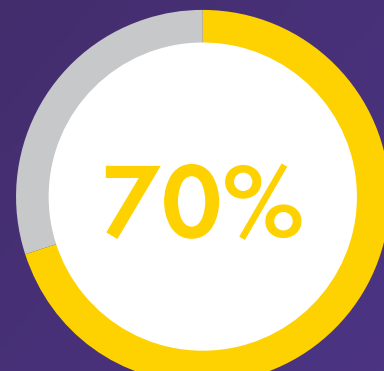


Harnessing the power of SaaS-based solutions to seize instant payments opportunities

The demand for instant payments is skyrocketing as digital customers expect everything to be available in real time at a competitive cost. In a world where time is currency and customer preferences evolve rapidly, these lightning-fast transactions define how we exchange value. Instant payments are quickly becoming a strategic imperative for banking and financial institutions enabling businesses to seize opportunities, fueling real-time commerce, promoting open banking and collaboration, and enhancing customer experience.

The complexity and cost of updating and upgrading existing back-end payment systems to support the evolving instant payments business needs is putting significant pressure on banks and they are struggling to keep pace.

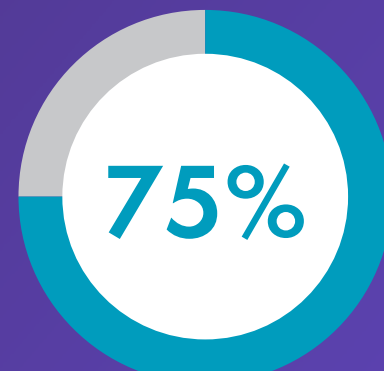
A new report by Datos Insights (formerly Aite Novarica) shows that financial institutions are struggling on several fronts



of banks report technical challenges of integrating with legacy systems to be an obstacle in introducing new products and services



of banks report their current payment systems are inadequate to support increasing payments volume and new services



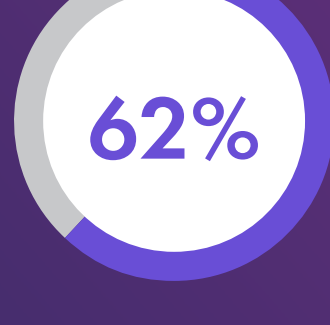
of banks expect demand for instant payments will continue to increase

Indecisiveness and failure to modernize payment infrastructure can prove detrimental for the banks to grow their business with

More than half of the banks have reported that 10% or more of their payment volume has already moved to a fintech provider.



Business customers are becoming more educated and have indicated the following important reasons for using instant payments



Improve operational efficiencies



Use of value-added/overlay services



Emergency/just-in payments



Provide better recipient/customer experience

Challenges with the traditional on-prem payment solutions



Compliance and regulatory demands are putting increased pressure on traditional banking systems. These challenges are exacerbated by varying global compliance rules and the complexities of integrating new payment rails and adhering to new standards like ISO 20022.



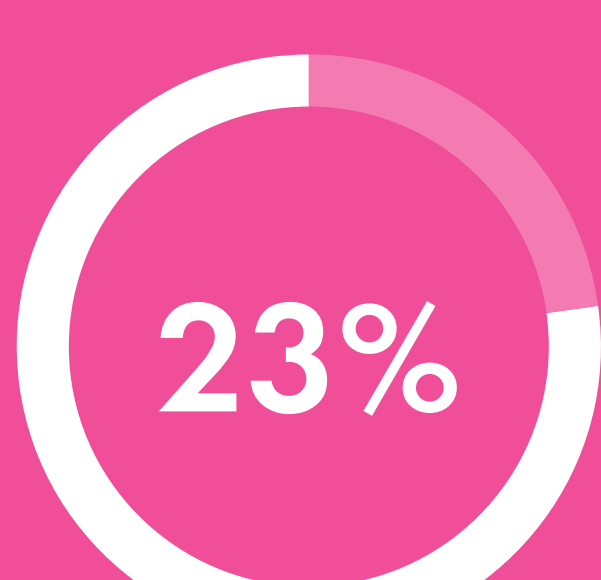
Value-added services are essential for personalized payment experiences. The surge in demand for services like dynamic currency conversion, warehousing, fraud prevention, and STP is evident. However, the existing siloed payments architecture struggles to accommodate these demands, placing it at a competitive disadvantage against agile fintech disruptors that operate outside legacy ecosystems.



Time-to-market significantly influences banking success. A swift time-to-market fosters revenue diversification and agility in adapting to market shifts. However, conventional on-prem solutions are ill-equipped to harness contemporary paradigms like BaaS, Open APIs, microservices, CBDCs, and open innovation platforms. This gap hinders legacy banks from forming lucrative partnerships with fintech entities, depriving them of co-innovation and co-creation prospects.

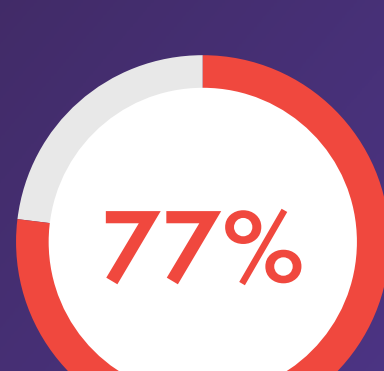
Navigating the digital-first economy with Payments as a Service solutions

With the demand for better payment capabilities continuing to increase, many FIs recognize the urgency to invest in payments technology. Increasing transaction volumes and the need for scalable and highly available services have shifted FIs in favor of cloud implementations, and Payments-as-a-Service (PaaS) solutions in particular, as it levels the playing field of accessibility to new payment technologies.

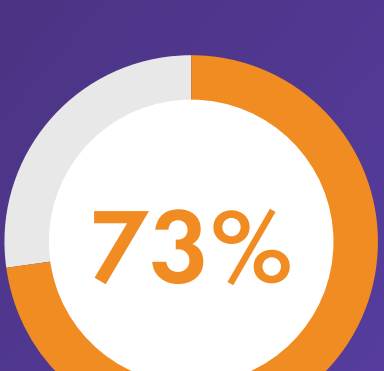


23% of banks have reported already moving their payments processing to the cloud

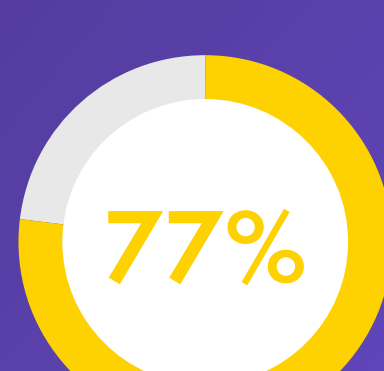
Banks indicated the following very important benefits of transitioning to Payments-as-a-Service solutions



Lower total cost of ownership



Launch new services faster



Reduce complexity of operations

Simplify your TARGET Instant Payments (TIPS) implementation with Payments To Go

Finastra Payments To Go provides out-of-the-box end-to-end payment processing for all payment types as a pre-configured and secured SaaS solution. Our solution prioritizes European payment requirements, providing connectivity for TIPS and easily integrating with existing infrastructure to boost adoption for instant payments and time-sensitive transactions. The solution's cloud-native architecture and modular design translate into shorter implementation times and reduced maintenance expenses compared to traditional on-premises setups, allowing banks to remain always-compliant with future scheme changes.

To ensure smooth instant payment operations, flexibility and scalability are paramount. Payments To Go, fueled by Microsoft Azure cloud technology, equips financial institutions with systems capable of swift scaling and accelerating growth of the European payments market. This adaptability significantly improves time-to-market, enabling EU banks to deliver innovative services, and reduce their TCO, which is crucial for staying competitive in the dynamic payments landscape. Also, adopting the cloud-based approach to instant payments can help banks meet evolving regulatory and compliance standards like ISO 20022 for global unified messaging.

By combining instant payments with our API-driven open innovation platform, FusionFabric.cloud, Payments To Go offers access to a marketplace brimming with rich fintech solutions, from fraud management to AML, corporate to ERP integration, and vital alternate payment methods like Visa Direct, essential for rapid progress in an interconnected economy.

Improve your payments experience and discover endless possibilities with Payments To Go!

Datos Insights Payments Modernization and Technology survey report

Find out more

Download the report