



# The Future of Business Payments: 2025 Technology Transformation

How payment technology is driving business transformation across sectors

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# Executive summary

In an era of rapid digital transformation, payment technology has emerged as a critical differentiator for businesses across all sectors, enhancing payment acceptance, fraud management, and other key processes and capabilities. PXP has undertaken a comprehensive study of US and UK businesses to gauge the appetite for tech-led business transformation, revealing that **64% of organisations now view payment technology as a strategic growth driver**, rather than just an operational necessity.

## The New Payment Landscape

The business payment landscape is undergoing its most significant transformation in decades. As digital acceleration continues to reshape customer expectations and business efficiencies, payment technology has evolved from a back-office utility to an all-encompassing strategic differentiator across virtually all operational aspects. There are many strands to payment technology, not just enhancing back-end operational flows like reporting, data analysis and business intelligence, but also reshaping front end and customer-facing interactions to increase merchants' appeal in an increasingly crowded and fiercer marketplace.

Our exclusive, in-depth research reveals that organisations across a range of sectors are no longer asking whether to invest in payment technology, but rather how to leverage it for maximum competitive advantage, and how best to implement it for the best results. While organisations may differ in their size, sector, and purpose, the common thread running through all of them is the recognition that payment technology represents the most accessible and viable means of transformation available to them.

Three key dimensions are driving this transformation, each reflecting a critical aspect of modern business operations:

## Security & Trust

**36%** of businesses rank enhanced security and fraud prevention as their top priority when selecting payment partners, reflecting the critical importance of maintaining customer trust in an increasingly digital economy. As fraud mutates into newer and harder-to-detect attack vectors, and with cybersecurity and IT network vulnerabilities exposing organisations to data breaches and cyber-criminals, it's no surprise that businesses will gravitate towards partners who can demonstrate proven fraud and security expertise.

The rise of AI-driven fraud has added a new layer of complexity to this challenge. Cybercriminals are now leveraging advanced AI technologies to create sophisticated attacks and to combat these emerging threats, businesses need payment partners who employ equally sophisticated AI-driven defense mechanisms.

In this context the partnership between payment providers and merchants becomes even more crucial in maintaining robust security measures while ensuring smooth transaction experiences for legitimate customers.

## Operational Excellence

High-profile payment system outages at retailers, airlines, and other payment-dependent organisations highlight how essential it is to have resilient and robust payment systems in place to ensure uninterrupted payment experiences for customers. Our survey reveals that peak period performance is crucial across all sectors, with **28%** of businesses citing system reliability during high-traffic and peak sales periods as a make-or-break factor for their operations.

## Growth & Scalability

In an increasingly global world, where more organisations are expanding cross-border, or striving to grow customer reach in their domestic markets, it's vital that payment technology evolves, flexes, and grows with them. Our survey shows that **17%** of businesses prioritise scalability in their payment technology decisions, highlighting how payment infrastructure has become fundamental to business expansion strategies.

## What are your top priorities when choosing a payment partner?

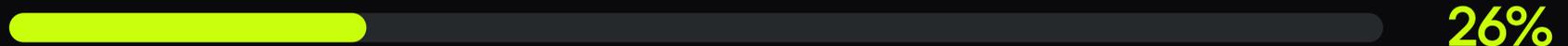
Enhanced security and fraud prevention



Reliability and resilience during peak transaction periods



Access to various payment methods and regional options



One, unified payment platform for all channels and providers



AI-enhanced engineering and services for payment processing



Scalability for growth and global expansion



Advanced analytics and reporting



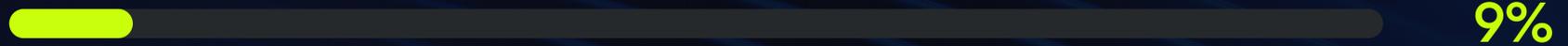
Superior integration experience



Our business challenges influencing roadmap of the partner



Access to a catalogue of microservices for easy plug and play



# Strategic Impact Across Sectors

## Business Growth Catalysts: The Strategic Evolution of Payments

Payment technology has evolved dramatically, and in many respects, far faster than businesses were anticipating. As such, now more than ever, payment technology and innovation are driving business growth in new ways. Today's organisations are discovering that payment systems can do far more than just process transactions – they can actively drive business expansion and innovation, and create much deeper and more intuitive connections with their customers.

Our research reveals that **60%** of businesses now see payment technology as fundamental to enhancing customer experiences in a growing range of ways. That includes merchant gateways that can accept a wide range of localised payment methods, enabling greater visibility over customer data and payment journeys to create more personalised products and offers. This shift represents a remarkable evolution in thinking: payment processes are no longer viewed as mere transaction enablers, but as critical touchpoints and relationship builders in the customer journey.

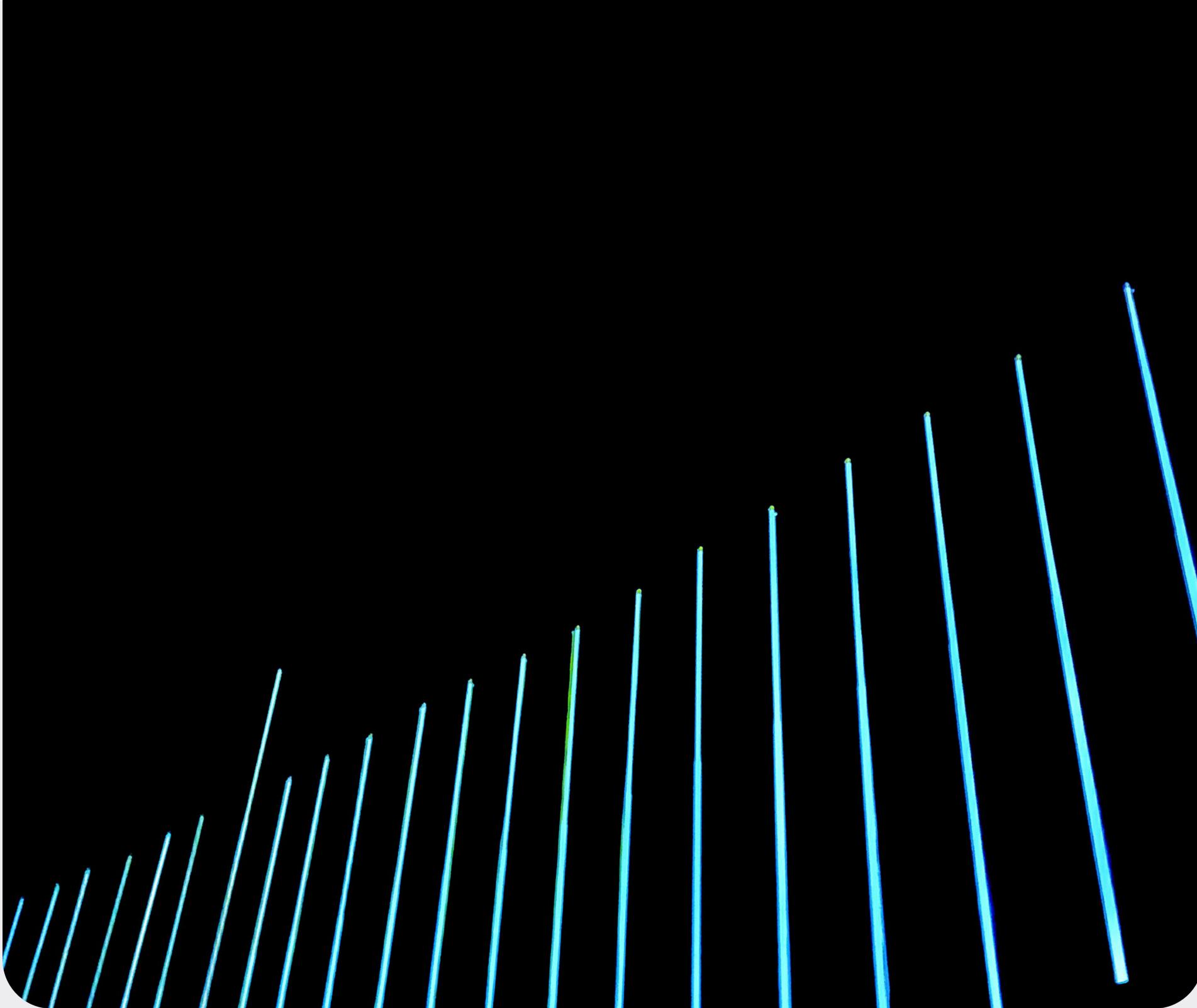
The innovation potential for payment technology to unlock new business opportunities is equally striking, with **51%** of organisations actively leveraging payment systems to create new revenue streams. From automated recurring payment or subscription models to embedded finance options integrated into existing business systems, businesses are finding ever-more creative ways to monetise payment capabilities, and increase their appeal to customers.

Market expansion through payment innovation is also gaining momentum, with traditional barriers to market entry being lowered, and enabling organisations to move and pivot quickly in the face of fast-changing customer demands. **49%** of companies are actively exploring new payment methods like digital wallets, account-to-account payments, and BNPL amongst others as key drivers for market penetration. This trend is particularly pronounced in cross-border commerce, where localised payment methods promise higher transaction conversions and more sales, making the difference between success and failure in new markets.

Our findings paint a clear picture: payment technology has moved from the back office to the boardroom, from a mere function to a key customer acquisition tool, and now becoming a key strategic consideration in business growth planning.

*Where could your business grow with the right payment technology?*





# Strategic Recommendations: Charting the Path Forward

The future of business payments requires a nuanced approach that considers both organisational size and market position. Our research has revealed clear patterns in successful payment technology strategies across different business segments.

# For Enterprise Organisations: Leading Through Innovation

Enterprise organisations are uniquely positioned to leverage payment technology as a competitive advantage. The path forward requires:



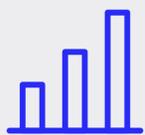
## 01 | Strategic Platform Investment

- Deploy integrated payment platforms that support global expansion
- Focus on scalability and cross-border capabilities
- Ensure compatibility with emerging payment methods



## 02 | Advanced Security Implementation

- Implement robust, AI-driven fraud prevention systems
- Develop comprehensive security frameworks
- Maintain compliance across multiple jurisdictions



## 03 | Data-Driven Decision Making

- Leverage real-time analytics for business insights
- Build predictive modeling capabilities
- Create unified customer payment profiles
- Design your perfect payment ecosystem with powerful self-service tools

# For Mid-Market Businesses: Balancing Growth and Efficiency

Mid-market organisations must balance innovation with operational efficiency. Key focus areas should include:



## 01 | Channel Unification

- Create seamless payment experiences across all channels
- Implement unified reporting systems
- Ensure consistent customer experience



## 02 | Customer-Centric Innovation

- Enhance payment flexibility to meet customer preferences
- Develop personalised payment experiences
- Focus on reducing friction in payment processes



## 03 | Analytical Capability Building

- Implement focused analytics solutions
- Use data to drive customer insights
- Build scalable reporting frameworks

# For Small Businesses: Smart, Scalable Solutions

Small businesses need to focus on foundational elements that can scale over time:



## 01 | Strategic Technology Selection

- Choose cost-effective, scalable payment solutions
- Focus on platforms with growth potential
- Ensure integration capabilities with major systems



## 02 | Security and Reliability

- Implement robust security measures
- Ensure system reliability and uptime
- Focus on fraud prevention basics



## 03 | Customer Experience Focus

- Invest in user-friendly payment interfaces
- Offer popular payment methods
- Build trust through transparent processes

These recommendations reflect not just current best practices but also emerging trends that will shape the future of business payments. The key is to select and implement solutions that align with both current capabilities and future ambitions.

# Business Model Analysis

Our research examines three distinct business models for payment technology as defined in the survey:



## eCommerce

Pure online ecommerce businesses that operate through digital channels show distinct preferences and priorities in their payment technology needs. In this segment, we found:

- Security and fraud prevention are paramount concerns
- Strong emphasis on cross-border payment capabilities
- High demand for diverse payment methods



## Brick-and-Mortar Stores

Physical, in-store operations present unique payment technology requirements:

- Integration with point-of-sale systems is crucial
- High priority on reliability during peak in-store periods
- Focus on in-person payment security

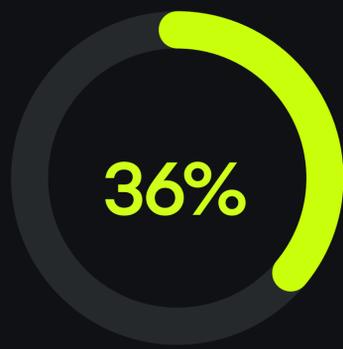


## Mixed Model (eCommerce + Brick-and-Mortar)

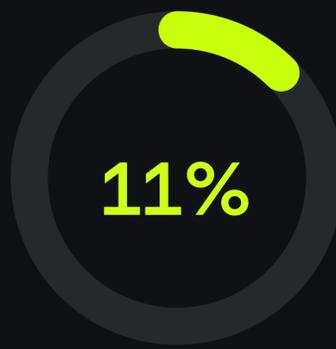
Omnichannel businesses operating both online and physical stores face unique challenges:

- Need for unified payment systems across channels
- Focus on consistent customer experience online and offline
- Priority on integrated data across all sales channels

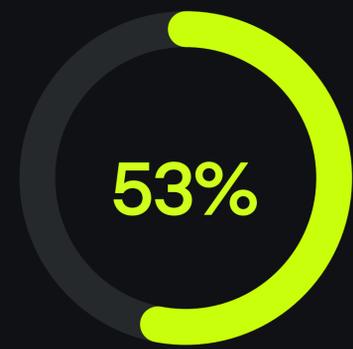
What is your primary business model?



eCommerce



Brick-and-mortar stores



A mix of both

## Business Model Impact: A Tale of Three Approaches

The impact of payment technology varies significantly across different business models, each facing unique challenges and opportunities in their payment transformation journey. To determine future business growth trajectories, it's vital to understand how payment technology affects and influences consumer payment choices, and how businesses can capitalize on those choices to bolster their revenues, identify new business opportunities, and strengthen their overall operations and market positioning.

### eCommerce: The Digital Pioneers

In the pure-play digital eCommerce space, security and fraud prevention have unsurprisingly emerged as mission-critical priorities. After all, customer trust is hard-won, and easily lost, especially in the eCommerce realm. With **41% of eCommerce businesses** citing fraud prevention as their top concern, it's clear that trust is the currency of digital commerce. These organisations are also leading the charge in cross-border commerce, with **20%** actively investing in international payment capabilities and see payments as a key factor for growth and global expansion.

The demand for flexible payment options in eCommerce is a constant, but what is particularly striking is the accelerating pace of adoption in the last few years, as new payment methods like account-to-account, BNPL and a plethora of digital wallets gain in popularity.

Our research shows that **34% of digital businesses** are expanding their payment method offerings adding regional options, recognising that payment preference can make or break a sale in the competitive online marketplace.

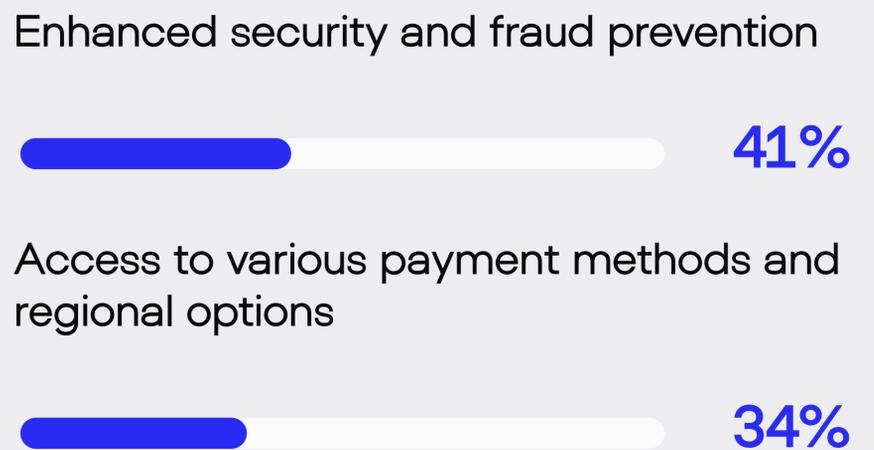
## Traditional Brick-and-Mortar Business: The Integration Imperative

For traditional in-store, bricks-and-mortar businesses, the challenges lie in modernising existing systems and integrating new POS acceptance and payment processing infrastructure while maintaining operational continuity and a consistent experience for customers. It follows that system integration emerged as the dominant concern, with **15%** of traditional businesses prioritising seamless integration of new payment technologies with existing infrastructure.

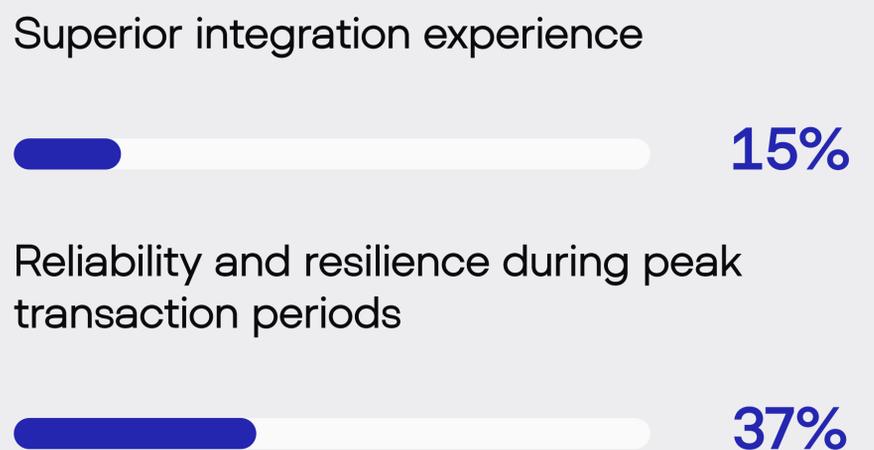
But seamless integration of new payment systems and infrastructure is meaningless if they don't perform consistently well, or can't offer platform stability with continuous uptime. That's why reliability and resilience remain paramount, particularly during peak business periods. **37% of traditional bricks-and-mortar businesses** cited system stability as a critical factor, reflecting the real-world impact of payment system downtime on their operations.

*What are your top priorities when choosing a payment partner per business model?*

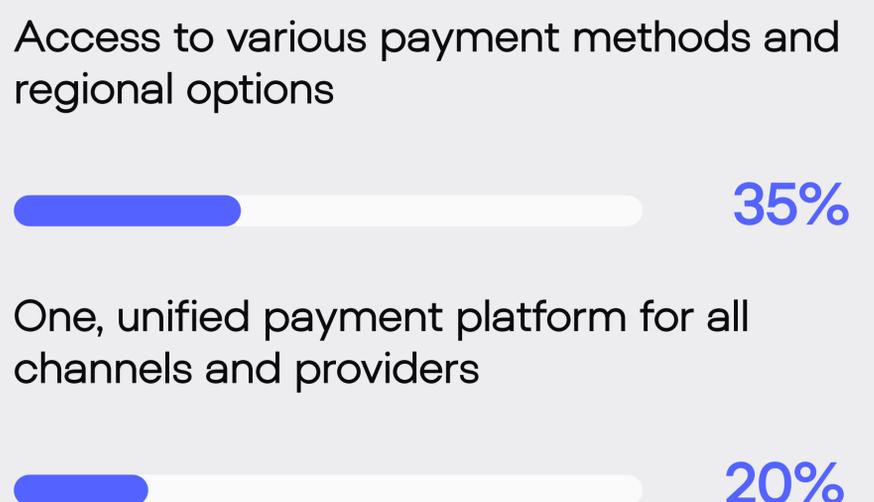
### eCommerce



### Brick-and-mortar



### Mixed model



# Mixed Model Operations: The Complexity Challenge

Organisations operating omnichannel or hybrid in-store/online models face perhaps the most complex payment landscape, with a multitude of integrations, channels, providers and infrastructure requirements to contend with. The focus on delivering a consistent customer experience is particularly noteworthy, with **20% of hybrid operators** working to unify their payment experience across channels. With more customer touchpoints in the mix, this is complemented by a strong focus on

enhanced security and fraud prevention, as **35% of hybrid businesses** prioritise these measures to protect customer transactions across all channels.

These distinctions highlight how payment technology strategies must be tailored to specific business models while maintaining focus on core objectives of data integration, reliability, and customer experience.

## Conclusions and recommendations

The stand-out finding from our report is that payment technology is no longer merely an operational tool, but a key driver of business transformation, with companies increasingly shifting focus from merely accepting payments to leveraging them for business innovation and customer acquisition. This shift underscores how payment systems are becoming integral to overall business strategies and act as a critical differentiator in competitive markets.

It's worth remembering that no two businesses are exactly alike - if organisations are to fully realise the benefits of payment technology, it's essential that they align implementations with their own unique business objectives and the needs of their customers. Businesses with distinct models (eCommerce, brick-and-mortar, or hybrid) must approach payment technology in ways that best meet their specific needs. But what our report shows is that **there are three common, core pillars of payment technology transformation:**



## Security and trust go hand-in-hand

With rising concerns around cyber threats, security and fraud prevention are top priorities for businesses that want to maintain customer trust and loyalty, especially those in the eCommerce realm.



## Consistent platform stability and customer experiences

The need for resilient and reliable payment systems is growing, with businesses demanding reliability not just during high-traffic moments like peak sales events, but 24/7/365. At the same time, businesses are leveraging payment technology to create deeper, more engaging connections with customers through targeted offers and enhanced service delivery.



## Growth and scalability are must-haves

Businesses are increasingly prioritising scalability in their payment solutions to facilitate global expansion and reach new markets and customers. Payment technology must be able to adapt and grow alongside them, not just to expand their market share, but to meet fast-changing customer demand and emerging market forces.

The future will demand increased flexibility, innovation, and responsiveness from businesses to stay competitive in a rapidly changing digital economy. Companies that integrate payments into their strategic planning and innovation processes will be best positioned for long-term growth and success.



Ready to unlock  
the full potential  
of your payments  
technology and  
boost your business?

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