Retail Payments Innovation
Growing trends in 2023 and beyond

Trend #1: Digital Wallets
Consumers are gaining comfort with digital wallets.
48% of consumers report using digital wallets regularly, and 65% of consumers report having tried using a digital wallet, which was a substantial increase YOY.1

In fact, the number of Bank of America cardholders actively using digital wallets has doubled in under three years, with more than 10 million customers actively using wallets as of 4Q22.

Four out of 10 digital wallet users said they were at least “somewhat confident” leaving the house without their physical wallet.1

Approximately 45% of consumers 55 and younger are using digital wallets when shopping online.2

A key reason for their growing adoption may have to do with how easy they are to use.
35% of consumers said “ease of use” was the most important when deciding which payment method to use, followed by 27% “best deal” and 23% “most secure.” A surprising 15% of consumers said they didn’t care or didn’t give it much thought.1

Digital wallet spend increased 53% YoY, surpassing $9 billion in the quarter, accounting for 4% of total card spend.

Most popular digital wallets:1

PayPal 64%
GooglePay 25%
ApplePay 23%

Apple wallet continues to be the wallet of choice amongst Bank of America customers, with >90% of active digital wallet users using Apple Pay.8

1Source: TSG Survey, October 2022, n=1,081.
Trend #2: Open Banking/“Pay by Bank”

The opportunity represented by open banking is growing.

The global open banking market was $15.1 billion in 2021 and is projected to reach $111.8 billion by 2030 with a CAGR of 25.1%.

With an annual growth rate of nearly 50%, the number of open banking users is expected to reach 132.2 million globally by next year.

There may be a knowledge gap when it comes to open banking, but there are clear use cases for the technology within retail payments.

Use open banking

Aware they use open banking

87% of U.S. consumers are using open banking, but only 34% of consumers are actually aware they are using the service.


Source: Statista [https://www.statista.com/statistics/1228771/open-banking-users-worldwide/].

Source: Visa, July 2022 [https://navigate.visa.com/na/money-movement/unlocking-the-opportunities-of-open-banking/].


Source: TSG Survey, October 2022, n=1,081.

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Trend #3: Marketplaces

eCommerce marketplaces are popular channels for both merchants and consumers.

Marketplaces are projected to account for 70% of eCommerce by 2025.

26% of retailers generating more than $1 billion in annual revenue are planning to add an online marketplace to their eCommerce offerings within the next 12 months.

71% of consumers reported using Amazon marketplace, and 19% reported using other marketplaces such as eBay, Etsy or Facebook when shopping online during the 2022 holiday season.

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