

# WHAT CONSUMERS NEED FOR **PAY BY BANK** TO CATCH ON

PYMNTS  
INTELLIGENCE



October 2024  
Consumer Report

# WHAT CONSUMERS NEED FOR **PAY BY BANK** TO CATCH ON

## TABLE OF CONTENTS

---

What's at Stake . . . . .	04
Key Findings . . . . .	08
The Full Story . . . . .	12
Data Focus . . . . .	30
Actionable Insights . . . . .	34
Methodology . . . . .	37



What Consumers Need for Pay by Bank to Catch On was produced in collaboration with Trustly, 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.

# WHAT'S AT STAKE

**P**ay by bank, or open banking payments, are still new to most consumers, but there is a way to boost their interest: offering the right incentives.

Certain consumers — particularly those in Generation Z, high-income individuals or those already interested in pay by bank — can be drawn in to using pay by bank with discounts and cash-back offers. These consumers are most keen to explore pay by bank for non-retail transactions, highlighting use cases where consumers are already used to using their bank account information to pay as the most promising avenues.

When consumers are offered incentives, such as cash-back discounts or loyalty benefits, their interest in using pay by bank for payments increases by 72%. This is true even for those who report that they are not interested in pay by bank to begin with. The data suggests there is plenty of opportunity to encourage consumers to use pay by bank by offering incentives.



What Consumers Need for Pay by Bank to Catch On, a PYMNTS Intelligence and Trustly collaboration, examines consumers' awareness of and interest in using pay by bank. It also explores whether incentives — and which type — could drive adoption of this payment method. The report draws on insights from a census-balanced survey of 2,225 U.S. consumers that was conducted from July 18 to July 26.

**This is what we learned.**

## Consumer personas we use in this study include:

### EARLY ADOPTERS

Consumers who already use pay by bank to pay for at least one of the seven use cases we studied, representing about 6% of consumers.

### INTRIGUED

Consumers who are very interested in some cases and not interested in others — about 22% of consumers.

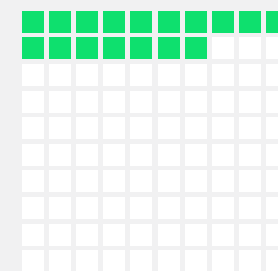
### INTERESTED

Consumers who are very interested in using pay by bank in the future for most use cases — about 17% of consumers.

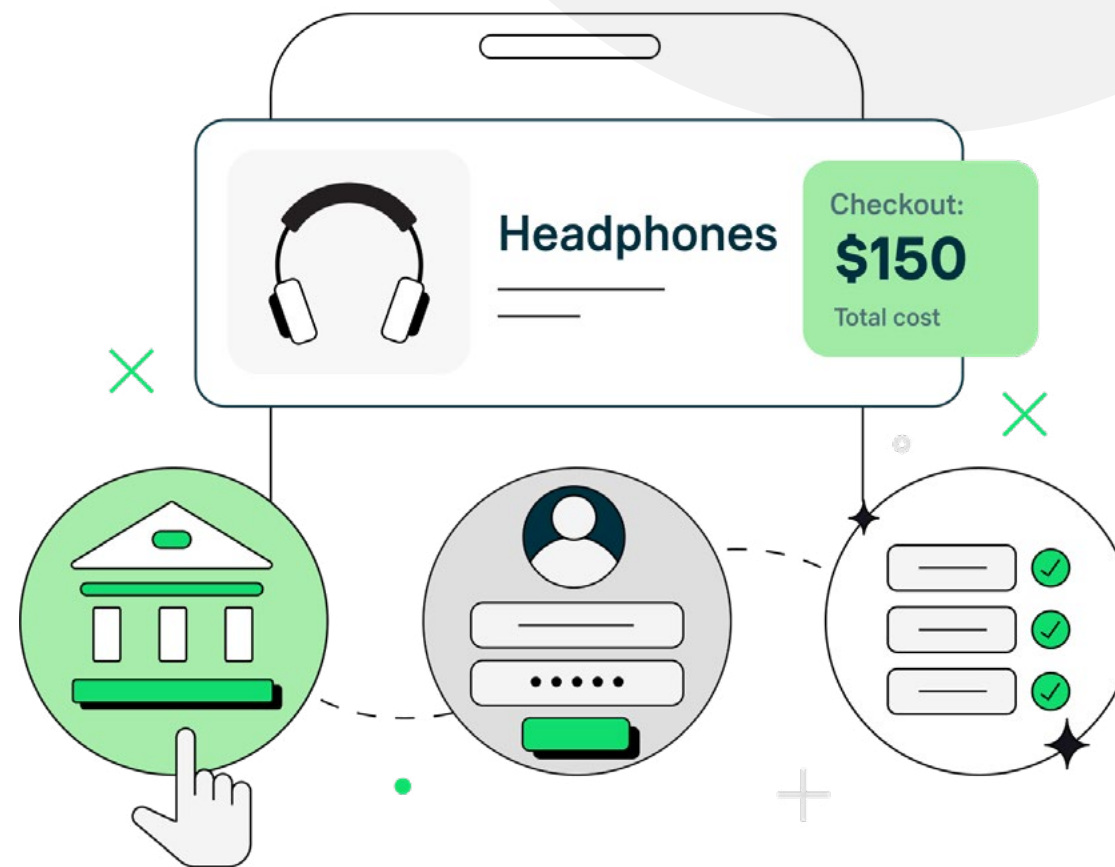
### RESISTANT

Consumers who are not interested in using pay by bank for at least 80% of use cases — about 54% of consumers.

# 17%



of consumers are very interested in using pay by bank in the future for most use cases.



# KEY FINDINGS

## 01

### THE FUTURE IS NOW

Future interest in using pay by bank hinges on two important demographics: age and income.



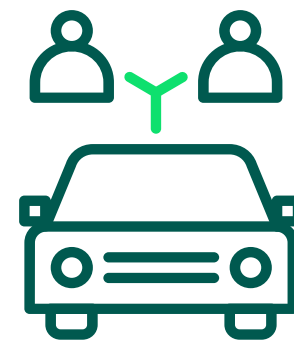
# 55%

Share of Gen Z consumers who say they are interested in or intrigued about using pay by bank

## 02

### GOING BEYOND RETAIL

Consumers view pay by bank as particularly useful for transactions beyond typical retail, such as ridesharing or betting.



# 41%

Share of consumers already using pay by bank who are intrigued about using it for ridesharing

# 03

## INCENTIVIZING INTEREST

Incentives pique consumers' interest in pay by bank — especially with discounts or cash back that make pay by bank relatively cheaper.



# 81%

Share of consumers at least intrigued about using pay by bank when offered incentives

# 04

## DEMAND FOR DISCOUNTS

Consumers want more discounts when using pay by bank for retail products than they do for non-retail items.



# 72%

Share of interested consumers who say receiving a low discount would make them use pay by bank more

# THE FULL STORY

---

**Pay by bank providers should focus on Gen Z and millennials, since these consumers are the most interested in using this method in the future.**

## **Future interest in using pay by bank hinges on the two most important demographics: age and income.**

---

Understanding future pay by bank users is key to engaging them. Two of the most significant factors to consider include age and income. Among all consumers, 6.4% say they are already using pay by bank and 40% are at least somewhat interested in adopting this payment method. Gen Z and millennial acceptance of pay by bank will shape its future, as they indicate the most willingness to use the method. We find that 25% of Gen Z and 24% of millennials say they are interested in using pay by bank, with another 23% of Gen Z and 22% of millennials saying they are intrigued. Furthermore, 3.5% of Gen Z are already using pay by bank and 9.7% of millennials are doing the same.



**FIGURE 1:**  
**Consumer interest in adopting pay by bank**  
 Share of consumers who fit into each pay by bank adoption persona, by demographic

	Early adopters	Interested	Intrigued	Resistant
<b>Sample</b>	6.4%	17.7%	22.4%	53.3%
<b>Generation</b>				
<b>Generation Z</b>	3.5%	25.1%	29.5%	42.0%
<b>Millennials</b>	9.7%	24.2%	22.5%	43.6%
<b>Bridge millennials</b>	6.9%	23.6%	21.8%	47.7%
<b>Generation X</b>	5.8%	17.0%	24.0%	53.1%
<b>Baby boomers and seniors</b>	5.3%	9.2%	17.7%	67.9%
<b>Annual income</b>				
<b>Less than \$50K</b>	2.8%	14.8%	23.9%	58.5%
<b>\$50K-\$100K</b>	6.4%	17.8%	21.7%	54.1%
<b>More than \$100K</b>	9.4%	20.1%	21.7%	48.8%

Among income brackets, consumers earning \$100,000 or more have the least resistance to using pay by bank in the future, with 42% saying they are intrigued or interested. In fact, high-income consumers are among the highest amount of early adopters, at 9.4%.

Despite pay by bank’s promise, most consumers are still not on board. Our data shows that 54% of consumers overall have little interest in using pay by bank. This is regardless of factors such as financial lifestyle, consumers’ financial institutions or how they use credit.

The key to increasing interest in pay by bank may be increasing awareness. When we asked consumers why they do not use pay by bank, a lack of awareness was the most prevalent response. Overall, 56% said they were not aware of pay by bank. This share was seven times greater than the next-most cited reason for not using this payment method. Among those who do not use pay by bank, consumers with the most resistance to it reported more unfamiliarity with it.

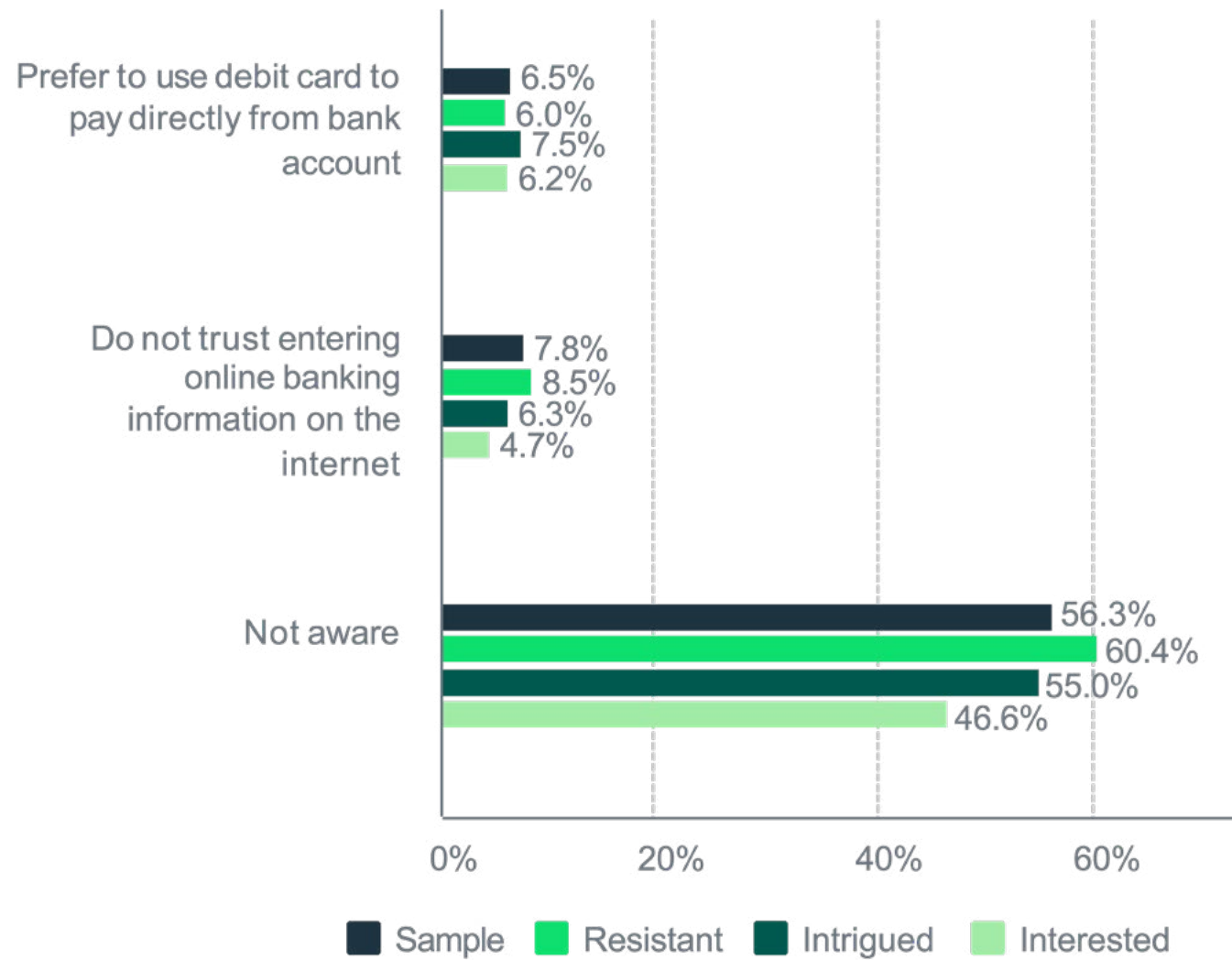
Source: PYMNTS Intelligence  
 What Consumers Need for Pay by Bank to Catch On, October 2024  
 N = 2,225: Whole sample, fielded July 18, 2024 – July 26, 2024



**FIGURE 2:**

**Top reasons consumers have not used pay by bank**

Share of consumers citing select reasons for not having paid for a product or service using pay by bank in the last year, by persona



Source: PYMNTS Intelligence

What Consumers Need for Pay by Bank to Catch On, October 2024

N = 1,506: Consumers who did not use pay by bank in the last year, fielded July 18, 2024 – July 26, 2024

“

39%

of people already using pay by bank found the ease of using it to be particularly pleasing.

”

# Consumers view pay by bank as particularly useful for transactions beyond typical retail, such as ridesharing or betting.

The evolving financial ecosystem is helping consumers see the potential of pay by bank. Beyond just retail purchases, consumers are interested in using pay by bank for ridesharing, transfers between bank and investment accounts, and betting transactions. For instance, consumers who use pay by bank for one type of purchase are interested in using it for more. Among consumers who already use pay by bank for payments, 41% say they are interested in starting to use it for ridesharing. Millennials are particularly intrigued by the prospect of pay by bank for ridesharing, at 39%, regardless of their past use of pay by bank. Similarly, 30% of Gen Z consumers are interested in pay by bank for ridesharing in the future.

FIGURE 3:

### The consumers highly interested in using pay by bank

Share of consumers very or extremely interested in using pay by bank as a payment method for select products and services, by generation

	Sample	Generation Z	Millennials	Bridge millennials	Generation X	Baby boomers and seniors
Placing a bet, gambling at a casino or on an app	33.4%	42.2%	47.7%	44.8%	27.0%	12.1%
Transferring between bank and investment accounts	32.7%	41.2%	41.6%	41.5%	34.1%	15.0%
Ridesharing/delivery service	26.8%	29.7%	38.5%	34.9%	18.8%	7.2%
Retail/eCommerce products	17.6%	25.3%	30.0%	25.0%	15.2%	8.4%
Subscriptions for recurring goods or services	22.3%	36.0%	30.9%	24.9%	18.4%	9.8%
Groceries	17.5%	22.9%	28.2%	25.4%	18.6%	6.6%
Monthly bills	18.5%	31.2%	30.4%	23.0%	17.1%	9.5%

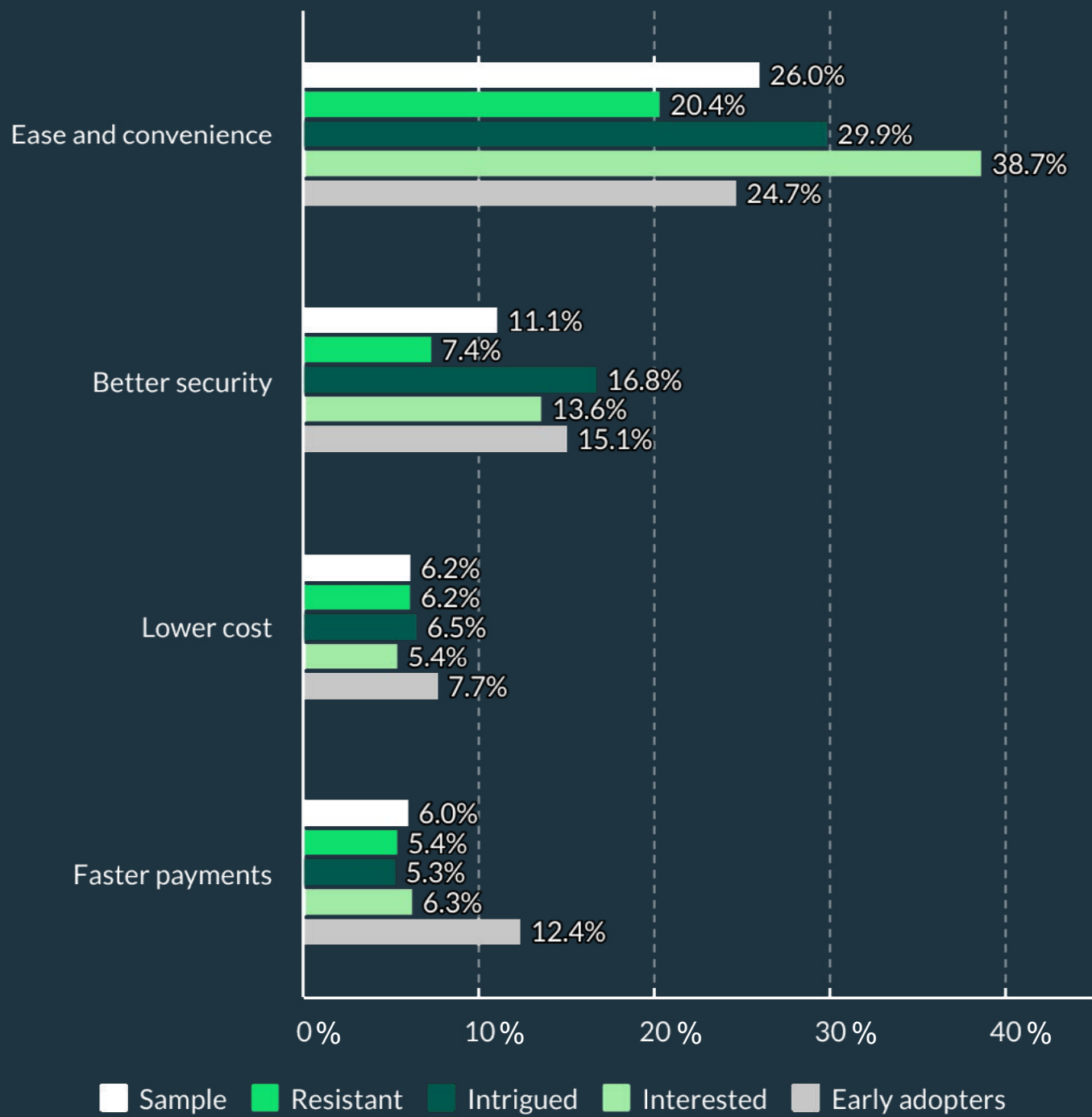
Source: PYMNTS Intelligence

What Consumers Need for Pay by Bank to Catch On, October 2024

N varies and represents respondents who did not use pay by bank to make payments for select products or services in the last 12 months, fielded July 18, 2024 – July 26, 2024

**FIGURE 4:**  
**Pay by bank's benefits**

Share of consumers citing some of the most important benefits of using pay by bank as a payment method, by pay by bank usage



Young consumers who gamble form another group interested in pay by bank. Many in this group are highly interested in using pay by bank for placing bets, gambling at a casino or gambling on an app.

So, what draws consumers to pay by bank? The ease of using pay by bank is particularly appealing for 39% of those interested in using it. Even among consumers resistant to pay by bank, ease of use is a potential draw, with 20% citing this as a possible benefit of such payments.

Consumers who are early adopters of pay by bank, however, are more split on their views of the benefits gained. The early adopters are more inclined to report that the speedy process of using pay by bank is a key draw for them than other consumers. For those who are interested in pay by bank but have not yet used it, this benefit is largely out of view.



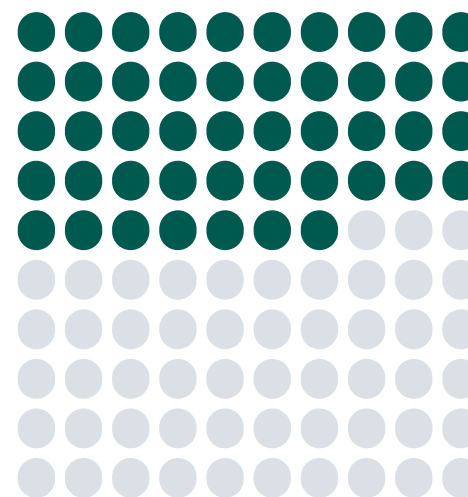
# Incentives pique consumers' interest in pay by bank — especially discounts or cash back that make those products or services cheaper.

When consumers are offered incentives, such as cash back or discounts, their interest in using pay by bank for payments increases by 72%. Among all consumers, 47% expressed some interest in pay by bank before hearing about incentives. Upon hearing about incentives that could be offered, the percentage of interested consumers rises to 81%. Even consumers who said they were not interested in pay by bank at all follow a similar pattern. Among the originally uninterested consumers, about two-thirds ended up being swayed when offered potential incentives to use pay by bank.

FIGURE 5:

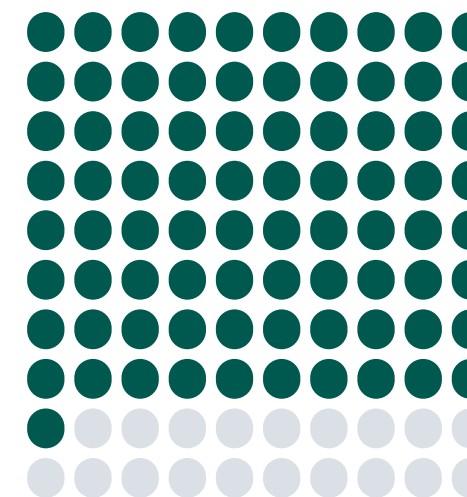
**The power of incentives**

Share of consumers citing being at least intrigued about using pay by bank as a payment option, by whether incentives are offered



47%

Interest in pay by bank without incentives



81%

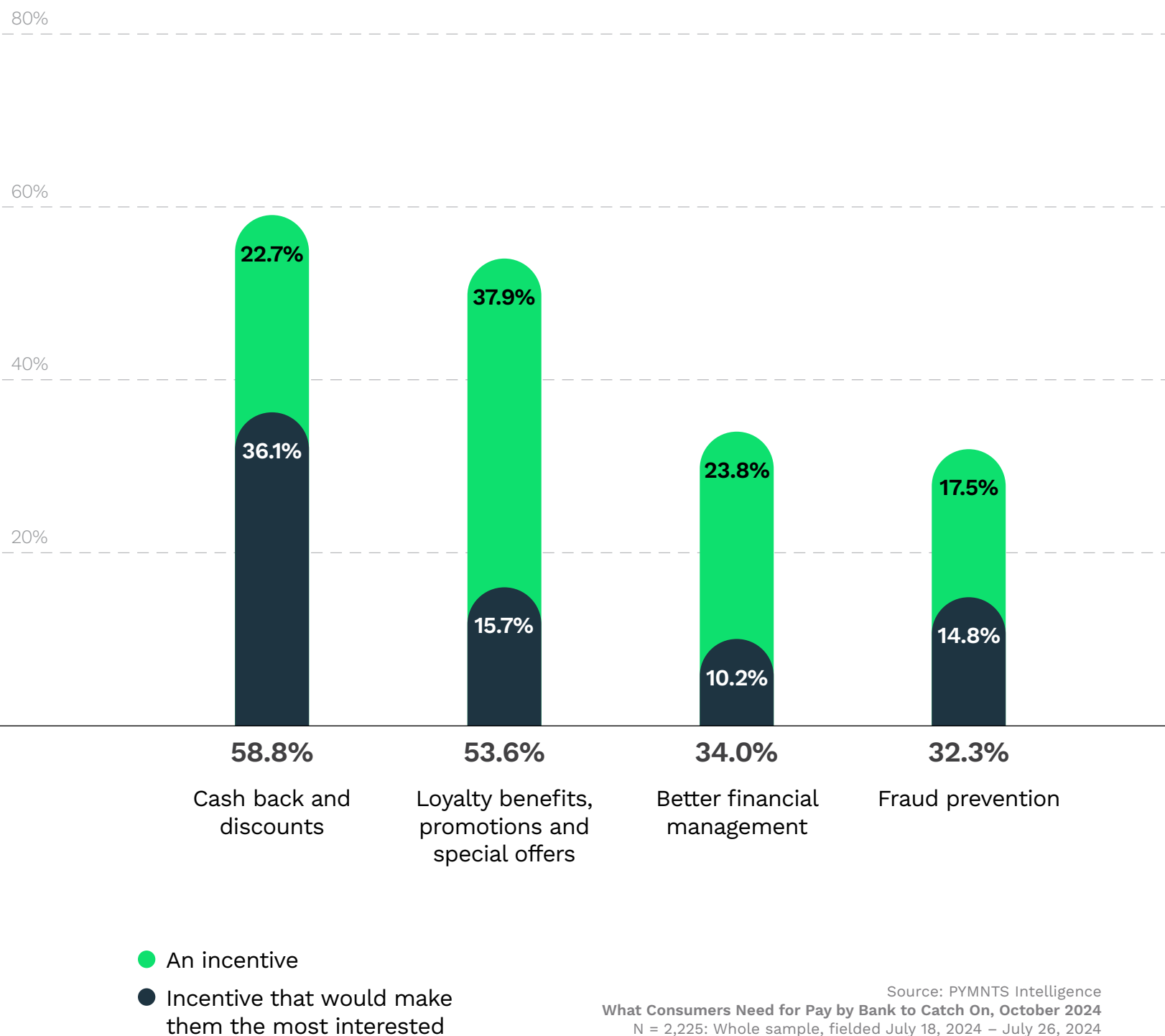
Interest in pay by bank with incentives

Source: PYMNTS Intelligence  
 What Consumers Need for Pay by Bank to Catch On, October 2024  
 N = 2,225: Whole sample, fielded July 18, 2024 – July 26, 2024



**FIGURE 6:**  
**The appeal of specific incentives**

Share of consumers citing select incentives that would make them more interested in pay by bank, by incentive



Source: PYMNTS Intelligence  
What Consumers Need for Pay by Bank to Catch On, October 2024  
N = 2,225: Whole sample, fielded July 18, 2024 – July 26, 2024

The incentives consumers find most attractive are cash-back options and discounts. Overall, 59% of consumers said cash back and discounts would increase their interest and 54% said the same for loyalty benefits, promotions and special offers. Cash back and discounts have the most draw, with 36% of consumers citing them as the option that would most increase their interest in using pay by bank. Loyalty benefits, promotions and special offers are second in line, at 16%.



Just 32% of consumers overall said fraud prevention incentives would increase their interest. However, this is not an area pay by bank providers should overlook. We found that 15% of consumers said this was the factor that would most sway them, close to the share of consumers who said the same about loyalty benefits, promotions and special offers.

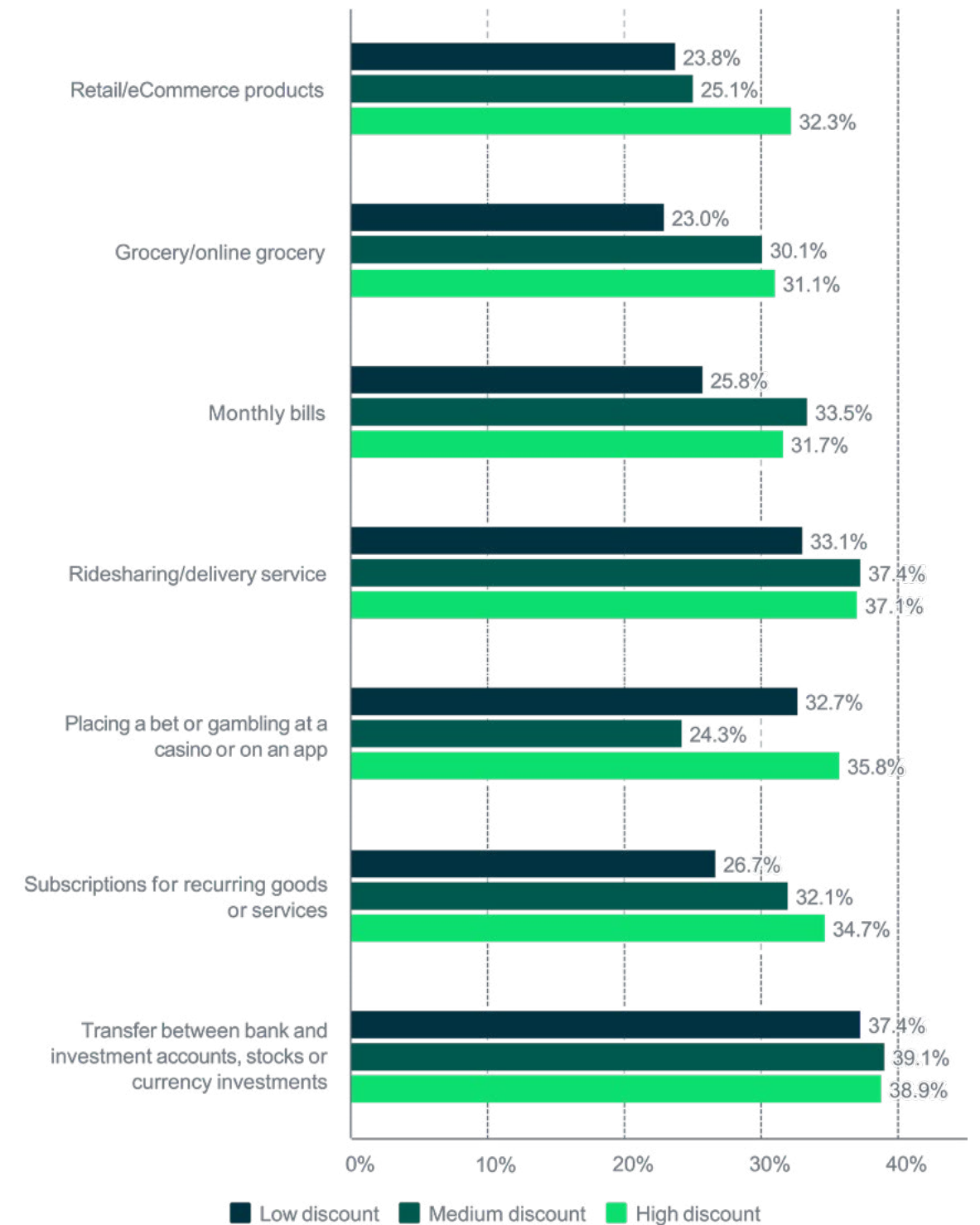
## Consumers want more discounts on pay by bank retail products than they do for non-retail items.

Consumer interest in using pay by bank tends to increase with the size of discount they are offered. This is especially true for purchases of retail products. Consumers offered a high discount for retail products are about 36% more likely to say they would use pay by bank than those offered a low discount. This suggests retail purchases are where discounts matter the most to consumers. On the other hand, for non-retail transactions, such as ridesharing, betting or transferring money, discounts of any size for using pay by bank are attractive to consumers. For transferring money between bank accounts and investment accounts, for instance, between 37% and 39% of consumers who make these transfers say they would be more likely to use pay by bank if offered a discount.

**FIGURE 7:**

### Discount appeal depends on items purchased

Share of consumers who say they would use pay by bank to complete purchases for select products or services at least some of the time if they were offered a discount



Source: PYMNTS Intelligence

What Consumers Need for Pay by Bank to Catch On, October 2024

N varies and represents respondents who paid for select products or services in the last 12 months, fielded July 18, 2024 – July 26, 2024

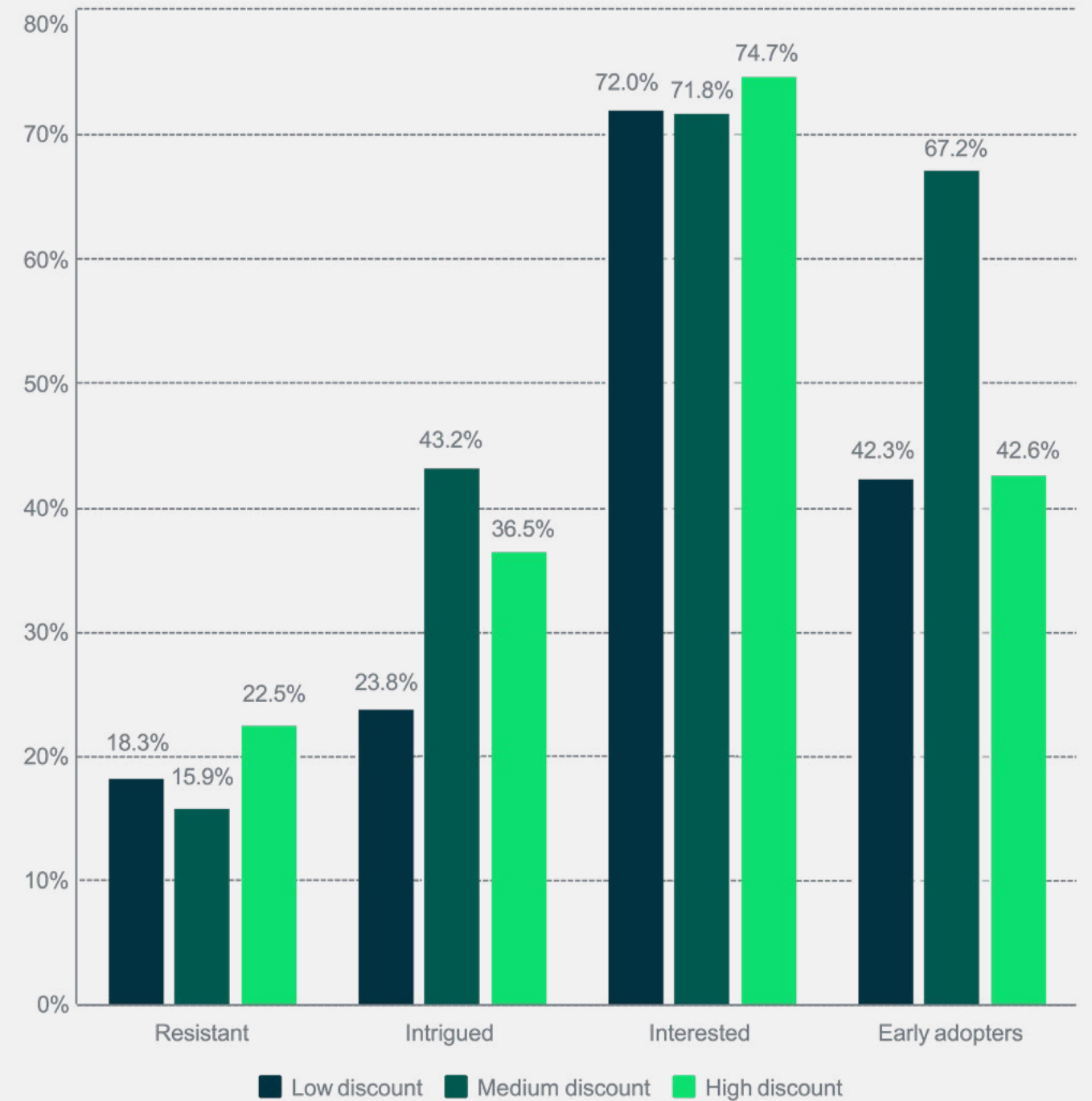
The discounts offered for using pay by bank are most likely to be effective for consumers with certain profiles. These include consumers who are interested in using pay by bank in the first place, younger consumers and middle- to high-income consumers. Among these consumers, those who are interested are the most likely to be swayed by discounts, with roughly three-quarters of interested consumers saying they would use pay by bank more if offered any type of discount. Among consumers who are resistant to pay by bank use, discounts remain largely ineffective: Just 1 in 5 would give pay by bank a chance.



**FIGURE 8:**

**How discounts appeal to certain types of consumers**

Share of consumers who would use pay by bank more if offered a discount, by persona and discount size



Source: PYMNTS Intelligence  
 What Consumers Need for Pay by Bank to Catch On, October 2024  
 N = 2,225: Whole sample, fielded July 18, 2024 – July 26, 2024



# DATA FOCUS

---

## Most consumers already share their banking information with at least one app or site as a payment method.

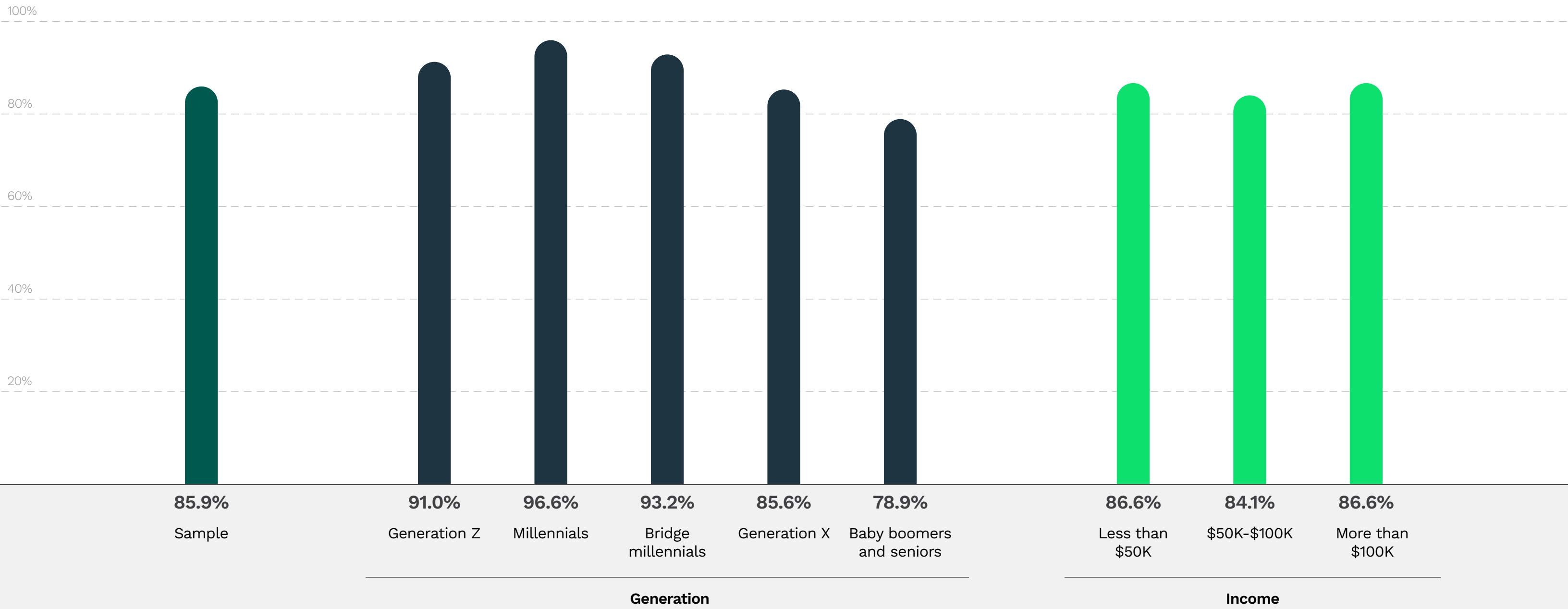
---

Gen Z and millennial consumers are more open to sharing information online, and that includes sharing their bank account credentials. Most millennials and Gen Z consumers have shared banking credentials online. Just 9% of Gen Z consumers say they do not share banking information online and only 3.4% of millennials say the same. Although other demographics are more hesitant about sharing their banking credentials online, most still do. For example, 79% of baby boomers and seniors have shared their banking credentials online with at least one app or website. The data suggests that an openness to sharing bank credentials may make consumers more likely to participate in pay by bank.

**FIGURE 9:**

**To share or not to share bank credentials**

Share of consumers who have transferred funds from a bank account for a payment and have their bank credentials stored with at least one app or website, by demographic



Source: PYMNTS Intelligence  
 What Consumers Need for Pay by Bank to Catch On, October 2024  
 N = 945: Consumers who have transferred directly from their bank accounts and have stored their banking credentials with at least one app or website, fielded July 18, 2024 – July 26, 2024

# ACTIONABLE INSIGHTS

**01**

Gen Z and millennial consumers express the greatest interest in using pay by bank in the future. The key to ensuring the growth of pay by bank may hinge on engaging this already keen group with offers to draw them in.

**02**

Pay by bank has a promising future beyond just retail use. Among consumers who have already tried pay by bank, they are particularly interested in employing it for non-retail uses, such as ridesharing or betting. Pay by bank has an opportunity to expand into non-retail spaces by attracting more first-time users.

**03**

Getting consumers to use pay by bank might require the most attractive incentive: discounts. This is particularly true for retail purchases, and the higher the discount offered, the more likely users are to be enticed. Offering good incentives puts pay by bank providers in the best position to draw in new users.

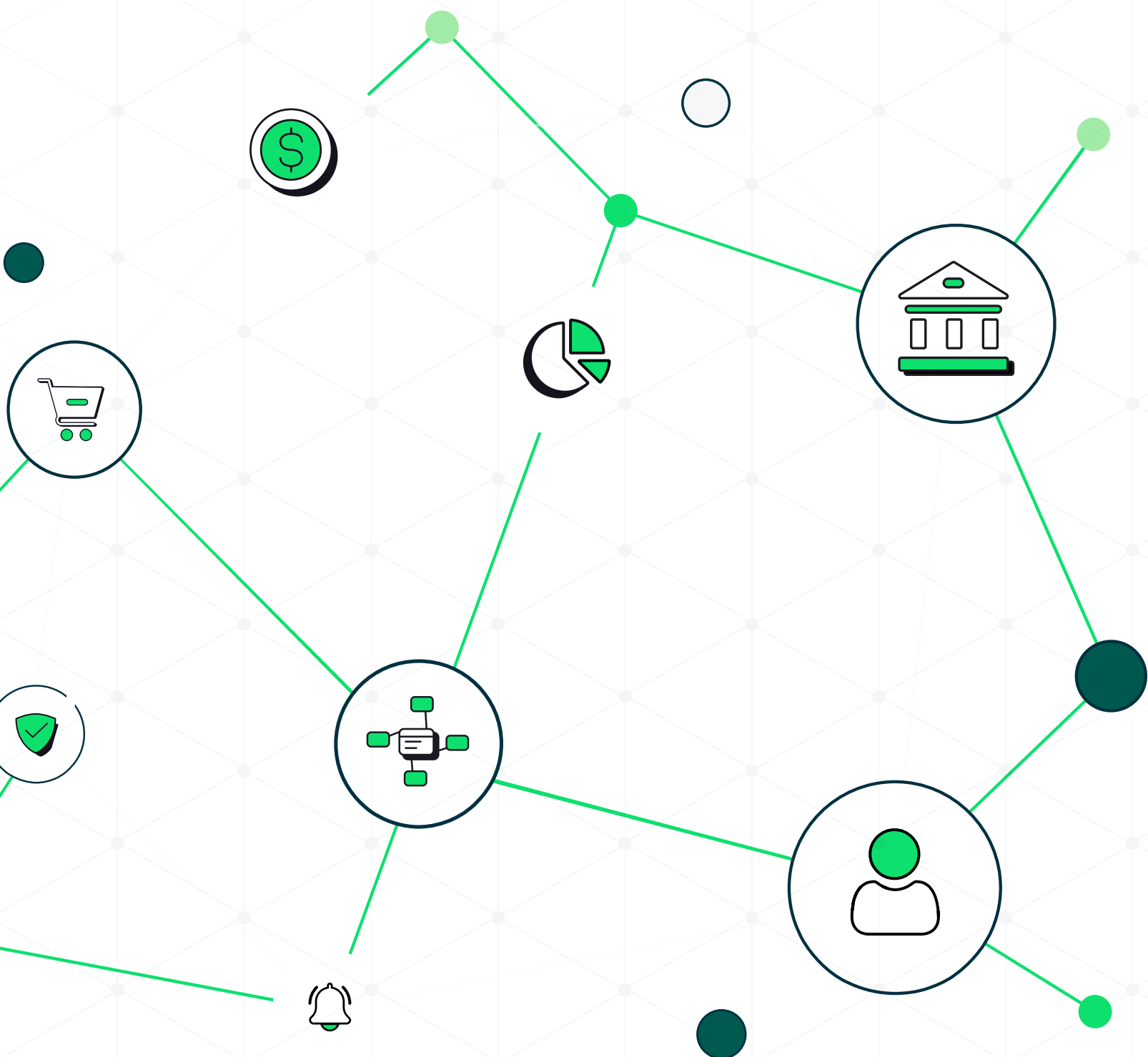
**04**

The incentive may not have to be that big to get consumers to adopt consistent pay by bank use. Consumers who are already interested in pay by bank are likely to increase their use of pay by bank regardless of the size of the incentive offered for retail and non-retail purchases. Providers should not take existing users for granted when developing new pay by bank offers.

# WHAT CONSUMERS NEED FOR **PAY BY BANK** TO CATCH ON

PYMNTS  
INTELLIGENCE

**Trustly**



## METHODOLOGY

**W**hat Consumers Need for Pay by Bank to Catch On, a PYMNTS Intelligence and Trustly collaboration, is based on a survey of 2,225 U.S. consumers conducted from July 18 to July 26. The report examines the appeal of pay by bank and its incentives for different consumers, ranging from those who are most interested to the utterly resistant consumer. The sample was balanced based on census data, including demographics such as income, age and education.

### THE PYMNTS INTELLIGENCE TEAM THAT PRODUCED THIS REPORT

Scott Murray  
SVP and Head of Analytics

Lauren Chojnacki, PhD  
Senior Analyst

Anna Sofia Martin  
Senior Writer

# 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.

## **Trustly**

Trustly was launched in 2008 and has grown rapidly over the past 16 years to become a global leader in open banking payment solutions. With a mission to make online payments as seamless as possible, Trustly offers an innovative payment platform, bridging the gap between consumers and merchants. Its technology ensures that transactions are processed in real-time, providing both speed and security for all parties involved.

Trustly's dedication to revolutionizing the payments industry is reflected in its partnerships with major brands such as PayPal, eBay and Hargreaves Lansdown in Europe and FanDuel, T-Mobile and Coinbase in North America. To date, Trustly has transformed the performance and experience of payments for over 9,000 merchants in 30+ markets, connecting them to 650+ million consumers through 12,000 banks. Read more at [us.trustly.com](https://us.trustly.com).

What Consumers Need for Pay by Bank to Catch On may be updated periodically. While reasonable efforts are made to keep the content accurate and up to date, PYMNTS MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, REGARDING THE CORRECTNESS, ACCURACY, COMPLETENESS, ADEQUACY, OR RELIABILITY OF OR THE USE OF OR RESULTS THAT MAY BE GENERATED FROM THE USE OF THE INFORMATION OR THAT THE CONTENT WILL SATISFY YOUR REQUIREMENTS OR EXPECTATIONS. THE CONTENT IS PROVIDED "AS IS" AND ON AN "AS AVAILABLE" BASIS. YOU EXPRESSLY AGREE THAT YOUR USE OF THE CONTENT IS AT YOUR SOLE RISK. PYMNTS SHALL HAVE NO LIABILITY FOR ANY INTERRUPTIONS IN THE CONTENT THAT IS PROVIDED AND DISCLAIMS ALL WARRANTIES WITH REGARD TO THE CONTENT, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT AND TITLE. SOME JURISDICTIONS DO NOT ALLOW THE EXCLUSION OF CERTAIN WARRANTIES, AND, IN SUCH CASES, THE STATED EXCLUSIONS DO NOT APPLY. PYMNTS RESERVES THE RIGHT AND SHOULD NOT BE LIABLE SHOULD IT EXERCISE ITS RIGHT TO MODIFY, INTERRUPT, OR DISCONTINUE THE AVAILABILITY OF THE CONTENT OR ANY COMPONENT OF IT WITH OR WITHOUT NOTICE.

PYMNTS SHALL NOT BE LIABLE FOR ANY DAMAGES WHATSOEVER, AND, IN PARTICULAR, SHALL NOT BE LIABLE FOR ANY SPECIAL, INDIRECT, CONSEQUENTIAL, OR INCIDENTAL DAMAGES, OR DAMAGES FOR LOST PROFITS, LOSS OF REVENUE, OR LOSS OF USE, ARISING OUT OF OR RELATED TO THE CONTENT, WHETHER SUCH DAMAGES ARISE IN CONTRACT, NEGLIGENCE, TORT, UNDER STATUTE, IN EQUITY, AT LAW, OR OTHERWISE, EVEN IF PYMNTS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

SOME JURISDICTIONS DO NOT ALLOW FOR THE LIMITATION OR EXCLUSION OF LIABILITY FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES, AND IN SUCH CASES SOME OF THE ABOVE LIMITATIONS DO NOT APPLY. THE ABOVE DISCLAIMERS AND LIMITATIONS ARE PROVIDED BY PYMNTS AND ITS PARENTS, AFFILIATED AND RELATED COMPANIES, CONTRACTORS, AND SPONSORS, AND EACH OF ITS RESPECTIVE DIRECTORS, OFFICERS, MEMBERS, EMPLOYEES, AGENTS, CONTENT COMPONENT PROVIDERS, LICENSORS, AND ADVISERS.

Components of the content original to and the compilation produced by PYMNTS is the property of PYMNTS and cannot be reproduced without its prior written permission.

---

We are interested in your feedback on this report. If you have questions, comments or would like to subscribe, please email us at [feedback@pymnts.com](mailto:feedback@pymnts.com).