

May 2024 eBook

IMPACT

STATEMENTS





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The 12 Impact Statements May 2024 eBook was produced in collaboration with Ingo Payments, and PYMNTS Intelligence is grateful for the company's support and insight. **PYMNTS Intelligence** retains full editorial control over the following findings, methodology and data analysis.

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CONSUMERS AND INSTANT

01

32%

Share of consumers who regularly choose instant payments to receive non-government disbursements, up by 11% in the last quarter

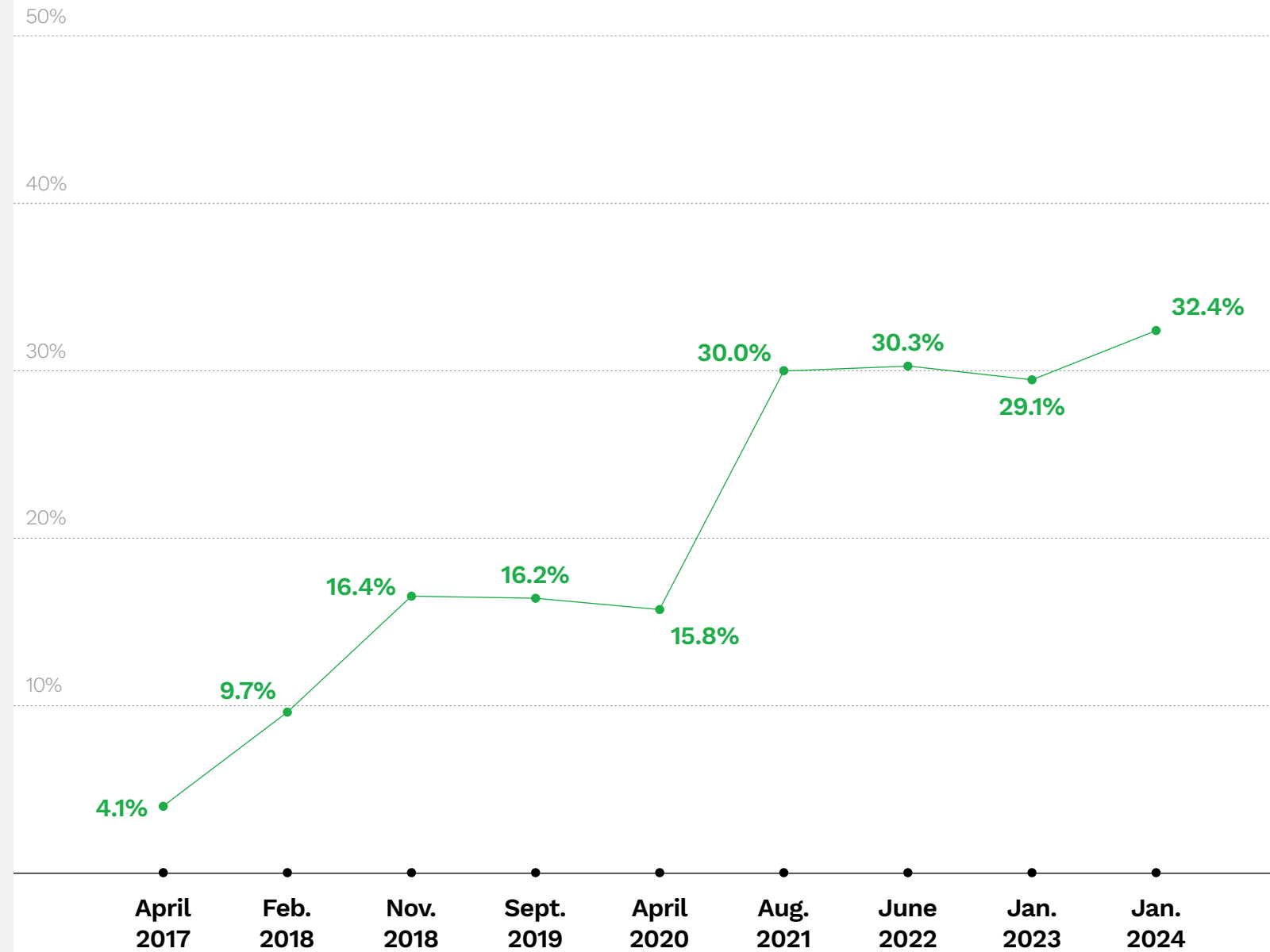
So what:

Consumer use of instant payments is on the rise and will likely continue to grow as more senders offer instant payment options.

FIGURE 1:

How instant has caught on as a primary way to receive nongovernment disbursements

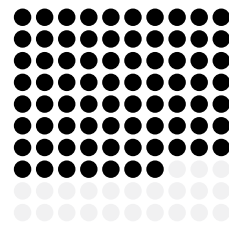
Share of consumers whose most typical way to receive nongovernment disbursements was via instant payments



Source: PYMNTS Intelligence
 Measuring Consumers' Growing Interest in Instant Payouts, March 2024
 N = 2,237: Consumers who received at least one disbursement over the last 12 months, fielded Dec. 28, 2023 – Jan. 22, 2024

02

77%



Share of consumers who would use instant payment methods if given the option

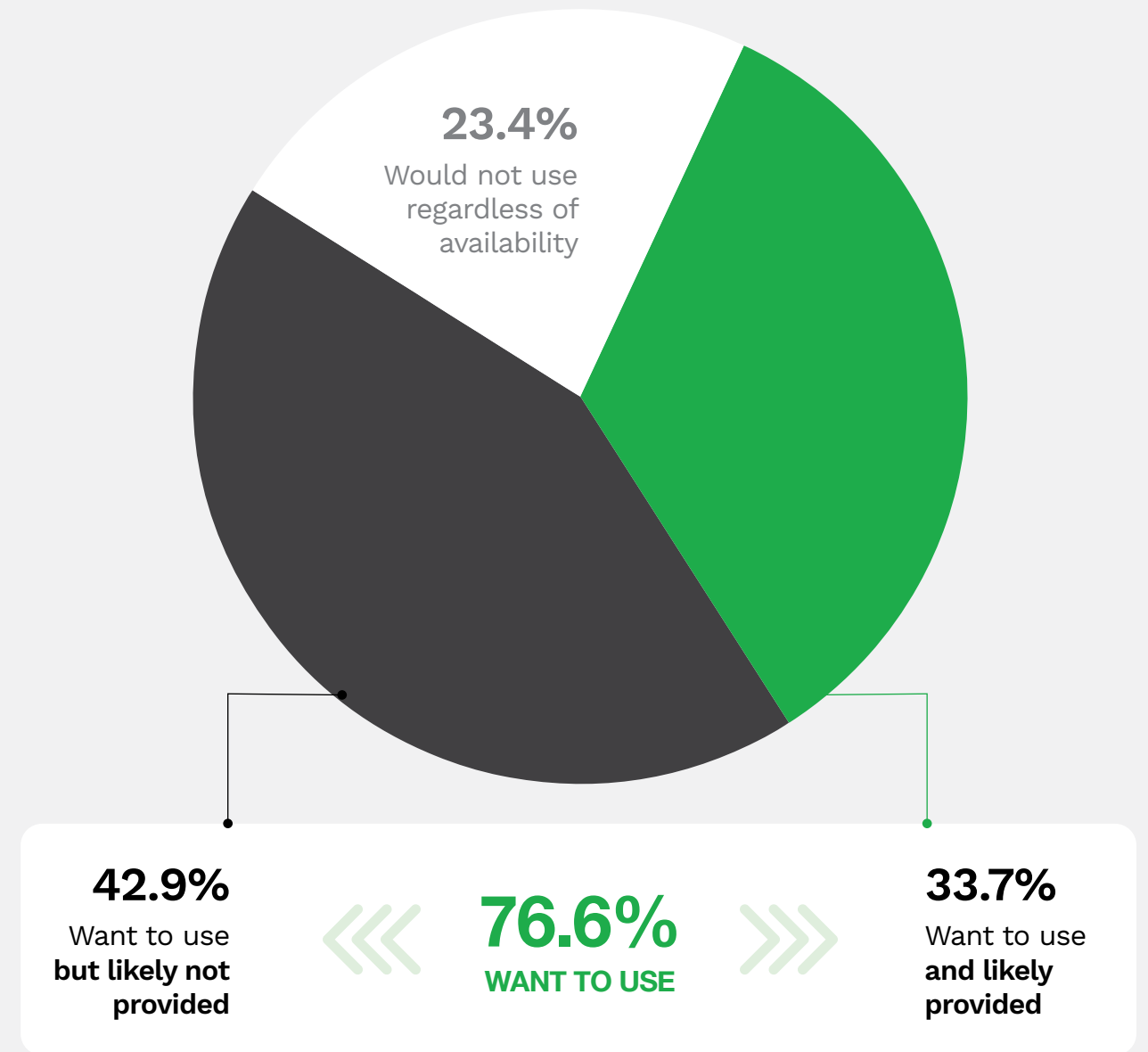
So what:

Consumers are vastly underprovided instant payments, as less than half of those who would use instant payments if given the option actually had the opportunity to do so.

FIGURE 2:

Instant choice versus availability

Share of consumers agreeing with select statements about their desire to use instant payments and whether it is available



Source: PYMNTS Intelligence
Measuring Consumers' Growing Interest in Instant Payouts, March 2024
N = 2,237: Consumers who received at least one disbursement in the last 12 months, fielded Dec. 28, 2023 – Jan. 22, 2024; N = 200: Whole sample of senders, fielded Jan. 5, 2024 – Jan. 25, 2024

03

77%



Share of consumers receiving disbursements instantly who were highly satisfied with the payment method

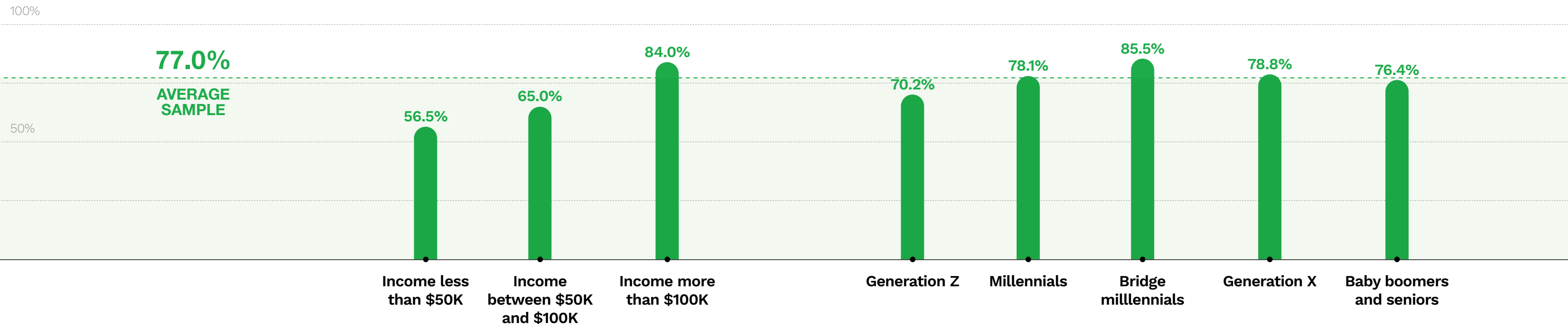
FIGURE 3:

Consumer satisfaction with instant payouts

Share of consumers who primarily use instant to receive nongovernment disbursements and are highly satisfied with instant payments when receiving disbursements, by demographic

So what:

Consumers are generally highly satisfied with instant payment methods, which could encourage higher usage rates.



Source: PYMNTS Intelligence

Measuring Consumers' Growing Interest in Instant Payouts, March 2024

N varies by the number of disbursements received in the last 12 months, fielded Dec. 28, 2023 – Jan. 22, 2024

04

14% 

Amount by which the share of consumers willing to pay a fee to receive payments instantly increased over the past year

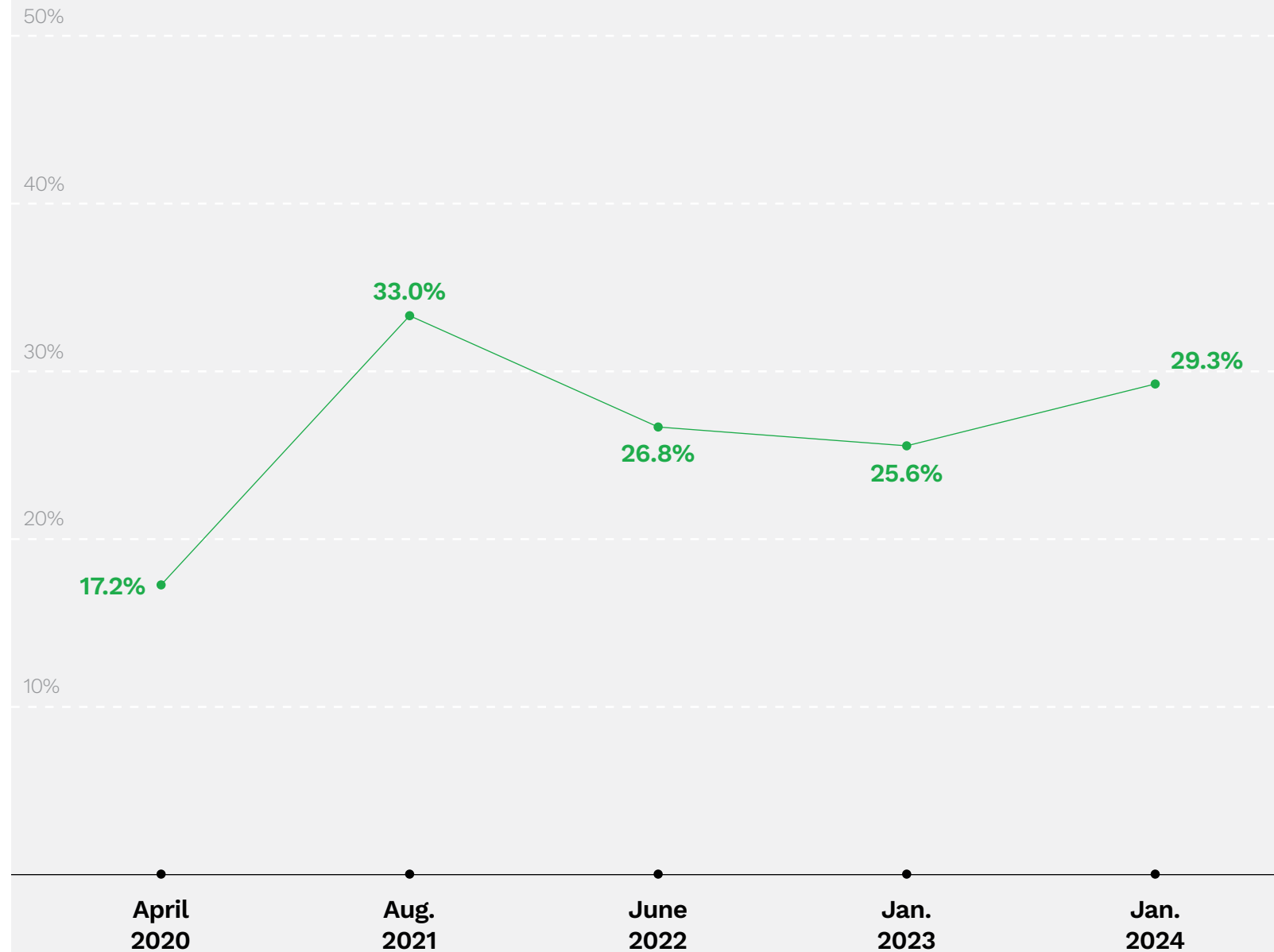
So what:

As instant payments are growing more popular and satisfaction with the payment method is rising, fees are becoming less of an issue for consumers.

FIGURE 4:

Willingness to pay for instant disbursements

Share of consumers willing to pay a fee to receive instant payments



Source: PYMNTS Intelligence
Measuring Consumers' Growing Interest in Instant Payouts, March 2024
 N = 2,237: Consumers who received at least one disbursement over the last 12 months, fielded Dec. 28, 2023 – Jan. 22, 2024



SMBs AND INSTANT

05

72%



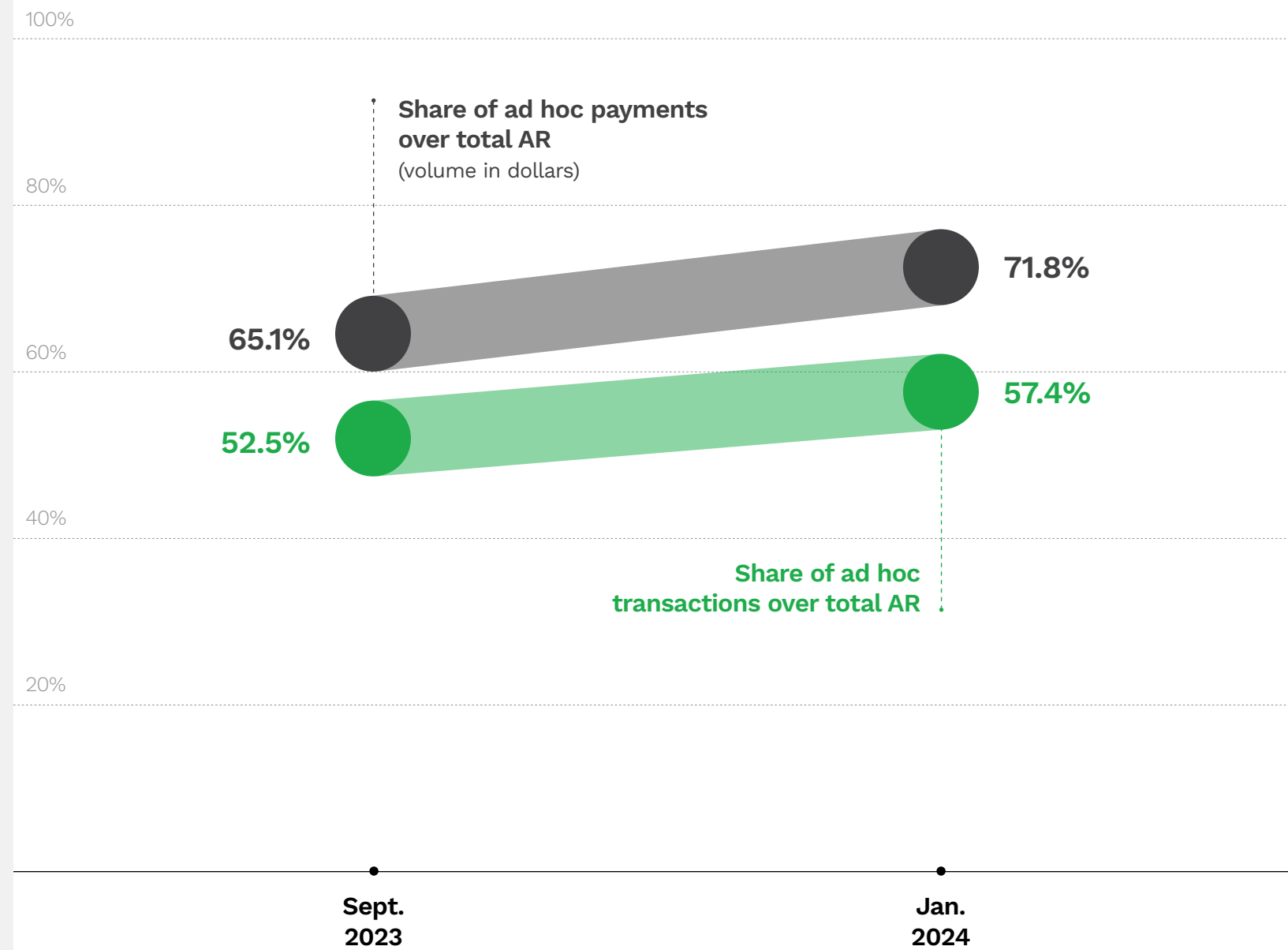
Share of SMB receivers' monthly AR that are ad hoc payments, in dollar volume

So what:

Ad hoc payments comprise the majority of small to mid-sized businesses' (SMBs') accounts receivable (AR) in dollars, meaning a delay in funds could be devastating to their cash flows.

FIGURE 5:
Ad hoc payments volume

Average share of SMBs' monthly receivables that are ad hoc payments, by transaction volume and dollar volume



Source: PYMNTS Intelligence
How Instant Ad Hoc Payment Costs Impact Small SMBs, April 2024
N = 405: Complete responses, fielded Dec. 29, 2023 – Jan. 18, 2024

06

39%

Share of ad hoc payments received by SMBs that were received instantly

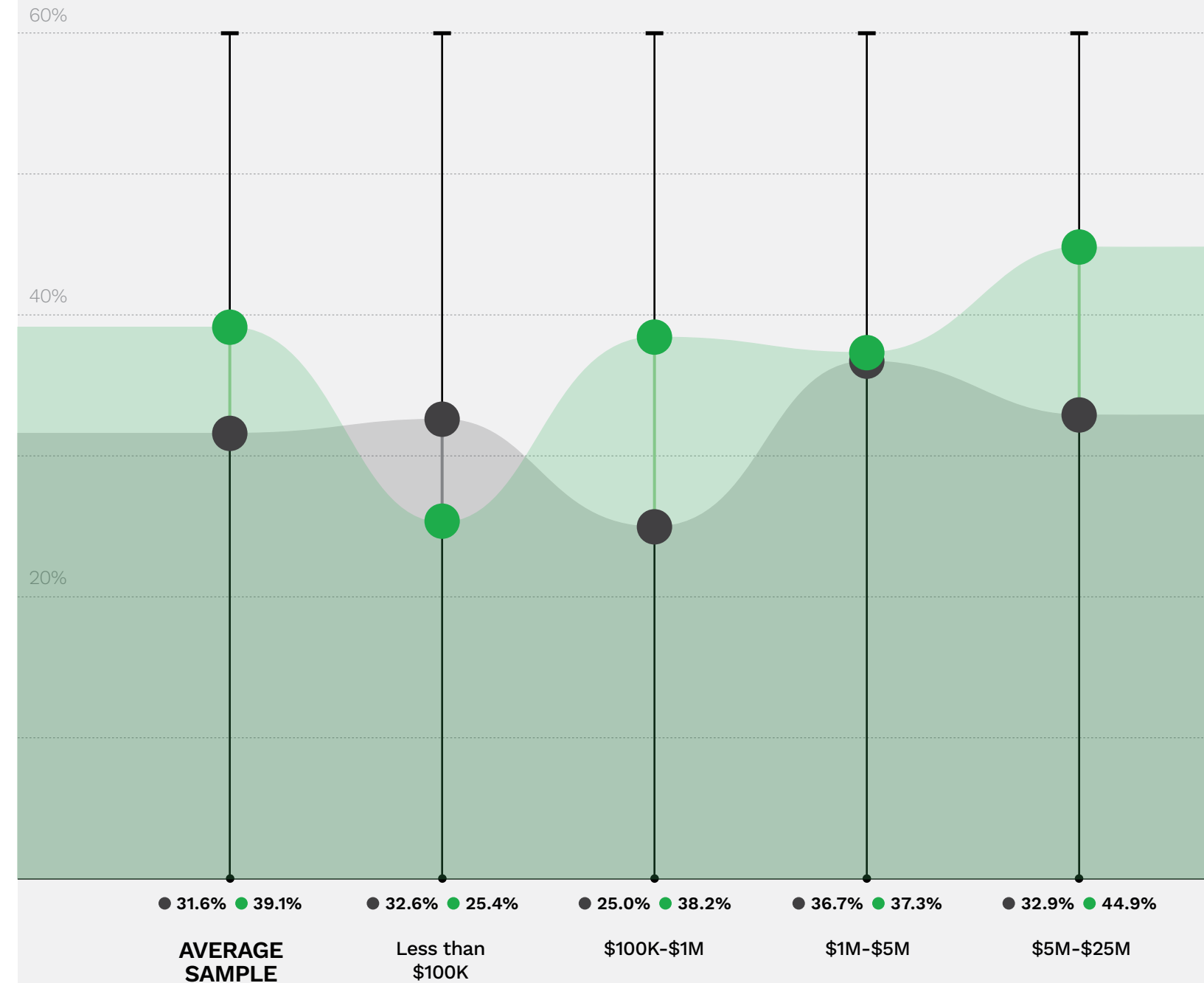
So what:

Small SMBs' portion of ad hoc payments received instantly was up 24% in the last quarter, indicating that usage is undergoing a rapid rise among companies generating less than \$25 million in revenue.

FIGURE 6:

Small SMBs' volume of instant ad hoc payments

Share of ad hoc payments received via instant, over time and by annual revenue



● Sept. 2023
● Jan. 2024

Source: PYMNTS Intelligence
How Instant Ad Hoc Payment Costs Impact Small SMBs, April 2024
N = 405: Complete responses, fielded Dec. 29, 2023 – Jan. 18, 2024

07

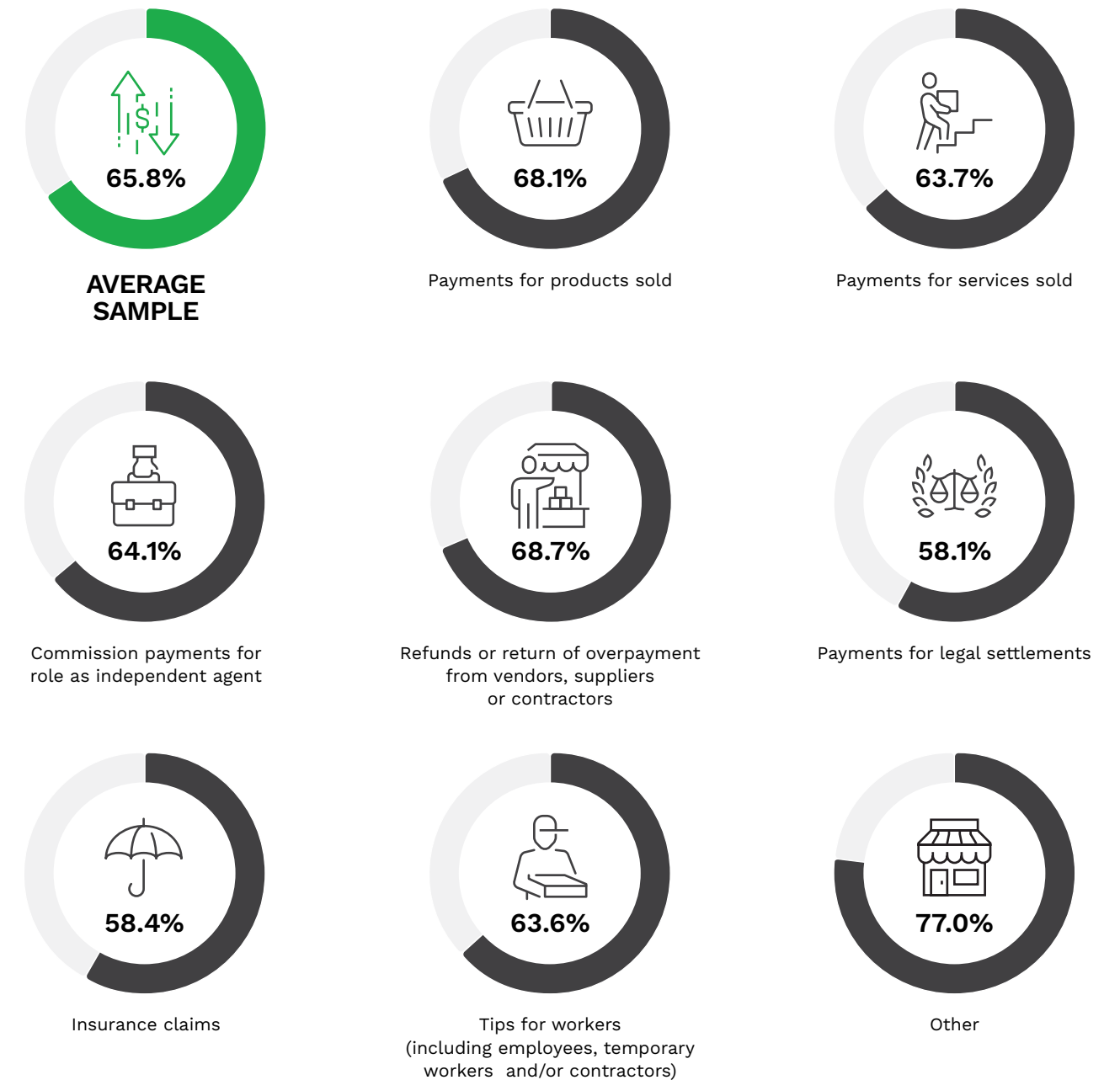
66% 

Share of receivers who would use instant payment methods if given the option

So what:

With only 39% of ad hoc payments currently received instantly, the share of receivers selecting instant payment methods could rise significantly if more senders offered this payment method.

FIGURE 7:
How many SMBs would use instant to receive ad hoc payments
 Share of receivers who would use instant payment methods if given the option



Source: PYMNTS Intelligence
How Instant Ad Hoc Payment Costs Impact Small SMBs, April 2024
 N = 405: Complete responses, fielded Dec. 29, 2023 – Jan. 18, 2024

08

25%

Share of receivers who cited poor payment timing as their biggest issue with receiving ad hoc payments

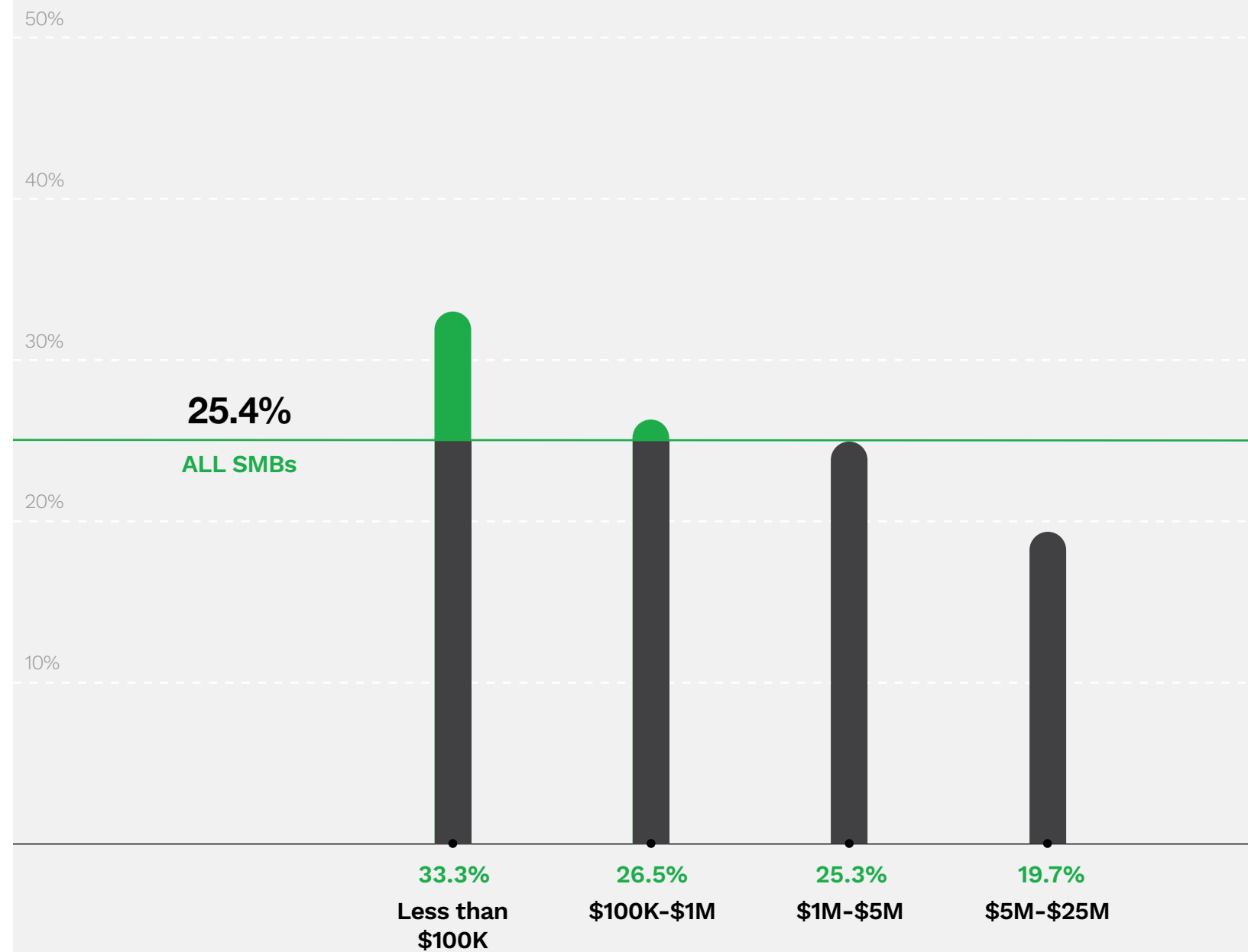
So what:

Poor payment timing is by far the biggest issue ad hoc payment receivers faced. With ad hoc payments comprising the majority of their AR, late payments can meaningfully hurt their bottom lines.

FIGURE 8:

SMBs' biggest challenge: Poor payment timing

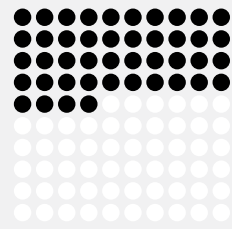
Share of SMB receivers that reported poor payment timing as their biggest challenge in processing ad hoc payments, by annual revenue



Source: PYMNTS Intelligence
 How Instant Ad Hoc Payment Costs Impact Small SMBs, April 2024
 N = 405: Complete responses, fielded Dec. 29, 2023 – Jan. 18, 2024

09

44%



Share of receivers who consider cash flow management the most important reason to select instant payments

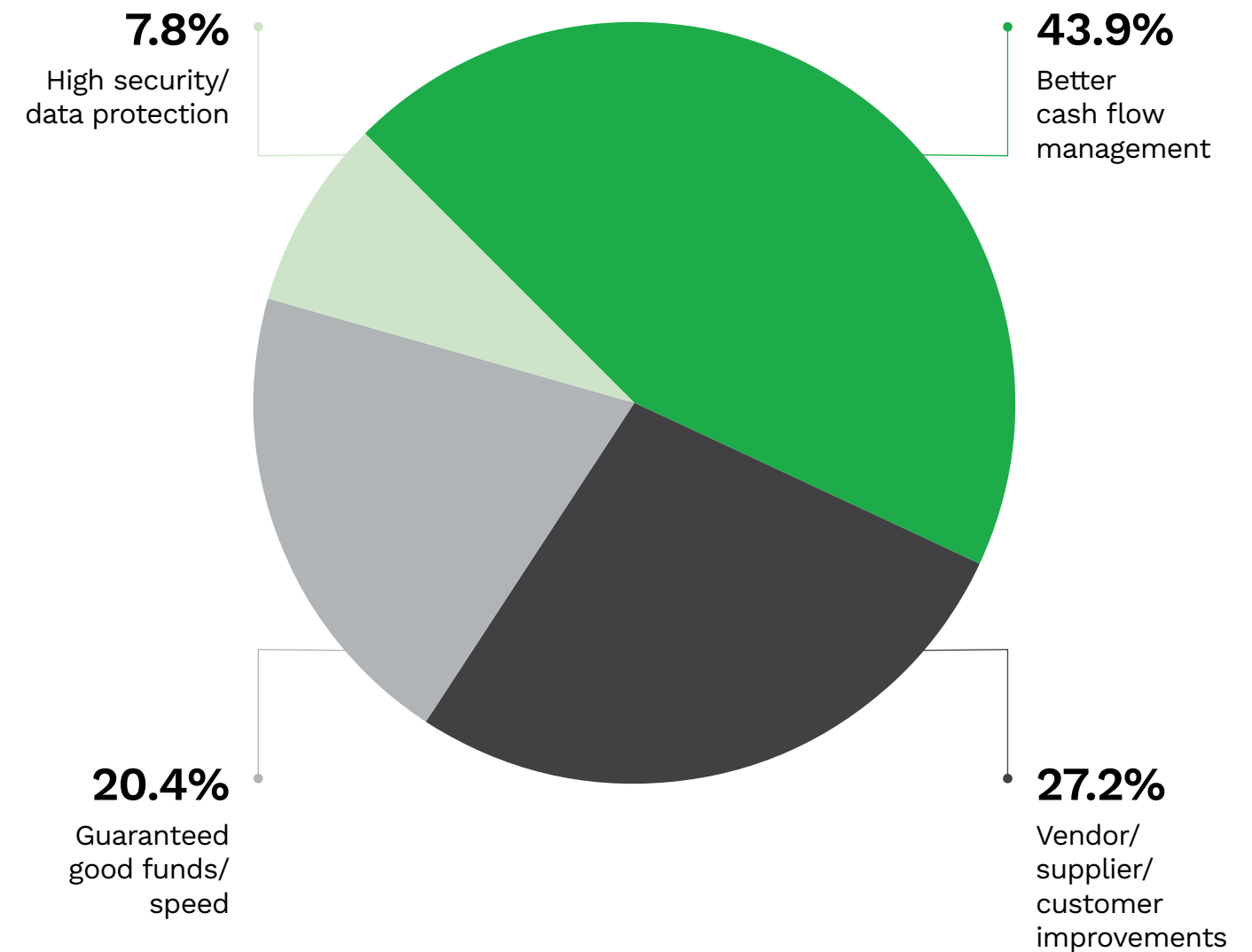
So what:

Instant payments are seen as a solution for the biggest issue SMBs face, as immediately available funds reduce the risk of late or poorly timed payments.

FIGURE 9:

Why receivers turn to instant

Share of receivers citing the top reason why they chose instant payments



Source: PYMNTS Intelligence
How Instant Ad Hoc Payment Costs Impact Small SMBs, April 2024
 N = 161: Respondents that received ad hoc payments via instant methods, fielded Dec. 29, 2023 – Jan. 18, 2024

10

\$12.70

Highest fixed fee the average vendor would be willing to pay to receive funds instantly

So what:

The average fee for receiving ad hoc payments is \$9.40, suggesting vendors would be willing to pay well above average to receive funds instantly.

FIGURE 10:

Receivers' willingness to pay fees to receive instant payments

Share of receivers citing the highest fixed fee they would be willing to pay to receive instant payments, by annual revenue



Source: PYMNTS Intelligence
 How Instant Ad Hoc Payment Costs Impact Small SMBs, April 2024
 N = 166: Respondents willing to pay a fee to receive instant payments, fielded Dec. 29, 2023 – Jan. 18, 2024



SENDERS AND INSTANT

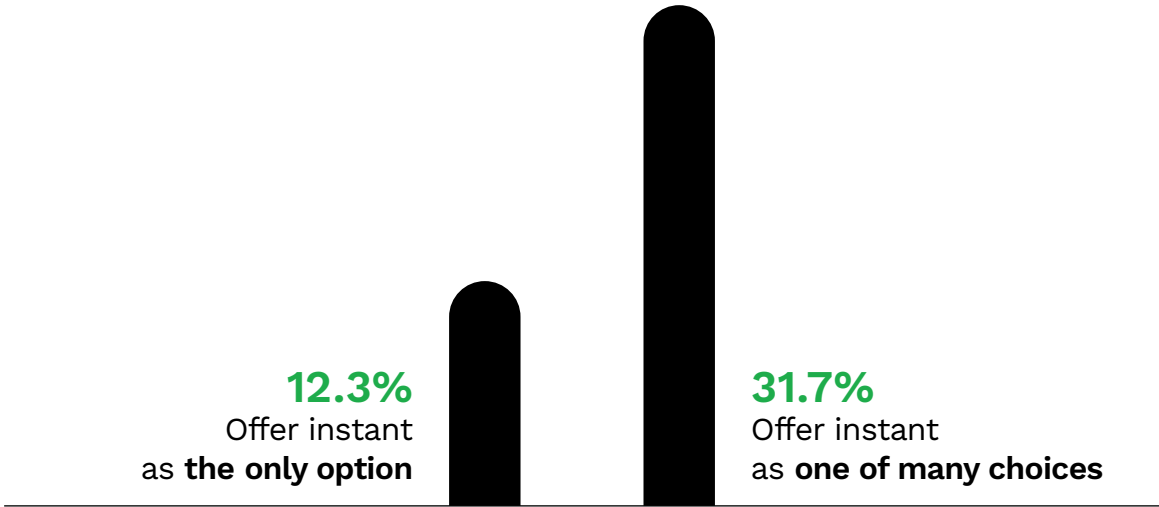
44%

Share of senders that provide instant payment options or only send payments instantly

FIGURE 11:
Offering instant payments
Share of senders that offered instant ad hoc payments



So what:
Both receivers and consumers want to use instant payments far more than senders currently offer.



Source: PYMNTS Intelligence
Meeting the Demand for Instant Ad Hoc Payments, April 2024
N = 200: Complete responses, fielded Jan. 5, 2024 – Jan. 25, 2024

12

59% 

Share of receivers that senders perceive want to use instant payments

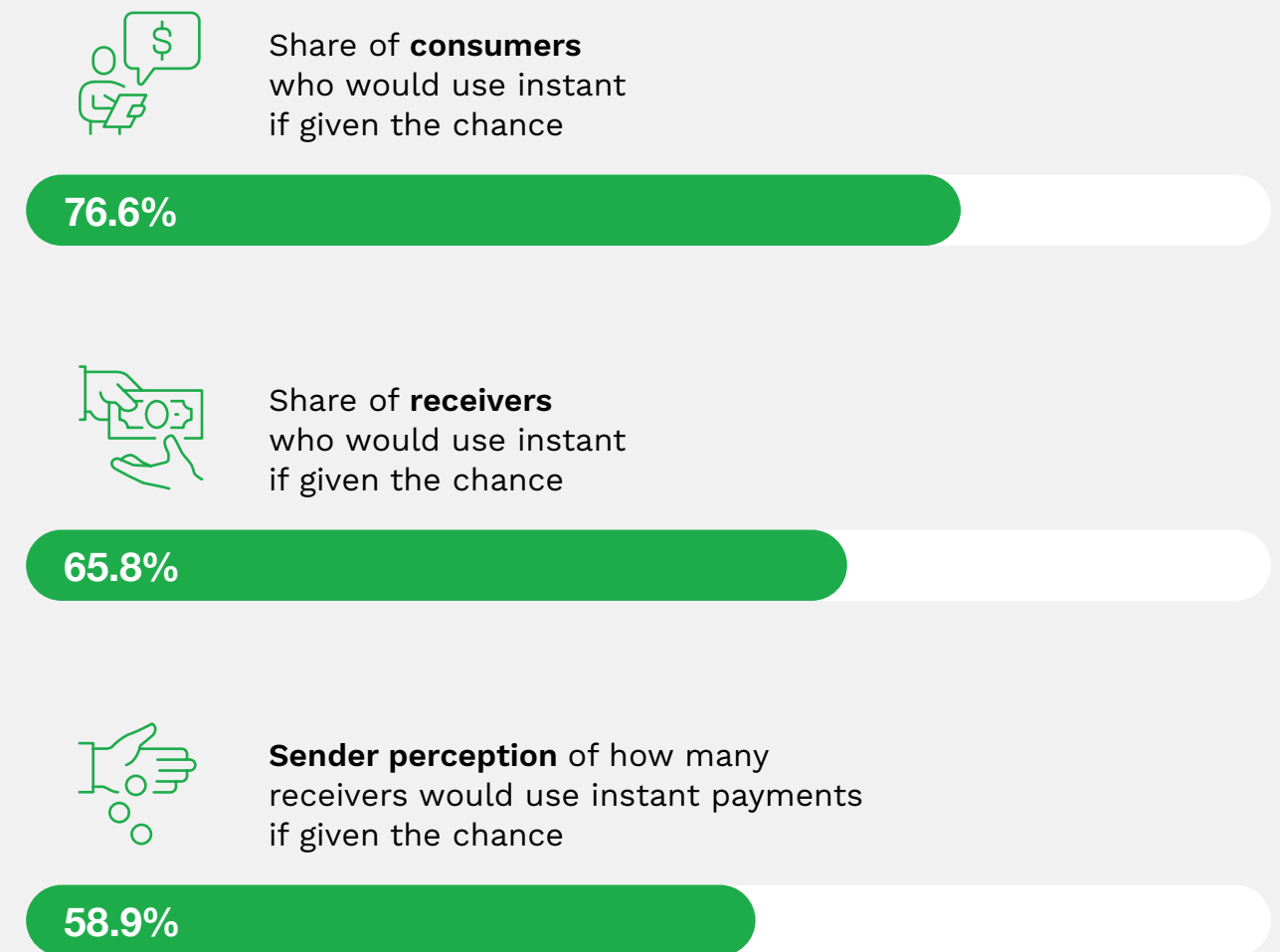
So what:

With only 44% of senders offering instant payment options, senders are aware they are not meeting the demand for instant payment options. However, they are underestimating the extent to which they fall short.

FIGURE 12:

How senders perceive instant payouts interest

Senders' perceptions of the share of receivers who would select instant payments when offered, compared to actual SMB receiver and consumer interest in using instant payments if offered



Source: PYMNTS Intelligence

Meeting the Demand for Instant Ad Hoc Payments, April 2024

N for senders varies by companies that offered the option to use instant payments when sending ad hoc payments, fielded Jan. 5, 2024 – Jan. 25, 2024

ABOUT

DISCLAIMER ■

PYMNTS INTELLIGENCE

PYMNTS Intelligence is a leading global data and analytics platform that uses proprietary data and methods to provide actionable insights on what's now and what's next in payments, commerce and the digital economy. Its team of data scientists include leading economists, econometricians, survey experts, financial analysts and marketing scientists with deep experience in the application of data to the issues that define the future of the digital transformation of the global economy. This multi-lingual team has conducted original data collection and analysis in more than three dozen global markets for some of the world's leading publicly traded and privately held firms.

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