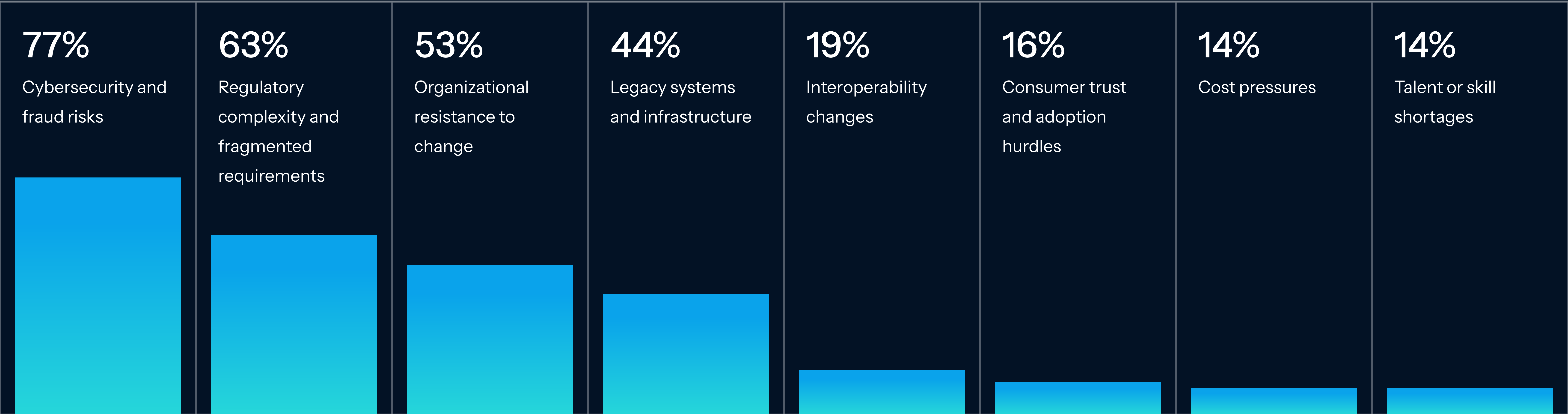
1. Capgemini, World Payments Report 2025, World Report Series (October 2024), [https://www.sogeti.com/wp-content/uploads/sites/3/2024/10/WPR\\_2025\\_web\\_0a1a5a.pdf](https://www.sogeti.com/wp-content/uploads/sites/3/2024/10/WPR_2025_web_0a1a5a.pdf)



# Confronting the barriers:

## The forces holding back progress

Survey prompt: What are the biggest barriers slowing down innovation and development in the payments industry? Please rank your top 5 barriers, with 1 being the biggest barrier. N=500 responders. N=2,500 responses.



The chart shows the % of total Borda count (weighted ranking). See appendix page 24 for further details.

### Cybersecurity and fraud

The top barrier for 77% of respondents. Fraudsters are more sophisticated than ever. Security must be treated as a collective priority: ongoing renewal of defenses, pre-emptive action against emerging risks, and collaboration across the ecosystem, all without adding friction for customers. In addition, risk management should be looked at across functions and addressed more holistically.

### Regulatory complexity and fragmentation

63% list regulatory requirements as a major barrier. Institutions must navigate a patchwork of local, regional, and international rules and regulations. Compliance consumes time and resources that could otherwise support innovation, yet deprioritizing regulation is not an option.

### Organizational resistance to change

53% cite resistance. The issue is likely rooted in culture and reinforced by organizational structures and budget constraints, reflecting impediments that slow decisions and coordination.<sup>2</sup> Executives and organizations are better served by aligning payment strategies across the business units within their companies to prioritize organizational and capital priorities.

### Legacy systems and infrastructure

44% identify legacy platforms as a major barrier to innovation. While these systems are difficult to modernize, they continue to limit agility, increase maintenance costs, and slow the rollout of new services. In this context, “newer technology” refers to modular, API-first platforms, intelligent payment hubs, or AI-driven fraud orchestration. As customer expectations continue to evolve, heritage platforms are becoming not just a drag on agility but an increasingly urgent barrier in innovation.

Security and compliance are table stakes in payments—the absolute requirements to stay in business. However, while they are necessary, they are not sufficient to be a force in driving significant change.

2. Akhil Babbar, Raghavan Janardhanan, Remy Paternoster, and Henning Soller, Why Most Digital Banking Transformations Fail[...] (April 11, 2023), McKinsey & Company, <https://www.mckinsey.com/capabilities/mckinsey-digital/our-insights/tech-forward/why-most-digital-banking-transformations-fail-and-how-to-flip-the-odds>

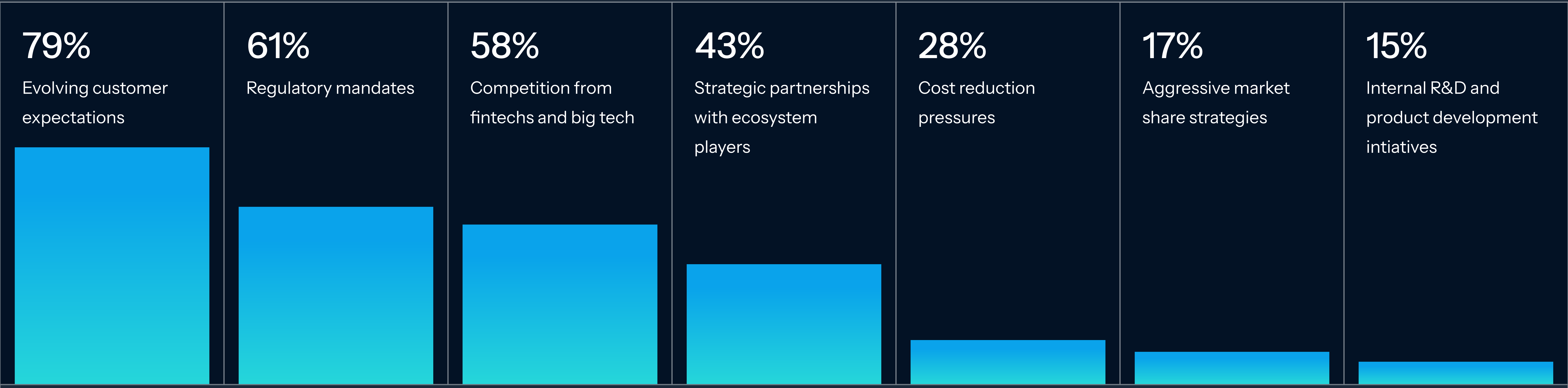


# The engines of change:

## Forces driving the industry forward

There are several drivers pushing to accelerate progress and the pace of innovation.

Survey prompt: What are the biggest drivers pushing the payments industry forward? Please rank your top 5 drivers, with 1 being the biggest driver. N = 500 responders. N=2,500 responses.



The chart shows the % of total Borda count (weighted ranking). See appendix page 24 for further details.

### Evolving customer expectations

79% of respondents name customer demand as the most significant catalyst. Consumers expect payments to be instant, easy, and reliable.<sup>3</sup>

### Regulatory mandates

As we saw before, 63% view them as a barrier, but 61% also see them as an industry driver. Mandates like ISO 20022, open banking, and real-time payment schemes set new standards for interoperability, speed, and transparency, raising the baseline that all market participants must meet.

Customer expectations and regulatory mandates are converging to redefine the payments landscape. Organizations that are delivering instant, seamless, and reliable experiences, while also meeting new standards for speed, transparency, and interoperability are not only staying compliant but are emerging as market leaders.

### Competition from fintechs and big tech

While some may be threatened by new entrants like fintechs and big tech, most (58%) see the competition as driving the industry forward. When asked what types of companies are setting the pace, fintech startups come out ahead. However, the picture shifts slightly when we look closer at the data. While fintechs are seen as setting the pace overall, merchants point more often to big tech as the primary force. They’re feeling the pressure of big tech’s scale, fearing disintermediation and lost sales as platforms like Amazon capture customer relationships through personalized recommendations, low prices, and frictionless delivery. Meanwhile, financial institutions and service providers<sup>4</sup> place slightly greater emphasis on fintech innovation, viewing fintech startups as the faster-moving threat, reshaping customer expectations with sleek digital experiences and specialized solutions.

3. Michael Brady, What CX Leaders Should Know About Frictionless Payments (January 6, 2025), Customer Experience Dive,

4. Companies that send bills or offer subscription services including consumer finance companies, insurance companies, education & universities, gaming & streaming services, insurance.

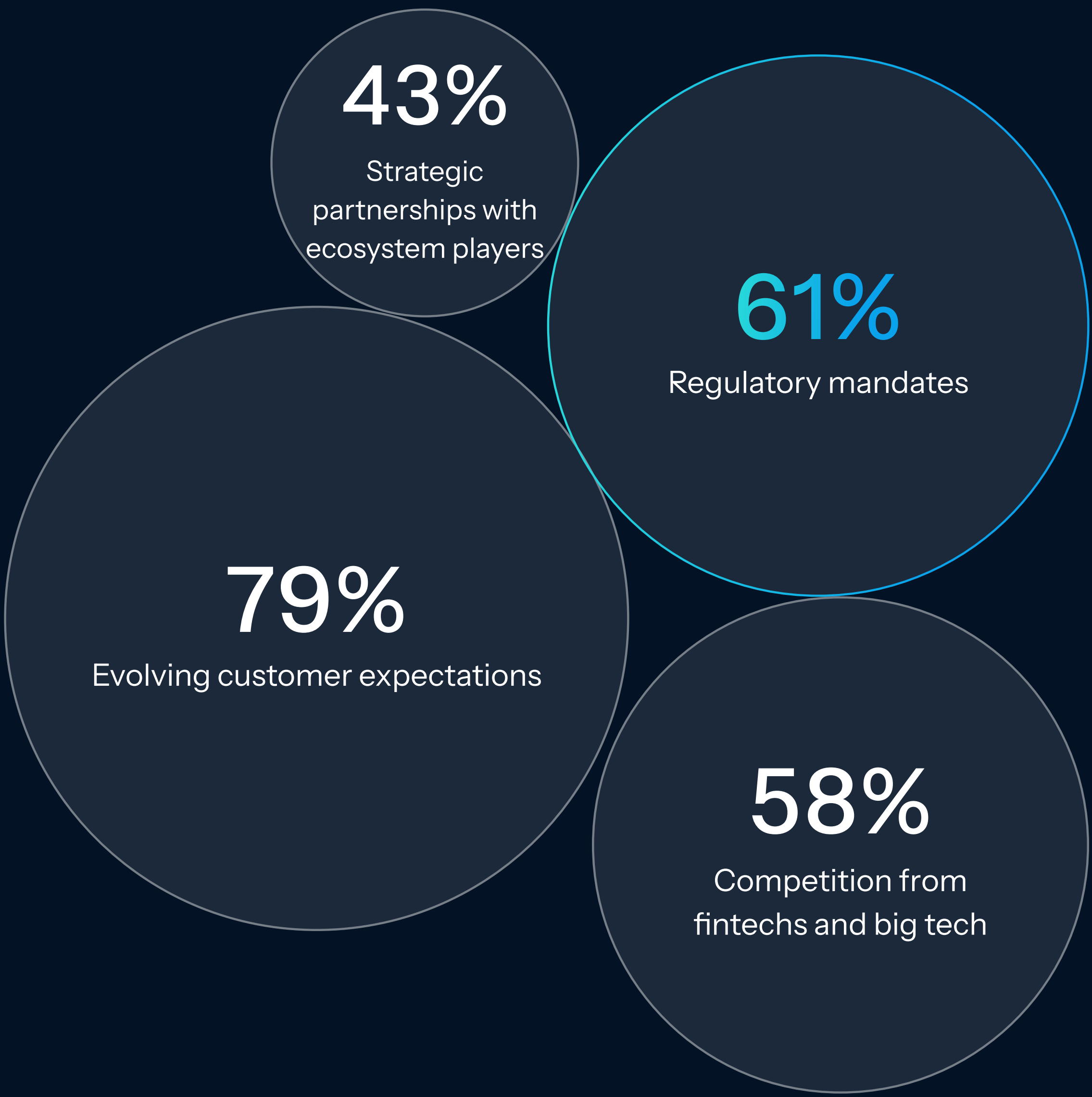


# The duality of regulations, standards, and requirements:

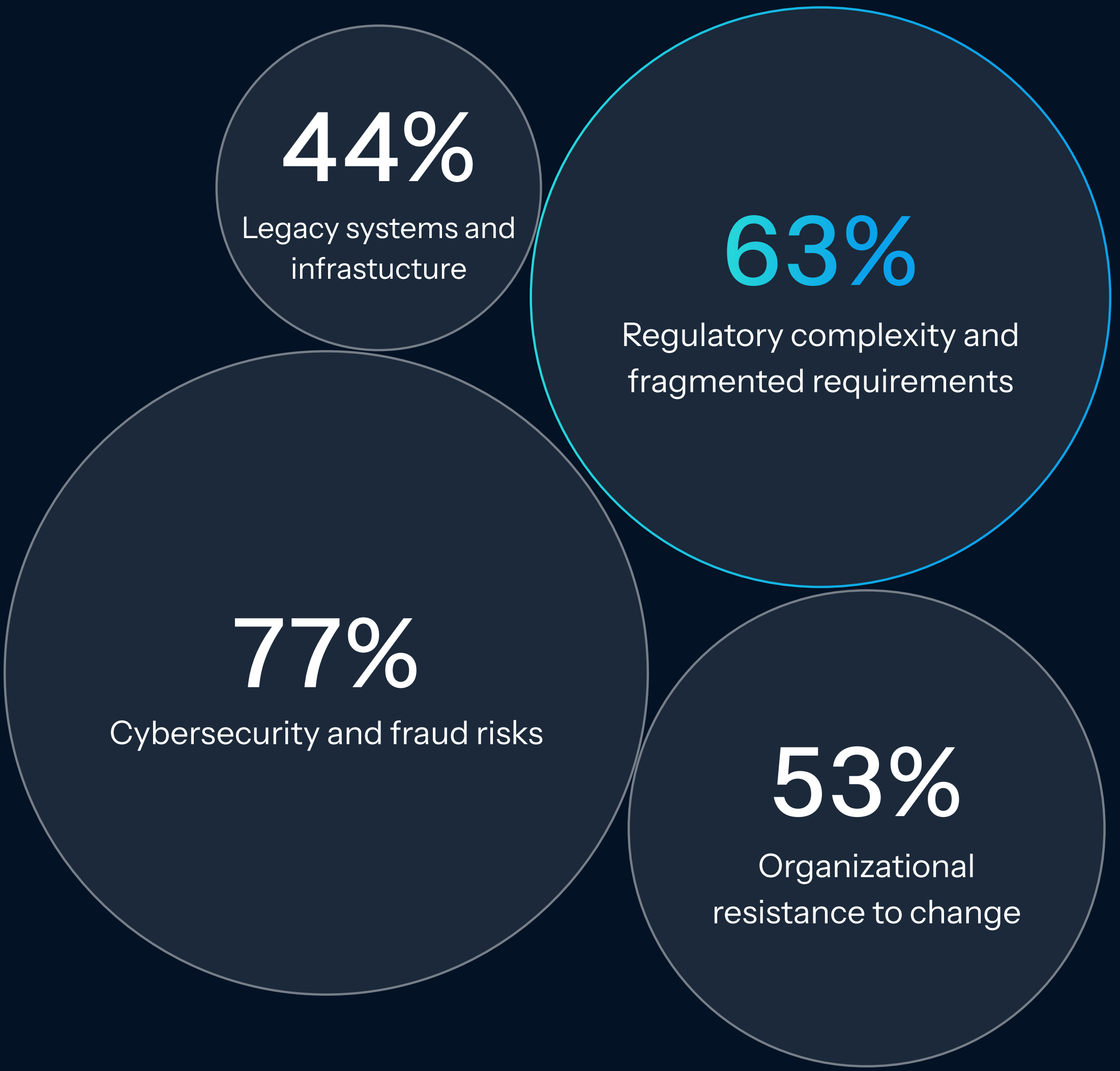
## Barrier and driver

As we’ve seen, maintaining compliance is more than just another barrier. It has always been a uniquely defining driver in payments. On one side, a patchwork of local, regional, and international requirements force organizations to invest heavily in compliance. For many, it feels like a drain on time and resources that could otherwise drive innovation.

Survey prompt: What are the biggest drivers pushing the payments industry forward? Please rank your top 5 drivers, with 1 being the biggest driver. N = 500 responders. N = 2,500 responses.



Survey prompt: What are the biggest barriers slowing down innovation and development in the payments industry? Please rank your top 5 barriers, with 1 being the biggest barrier. N=500 responders. N=2,500 responses.



Conversely, however, regulatory and industry mandates can also accelerate progress. Mandates for data standards, open access, and real-time payments compel institutions to modernize and collaborate within and across borders<sup>5</sup>.

This shows that, paradoxically, the same rules that seem to slow down innovation also open the door to faster, safer, and more connected systems<sup>6</sup>. The challenge for rising leaders is to treat regulation and standards as a strategic driver. Organizations that see compliance as an opportunity position themselves to innovate, build trust, and navigate changing market shifts.

5. Imran Ali, ISO 20022: What Are the Real Benefits of Its Adoption?, KPMG in the UK (n.d.), <https://kpmg.com/uk/en/industries/financial-services/payments-consulting/iso-20022-benefits.html>

6. George Iddenden, Reflecting on 2024: A Transformative Year in Payments Regulation (December 2, 2024), The Payments Association, <https://thepaymentsassociation.org/article/reflecting-on-2024-a-transformative-year-in-payments-regulation/>



# Summary

The path is clear: The leaders in payments are those who modernize with intent, orchestrate with intelligence, and treat regulation as a motive for innovation. Today's landscape is shaped by opposing forces: powerful drivers promoting change and persistent barriers slowing its impact.

Long-term success belongs to the organizations that can convert this tension into advantage, advancing quickly enough to lead while building resiliency to endure.

## At a glance

The payments industry is one of the most innovative, yet most survey respondents say technology is underused. Closing that gap is a clear opportunity for leaders to capture value and sharpen their competitive edge.

---

Cybersecurity and fraud, and regulatory complexity slow innovation, and will remain unavoidable requirements with evolving challenges. At the same time, organizational resistance to change and legacy platforms continue to slow innovation.

---

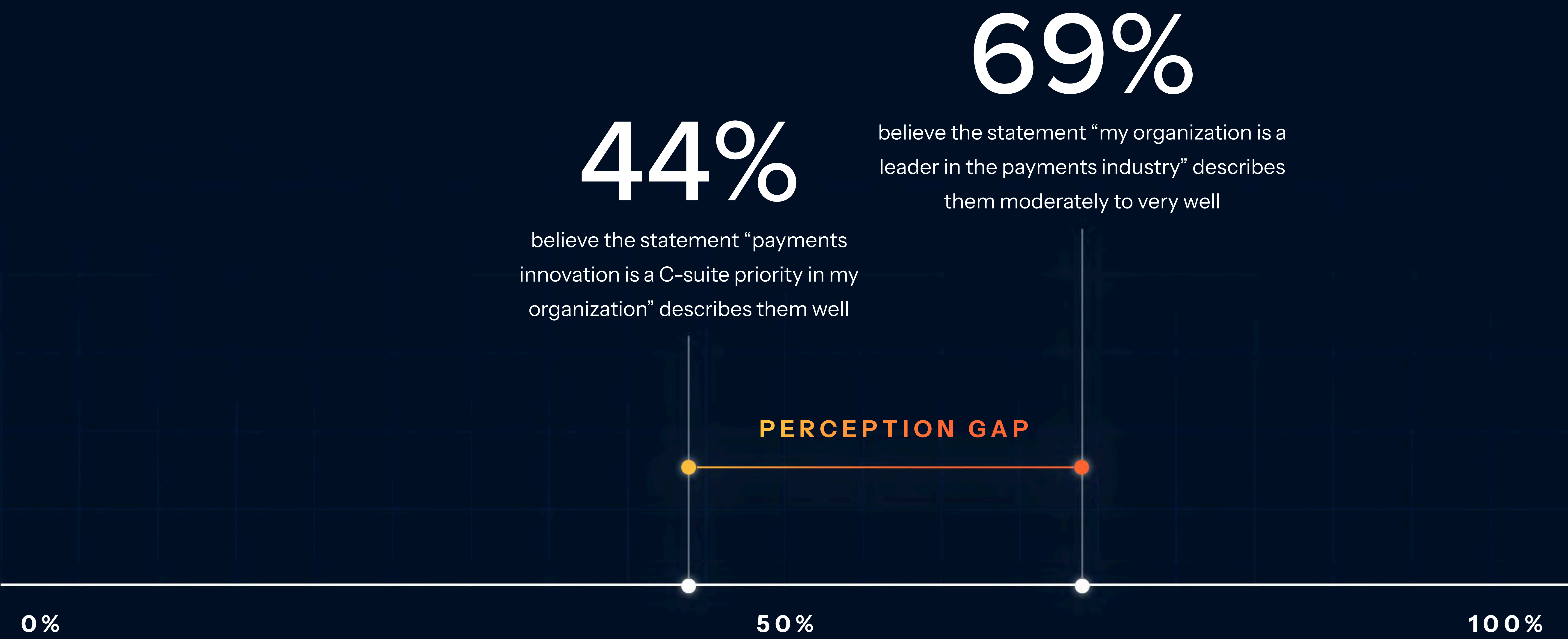
Meanwhile, customer expectations, regulatory and industry mandates, and competition from fintechs and big tech are seen as the leading drivers of innovation. Those harnessing these drivers are already standing out as leaders in payments.



# The leadership blueprint

## Forging advantage amid increasing complexity

Not all capabilities contribute equally to leadership. We used a statistical analysis of the survey responses from more than 500 industry executives to identify the traits most strongly linked to leadership in payments. These findings define a clear, evidence-based blueprint for how to excel in a complex payments ecosystem and unlock payments as a competitive differentiator.



Survey prompt: Please select a number from "1" to "7" where "1" means "Does not describe well" and "7" means "Describes very well". Vision and Strategy: “Payments innovation is a C-suite priority in my organization.” The chart above reflects Top 2 Box ratings, representing the percentage of respondents who selected the two highest satisfaction levels on the scale.

Survey prompt: How would you rate your organization's leadership in the payments industry? Please select a number from "1" to "7" where "1" means "Does not describe well" and "7" means "Describes very well". “My organization is a leader in the payments industry.” The chart above reflects Top 2 Box ratings, representing the percentage of respondents who selected the two highest satisfaction levels on the scale.

The analysis shows a gap between perception and reality. 69% of organizations consider themselves front-runners, yet only 44% prioritize the most impactful trait: payments innovation as a C-suite priority. This insight is the starting point for the leadership blueprint: an evidence-based set of attributes that distinguishes organizations trying to keep pace from those moving the industry forward.



# The anatomy of leadership

While many organizations believe they are front-runners in payments, some are truly coming out on top. Through our research, we identified eight leadership attributes that drive more than 70% of the leaders in payments. These are not abstract ideals. They are measurable practices that separate companies advancing the industry from those struggling to keep pace.

The 8 leadership attributes by their impact on leadership in payments:



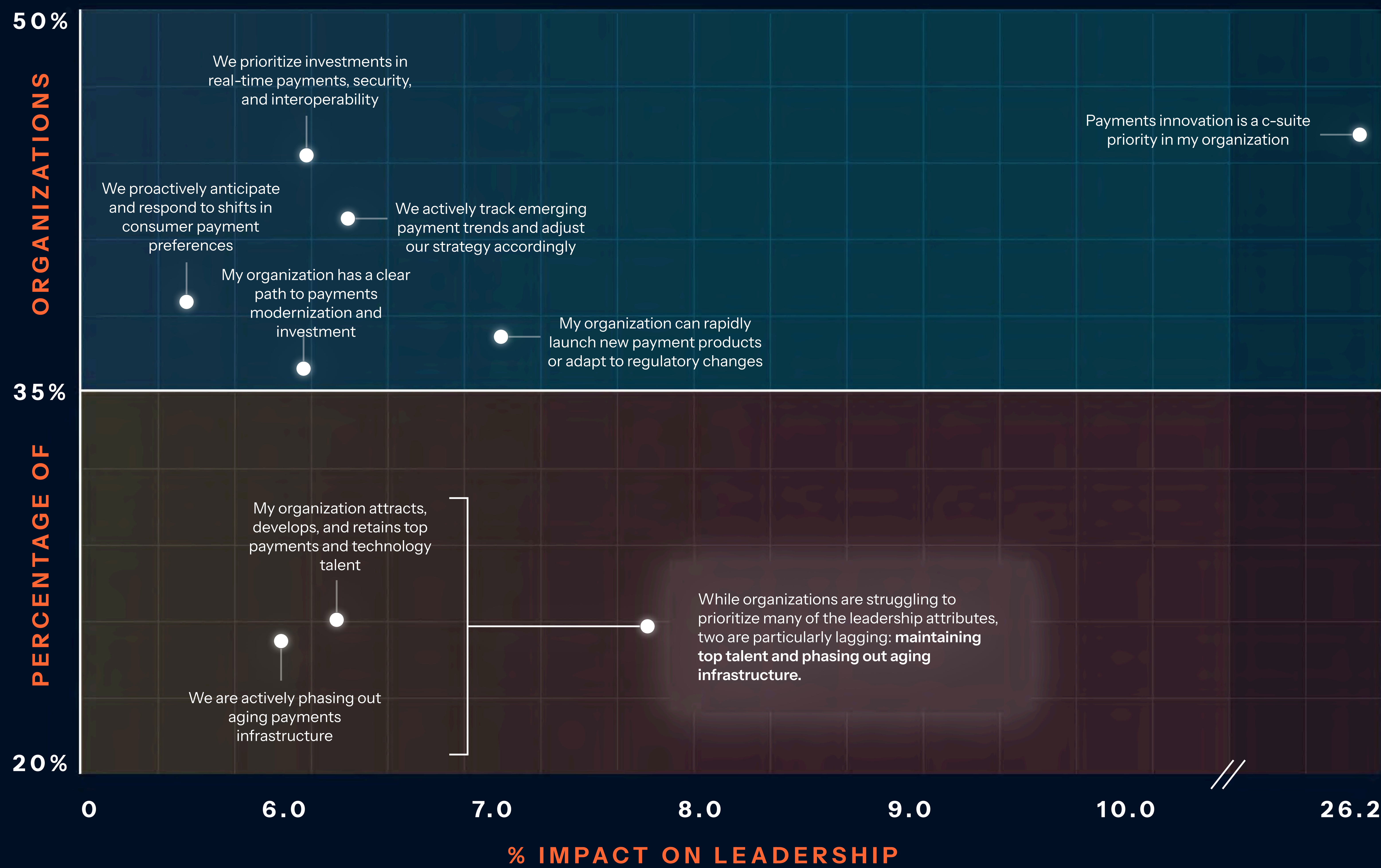
The attributes predicting leadership in the payments industry. Impact scores shown are the result of a Principal Component Regression (PCR) analysis linking responses to “How would you rate your organization's leadership in the payments industry?” with the agree–disagree scale ratings for 18 potential leadership attributes. The chart above reflects Top 2 Box ratings, representing the percentage of respondents who selected the two highest satisfaction levels on the scale. See appendix page 24 for further details.

It’s important to note that the most influential leadership attribute is executive prioritization of innovation. When payments innovation is a C-suite priority, organizations show a 26% higher leadership differentiation. That means transformation moves faster, decisions get made with greater clarity, and innovation becomes part of the organization's core strategy.



# The anatomy of leadership

The prioritization vs. impact of leadership attributes in organizations:



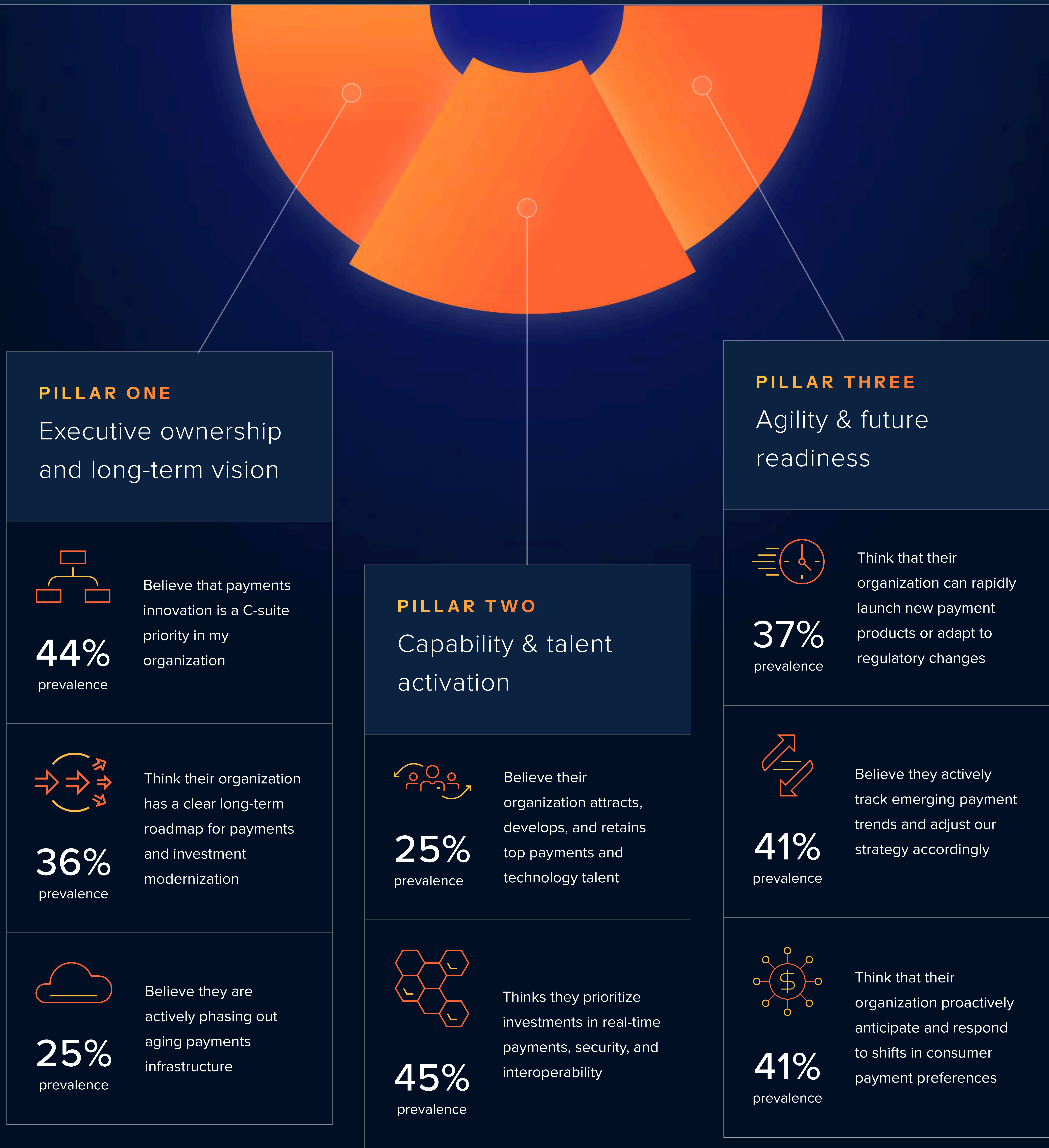
The attributes predicting leadership in the payments industry, showing both impact and prevalence. The X-axis reflects impact scores from a Principal Component Regression, while the Y-axis shows prevalence (% of respondents agreeing their organization demonstrates each attribute). The two highlighted quadrants capture the top eight most impactful attributes. The chart above reflects Top 2 Box ratings, representing the percentage of respondents who selected the two highest satisfaction levels on the scale. See appendix page 24 for further details.

The same data also reveals where laggards are currently falling short. 20% of organizations are failing to prioritize talent development and retention, as well as the phasing out of aging payments infrastructure. The path from attributes to action becomes clear when we align the eight attributes into a leadership blueprint.



# The leadership blueprint

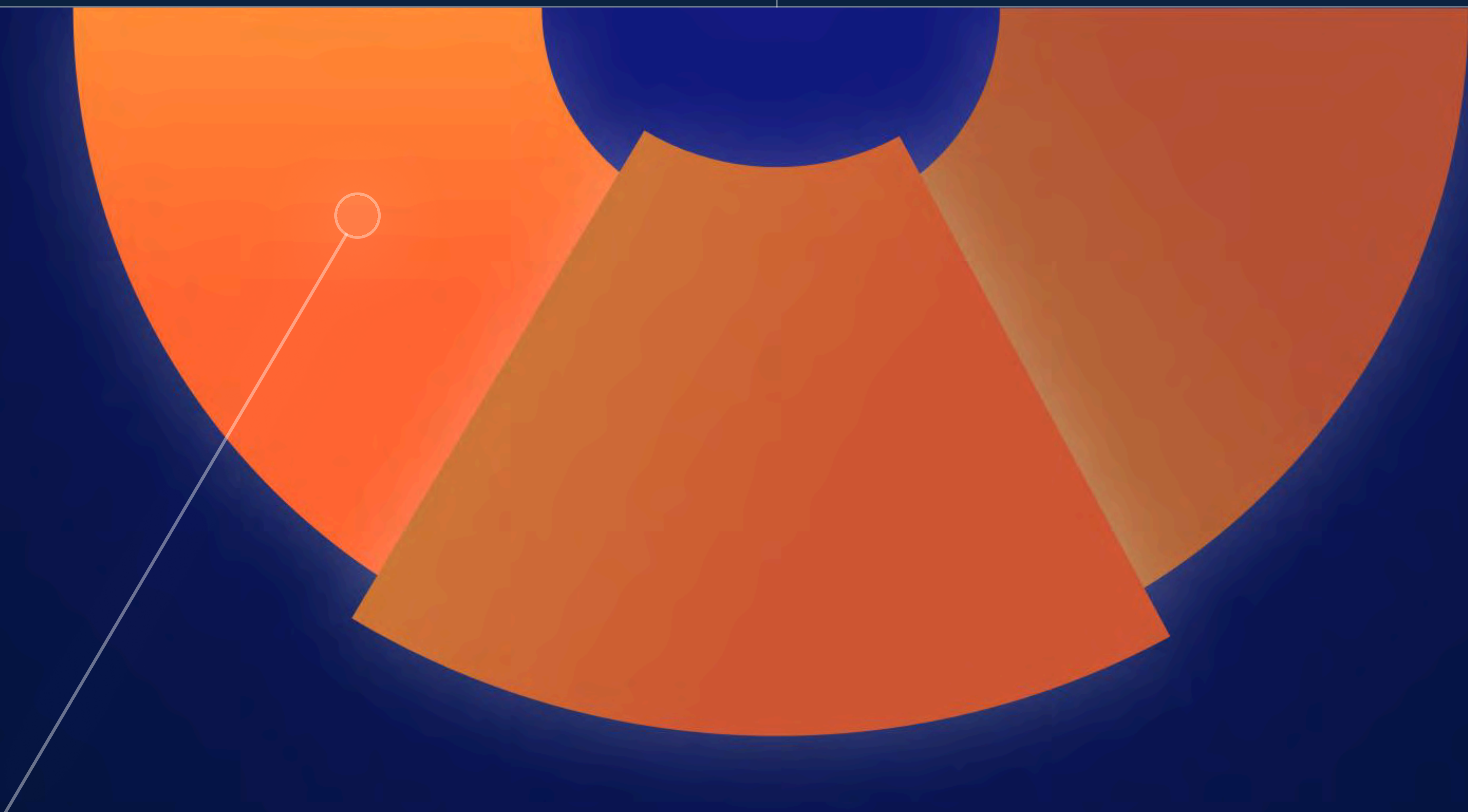
The eight leadership attributes can be formed into three foundational pillars that define high-performing payment organizations. Together, they offer a practical framework for all industry players including banks, merchants, service providers (companies that send bills or offer subscription services) to move from ambition to action and lead with confidence in a complex ecosystem.





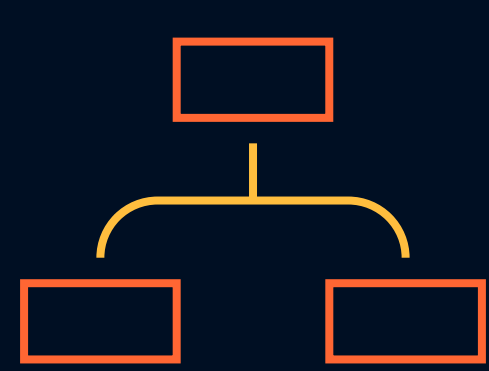
# The leadership blueprint

The eight leadership attributes can be formed into three foundational pillars that define high-performing payment organizations. Together, they offer a practical framework for all industry players including banks, merchants, service providers (companies that send bills or offer subscription services) to move from ambition to action and lead with confidence in a complex ecosystem.



## PILLAR ONE

### Executive ownership and long-term vision



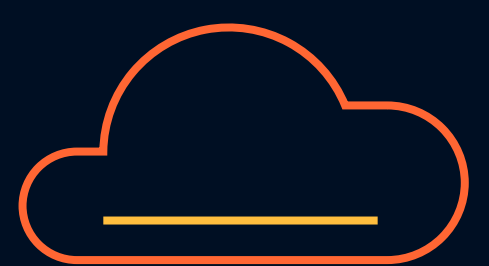
44%  
prevalence

Believe that payments innovation is a C-suite priority in my organization



36%  
prevalence

Think their organization has a clear long-term roadmap for payments and investment modernization



25%  
prevalence

Believe they are actively phasing out aging payments infrastructure

Standing out in payments begins with explicit sponsorship from the top, with a clear long-term vision that ensures alignment on things like investment sequencing, risk management, and new payments technology, such as payment hubs and adopting new payment types. For many organizations in the ecosystem (including financial institutions, merchants, and service providers) here’s what that looks like in practice:

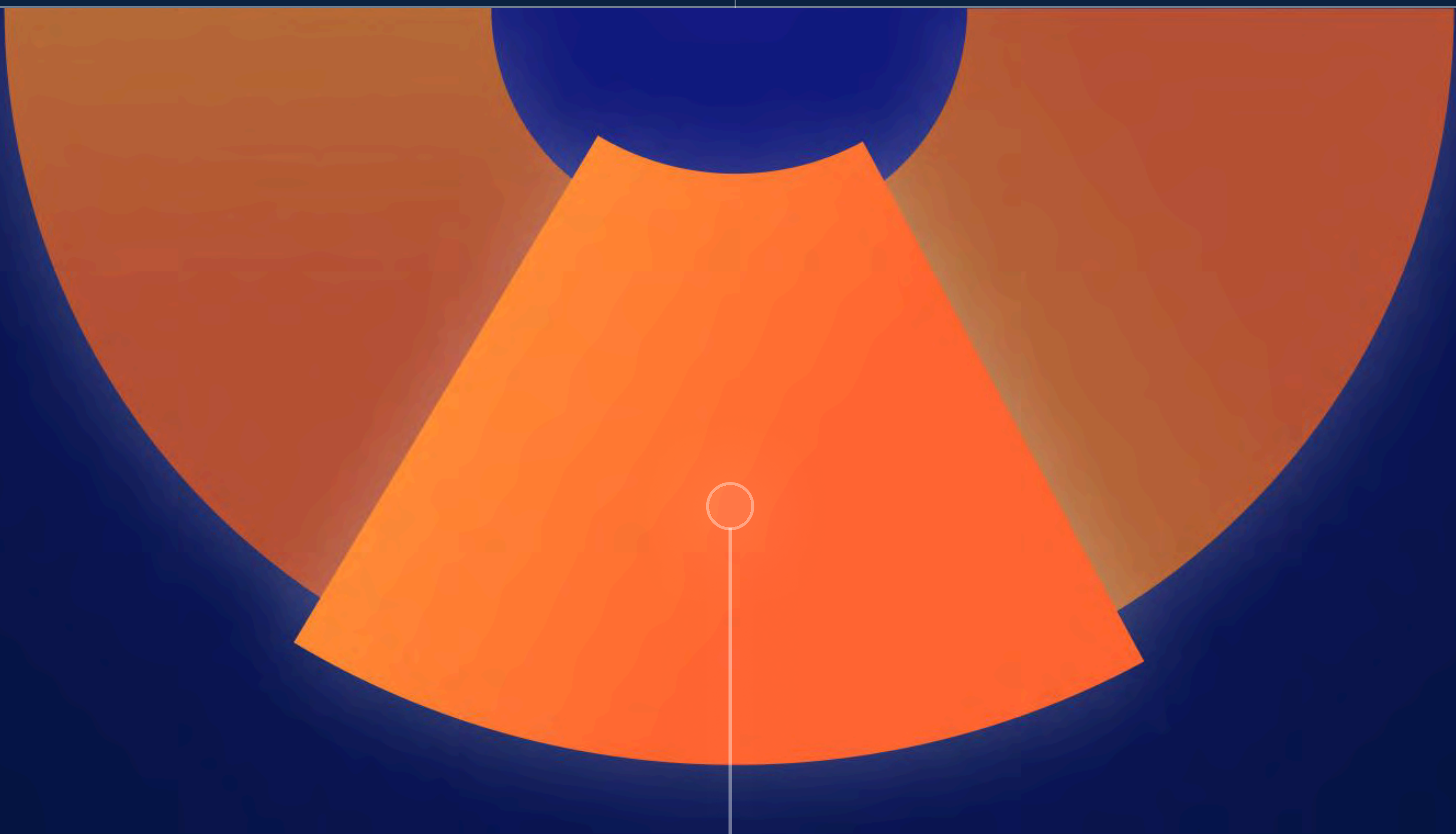
- Secure explicit sponsorship from the top for modern payment systems and capabilities. Ensure a clear long-term vision that aligns investment sequencing, risk management, and modernization priorities across the organization.
- Commit to continuous improvement by building stable, interoperable platforms that deliver seamless customer experiences and new payment types, features, and functions that create a competitive advantage.
- Treat payments as both a customer experience lever and a competitive differentiator, positioning them to drive loyalty, conversion, and deeper engagement across channels.
- Invest in orchestration capabilities that enable greater reach and leverage more networks so leadership decisions directly connect to better outcomes for margin optimization, revenue growth, and customer lifetime value.
- Plan for innovation with discipline, balancing readiness for next-generation technologies with the need for resiliency, compliance, and long-term returns.

These drivers reflect whether payments are viewed as executive-level concerns and whether modernization efforts are sustained and proactive. Instead, most companies (30%) aren’t prioritizing payments system innovation at the C-suite level.



# The leadership blueprint

The eight leadership attributes can be formed into three foundational pillars that define high-performing payment organizations. Together, they offer a practical framework for all industry players including banks, merchants, service providers (companies that send bills or offer subscription services) to move from ambition to action and lead with confidence in a complex ecosystem.



**PILLAR TWO**

Capability & talent activation



**25%**  
prevalence

Believe their organization attracts, develops, and retains top payments and technology talent



**45%**  
prevalence

Thinks they prioritize investments in real-time payments, security, and interoperability

Leading in payments requires deep domain expertise, technical skill, and a culture of continuous learning. That means partnering with the right people or investing in technology and systems that can execute at scale. Equally important is the infrastructure that supports this talent: interoperable platforms, intelligent payment hubs, and AI-driven systems that orchestrate activity across all payment networks and geographies. For financial institutions, merchants, and service providers, here's how that can look:

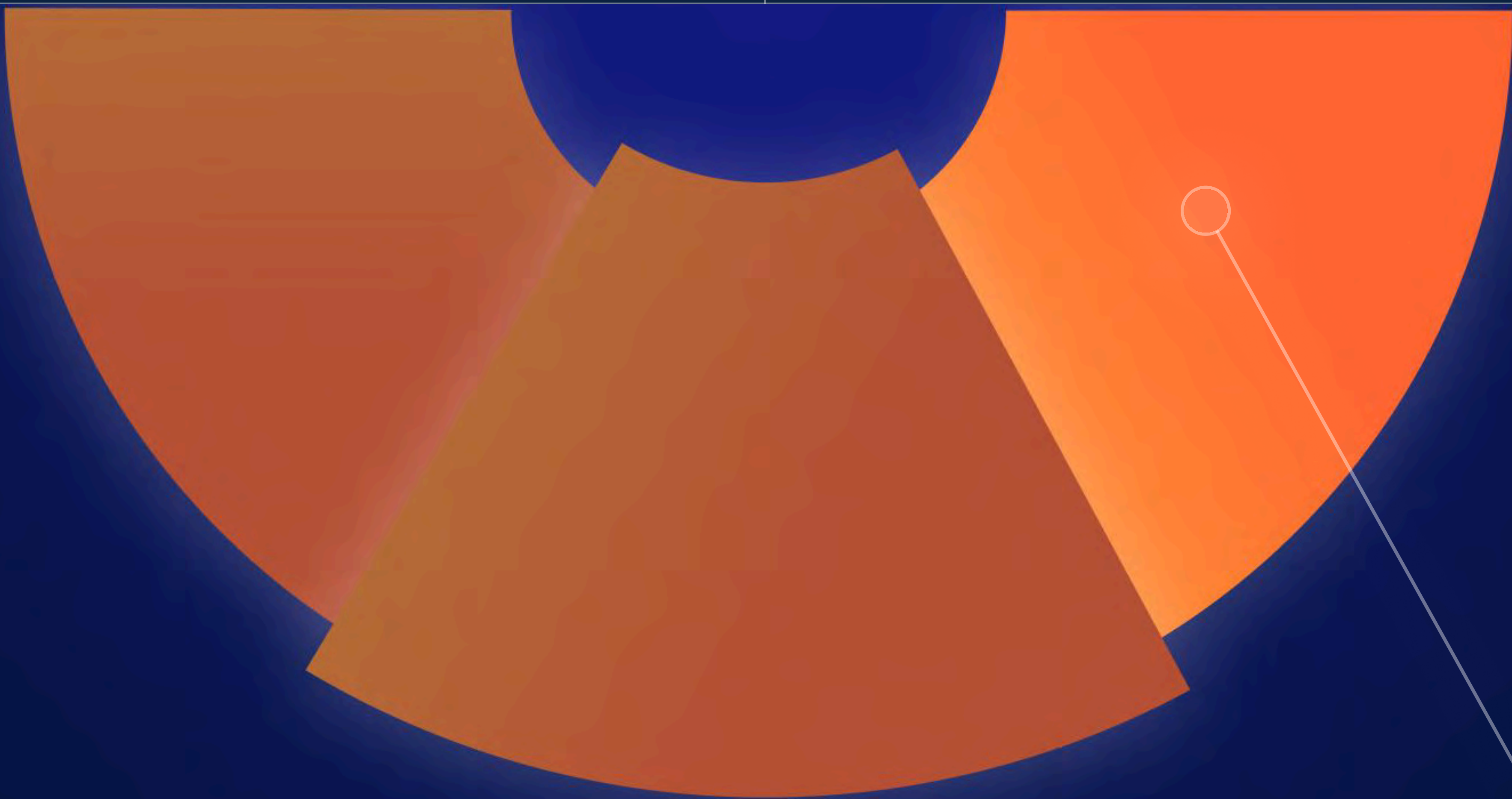
- Develop deep domain expertise and technical skill by creating payment centers of excellence and training programs that foster continuous learning across compliance, risk, product, and technology teams.
- Pair talent with the right infrastructure, investing in interoperable platforms, intelligent payment hubs, and modular systems that enable scale, resiliency, and orchestration across all networks and geographies.
- Combine AI-driven automation with skilled oversight in areas like fraud detection, sanctions screening, reconciliation, exception handling, chargebacks, and return policies to enhance efficiency while reinforcing trust.
- Treat payments orchestration as an enterprise capability, ensuring a business strategy that goes beyond IT and includes marketing, product, and customer experience functions.
- Partner strategically to strengthen capabilities, engaging with providers who bring the systems and expertise to accelerate modernization while supporting internal talent development.

Organizations that support strategic partnerships for talent and infrastructure gain the capacity to execute consistently, at scale, and mitigate the chance for failure.



# The leadership blueprint

The eight leadership attributes can be formed into three foundational pillars that define high-performing payment organizations. Together, they offer a practical framework for all industry players including banks, merchants, service providers (companies that send bills or offer subscription services) to move from ambition to action and lead with confidence in a complex ecosystem.



To stay competitive, payment leaders need the ability to anticipate change, act quickly, and adjust to keep pace with customer expectations. Staying agile comes from modern infrastructure, modular design, and intelligent orchestration. It also depends on a culture that sees regulation as potential for innovation. Here's how organizations can practice readiness:

- Adopt modular, API-native infrastructure in partnership with technology providers to support rapid product launches and seamless adaptation to regulatory change.
- Leverage AI-driven decisioning and analytics to enhance risk management, fraud prevention, forecast trends, personalize experiences, and accelerate approvals while reducing friction.
- Treat regulation and standards as a catalyst for innovation, viewing mandates such as ISO 20022, and open banking as opportunities to modernize and differentiate.
- Continuously optimize payment and checkout flows with payments orchestration that adapts acceptance strategies, methods, and timing across channels, regions, and customer needs.
- Stay prepared for regulatory mandates by adopting flexible software that constantly adapts with the changing requirements.

## PILLAR THREE

### Agility & future readiness



37%  
prevalence

Think that their organization can rapidly launch new payment products or adapt to regulatory changes



41%  
prevalence

Believe they actively track emerging payment trends and adjust our strategy accordingly



41%  
prevalence

Think that their organization proactively anticipate and respond to shifts in consumer payment preferences



# Summary

True leadership in payments is earned through action. These three pillars—executive ownership and long-term vision, capability and talent activation, and agility and future readiness—highlight the framework that top financial institutions, service providers, or merchants follow every day. Executive ownership ensures payments are treated as a strategy, strong capabilities turn plans into measurable results, and agility stays ahead of a changing market. The organizations that embrace all three are not just keeping up with industry change, they are defining it.

## At a glance

Many organizations believe they are ahead of the curve, but the evidence shows gaps in strategy, talent, and infrastructure.

---

Payments innovation often lacks consistent C-suite sponsorship. Legacy systems still drag on innovation.

---

Talent development and retention remain opportunities to improve.

---

The eight attributes identified in our research, organized through the three leadership pillars, provide a clear path forward. These concrete drivers are already pushing the most innovative companies to the forefront of payments.



# An ecosystem in transition

## Implications for navigating a space of rapid change

The barriers, drivers, and leadership blueprint we’ve discussed so far are the "micro-changes" of the industry that are setting up leaders for success. Now, when we look from a macro perspective, we’re seeing three large scale ecosystem transitions that are redefining how money moves. Those shifts are: the modernization of infrastructure, a heightened investment in protections and risk management, and optimizing performance increasing transaction decisioning automation. Those who are most successful with the leadership attributes will fare better in the face of these changes.

Based on current state findings, here’s what organizations are already grappling with through these shifts and what it means for competition today.





# Ecosystem shift 1:

## The modernization of payments infrastructure

For decades, payments infrastructure was built on what was then the most advanced technology available. Those systems served their purpose in an earlier era, but the technology foundation has since shifted. Today's always-on economy runs on immediacy, flexibility, and seamless orchestration that these older systems were not designed to deliver. Even after decades of upgrades and patches, it remains rigid and costly to maintain, and these legacy systems have become increasingly intertwined and are part of a complicated web of other interdependent systems making them harder and harder to replace or innovate on top of.

Modern organizations look very different from before. Today's infrastructure supports many different types of payments, which can support cards and non-card based payments such as account to account and instant. These systems are built on modular platforms that allow organizations to add new services and compliance controls without having downstream implications to other processes. Intelligent orchestration and payment hubs are managing each transaction dynamically based on many different factors which can include; payment type, channel, cost, risk, and regulatory needs. Modern infrastructure has become the backbone for agility, operational efficiency, experiences and better outcomes.

The implication is that modernization is not a discretionary upgrade, but essential for leadership. Stand-out organizations continue to make the hard choices about sequencing investments, retiring aging infrastructure, and building future-ready platforms while managing balance-sheet risk, navigating regulatory complexity, and holding off ever-more sophisticated fraud. Remember, our data showed that while 69% of organizations believe they are leaders, less than half have a clear modernization roadmap and only a quarter are actively phasing out legacy systems. That gap is where the true opportunity lies.

### How industry leaders are staying current and moving ahead:

- Shift from legacy systems to modular, API-driven platforms that enable orchestration, scalability, and integration across all payment types such as; real-time, card, account-to-account, and alternative payments such as BNPL, crypto currencies, and stablecoins.
- Adopt intelligent orchestration layers to optimize routing, reduce declines, improve reconciliation, and accelerate collections while lowering transaction costs.
- Prepare for emerging payment innovations so adoption is seamless when demand accelerates.
- Align modernization with compliance and customer expectations, ensuring systems can meet all the complex industry and regulatory requirements while delivering more flexible, and better customer experiences.





# Ecosystem shift 2:

## Advancing trust, protection, and identity

The warning signs are already here. Fraud attacks are rising at the same pace as instant payments expand. In the UK, authorized push payment (APP) scams are surging alongside Faster Payments. In the US, the launch of the FedNow® Service has raised industry discussion about how fraudsters will exploit instant networks. ACI's Scamscope report projects that APP scams over instant networks will account for ~80% of all APP scam losses by 2028, reaching about US\$6.1 billion.<sup>7</sup>

In response, the technologies that define the trust framework have advanced. Biometric authentication has become a standard in security through devices like Apple Face ID and fingerprint sensors. The EU is piloting decentralized digital identities that allow people to carry verifiable credentials across institutions. On the risk side, federated machine learning lets institutions share anonymized fraud signals without exposing sensitive data, strengthening collective defenses.

Risk management has become richer, more dynamic, and contextual. Digital identity is now more persistent and common across devices and channels for an individual payee. Fraud abatement has improved with greater ability to predict blocking threats before they land. Compliance processes such as sanctions screening run through AI engines, driving better outcomes and automating more processes.

That said, systems must be built to accommodate all the traditional ways to pay and processes that go along with it. New ways to pay, new payment types and new ways to accept payments are all additive to what already exists. For example, the use of passwords will not disappear completely, just as checks and cash remain part of the landscape even as volumes shift. Tokenization and digital identity are already reshaping consumer experiences and making it easier to initiate a payment, however they will co-exist alongside traditional methods to verify and validate credentials. For leaders, the challenge is to build layered defenses that combine old and new, securing the system without disrupting customer experience.

Our survey results reinforce the gap. While most organizations view themselves as balancing innovation with security and compliance, 74% admit they are not prioritizing talent retention or actively retiring outdated systems. That can leave fraud and protection services frameworks fragmented, and customer confidence vulnerable. Customers expect their payments to be secure, automatic, and instant. Meeting that expectation requires continuous reinvestment in protections, integrated fraud orchestration across channels, and leadership willing to treat protection as a competitive differentiator, not just a compliance requirement.

7. <https://www.aciworldwide.com/blog/the-battle-for-trust-the-billion-dollar-reality-of-app-scams>

### How industry leaders are boosting protections:

- Advance AI-driven fraud and risk models that predict and prevent threats in real time, reducing false positives while safeguarding revenue and customer trust.
- Strengthen identity and authentication frameworks with biometrics, device-bound credentials, and digital identity tools that secure interactions across all channels while keeping friction low.
- Expand participation in federated intelligence networks to share anonymized risk signals, detect anomalies, and combat fraud collectively without exposing sensitive data.
- Embed contextual fraud orchestration into core systems, ensuring every transaction is evaluated in relation to user behavior, device trust, and payment patterns.
- Reinforce trust through transparency and brand alignment, using clear customer communication and visible security measures to position protection as both a safeguard and a differentiator.





# Ecosystem shift 3:

## Maximizing performance in the era of automation

Paying has always been a clear action. You would enter a card number, type a password, or sign a receipt. Today, paying feels simpler than ever. Mobile wallets make “tap to pay” feel effortless. Amazon’s Just Walk Out technology lets customers walk out with purchases automatically billed. Subscriptions and auto-replenishment flows mean payments happen without conscious input. Automated transactions are no longer a glimpse of the future. They are already part of daily life.

Soon, AI systems will more regularly monitor balances, recognize needs, and authorize transactions without prompting. A utility bill might be paid the moment usage hits a threshold. A digital assistant might handle renewals or shift a payment method based on account behavior. As these experiences become more common, traditional checkouts continue to become more automated.

This shift carries real implications. Customers now expect every payment to be as seamless as the apps and services they already use. That expectation spans both traditional and modern methods. Meeting it requires organizations to maintain resiliency while orchestrating across more networks, more geographies, and more customer journeys. Our survey data shows the readiness gap: 55% of executives admit they are not fully using the technology already available. Automation doesn’t wait for laggards to catch up, but customers do not want to feel the side effects of the modernization process. They expect operational resilience as systems are modernized.

So the question becomes about how quickly organizations can adapt. Automated transactions increase the pressure on systems to protect liquidity in real time, safeguard trust across channels, and ensure continuity no matter how customers choose to pay.

### How industry leaders are maintaining performance during modernization:

- Develop AI-driven agents and automation that can handle transactions, subscriptions, and commerce flows on behalf of customers, reducing friction and enabling proactive financial management.
- Advance value-added and personalized services that enrich the customer journey and go beyond commoditized payments.
- Evolve loyalty and rewards into seamless experiences, ensuring that incentives, financing, and offers are woven directly into automated, agent-led journeys rather than bolted on.
- Strengthen fraud, identity, and security frameworks so that agent-driven transactions remain both frictionless and secure.





# Optimizing performance and protection through modernization in a changing ecosystem

This report makes one thing clear: the transformation of payments is underway. Systems are being rebuilt, intelligence is being embedded, and customer experiences are being reshaped today. The eight attributes identified in our research show how high-performing organizations rise to the challenges of these new dynamics, laying out the fundamentals that every organization should strive for. Meanwhile, the three pillars—executive ownership and long-term vision, capability and talent activation, and agility and future readiness—provide a blueprint for leaders to act with intent today.

Ultimately, the challenge is about meeting the expectations of the payees themselves. Businesses and consumers now assume payments will be instant, seamless, and secure every time. To deliver that consistently while juggling modernization, protection, and expanding regulatory and industry requirements is enormously difficult. Yet it is also the differentiator.

In today's market, adapting to rapid change is the foundation that protects liquidity, trust, and continuity in a volatile market. Modernization is the unlock, replacing rigid legacy systems with the agility to adapt as networks, customer behaviors, and regulations shift. Protection is the constant, ensuring security and compliance evolve alongside speed and intelligence.

**The ecosystem is changing.**  
The blueprint for innovation is here.  
With it, every payments player has the  
**opportunity to lead.**



# ACI Worldwide:

## Your partner in navigating the future of payments

ACI Worldwide, an original innovator in global payments technology, delivers transformative software solutions that power intelligent payments orchestration on-demand, so banks, billing organizations, and merchants can drive growth, while continuously modernizing their payment infrastructures, simply and securely. With 50 years of trusted payments expertise, we combine our global footprint with a local presence to offer enhanced payment experiences to stay ahead of constantly changing payment challenges and opportunities.

To understand how ACI can help your organization prepare for the future, contact us today.

### CONTACT US

[www.aciworldwide.com](http://www.aciworldwide.com)

@ACI\_Worldwide

[contact@aciworldwide.com](mailto:contact@aciworldwide.com)

Americas +1 402 390 7600

Asia Pacific +65 6334 4843

Europe, Middle East, Africa +44 (0) 1923 816393

© Copyright ACI Worldwide, Inc. 2025 ACI, ACI Worldwide, ACI Payments, Inc., ACI Pay, Speedpay, and all ACI product/solution names are trademarks or registered trademarks of ACI Worldwide, Inc., or one of its subsidiaries, in the United States, other countries, or both. Other parties' trademarks referenced are the property of their respective owners.



# Appendix

## Glossary

**Executive ownership and long-term vision:** One of the three leadership pillars identified in our analysis. Refers to explicit C-suite sponsorship of payments innovation, backed by a clear modernization roadmap and active phasing-out of legacy infrastructure.

**Capability and talent activation:** A leadership pillar focused on building and sustaining the people, skills and infrastructure needed to execute consistently at scale. This includes attracting top talent, investing in modern payment hubs, and embedding AI-driven orchestration.

**Agility and future readiness:** The third leadership pillar, defined by the ability to anticipate market changes, rapidly launch new products, and adapt to evolving customer preferences and regulatory mandates.

**Leadership (in payments):** An organization’s ability to shape the industry’s direction by being a first mover on technology adoption, embedding payments in enterprise strategy, and investing ahead of both competition and regulation.

**Innovation (in payments):** The design and deployment of new products, processes, and business models that deliver measurable improvements in speed, security, interoperability, or customer experience.

**Payments orchestration:** Dynamic routing and optimization of payments across multiple networks, partners, and geographies in real time, balancing factors like cost, speed, risk, and compliance.

**Stablecoins:** A type of digital currency designed to maintain a stable value by pegging to a fiat currency or commodity, combining digital efficiency with traditional price stability.

**Payment hubs:** Modern, API-native platforms that unify and centralize payment processing, enabling real-time capabilities, modular service deployment, and interoperability across networks.

**Federated machine learning (FML):** An AI technique where models are trained across multiple institutions or devices without moving the underlying data, allowing shared intelligence while protecting privacy.

**Account-to-account (A2A) payments:** Direct transfer of value between accounts—bank, wallet, or other store of value—often bypassing traditional card or network intermediaries.

**Agentic commerce:** A form of embedded payments where AI-powered agents initiate and complete transactions on behalf of the user, based on context, usage, or predefined preferences.

**Service providers:** Companies that send bills or offer subscription services including consumer finance companies, insurance companies, education & universities, gaming & streaming services, insurance.



# Appendix

## Survey data collection and analysis

The findings in this report are based on a quantitative survey fielded in April 2025.

Sample Size: 500 qualified respondents

Segments:

- Financial institutions – 200 respondents
- Service providers (companies that send bills or offer subscription services) – 200 respondents
- Merchants – 100 respondents

Roles:

- Decision-makers – 200
- Influencers – 150
- Users – 150

Regions:

- North America – 200
- Europe – 100
- Latin America – 66
- Middle East & Africa – 66
- Asia Pacific – 68

Question themes:

- Perceived innovation ranking of industries
- Barriers and drivers of payments modernization
- Leadership self-assessment and operational attributes
- Ranking and prevalence of leadership traits
- Evaluation of modernization priorities, infrastructure, and agility

All respondents were screened to ensure direct involvement in payments strategy, operations, or technology.

### Analysis methodology

The analysis drew on survey data from 500 executives across financial institutions, merchants, and service providers using three primary approaches:

- Borda count ranking was used for all questions where respondents ranked barriers, drivers, or industries by importance. This method ensured that each ranking was weighted, so that a second- or third-place choice still contributed to the overall result.
- Agree–disagree scales (1–7) were used for attitudinal questions, such as whether payments innovation was a C-suite priority or whether technology was being fully utilized. For reporting clarity, some charts use Top 2 Box ratings, representing the percentage of respondents who selected the two highest satisfaction levels on the scale. These groupings are prevalent across pages 9-15.
- Principal component regression (PCR) was applied to link organizational attributes (e.g., long-term modernization roadmaps, talent retention, investment in real-time payments, etc.) to overall leadership outcomes. This identified the eight attributes that most strongly predicted leadership in payments and allowed us to group them into three pillars.

For any questions, please contact ACI Worldwide.