

2025
NORTH
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MEETING

The Evolution of Payment Technology: From Innovation to New Product Development



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North America's Digital Payments Moment

GLOBAL TRENDS



Global digital commerce is set to reach **\$4.8T by 2025**.¹



Retail is shifting rapidly: **online sales will account for over 20%** of all retail in both the U.S. and Canada.



Omnichannel has evolved into anywhere, anytime commerce: **consumers expect to pay seamlessly across all touchpoints.**

However, this growth has introduced:

- Security gaps
- Checkout fragmentation
- Regulatory friction

Payments innovation must now focus on scaling securely, not just quickly.

"Consumers want choice — anytime, anywhere — but they won't trade security for speed."

1. [eCommerce – Worldwide](#)

2. [Retail eCommerce Sales](#)

The Innovation-to-Product Gap

Innovation is accelerating, but many pilots fail to become products – many challenges exist in moving to production:



Fragmented checkout experiences



Lack of clear fraud standards



Merchant onboarding complexity



Privacy and data sharing concerns

Moving is easy but building trust at scale is not

What Consumers Actually Want

Cross-border studies reveal key shifts in consumer attitudes toward financial data and services:

Consumers want strong privacy and data controls

72%

of North American consumers want better control over payment data.

Consumers show strong trust in their bank

68%

prefer financial tools offered by their bank over Big Tech

Consumers are wary of 3rd parties handling financial data

only **27%**

trust Big Tech to protect their financial data

Expectations are shifting from "speed" to "secure personalization."

The Bank-Backed Advantage

Banks and bank-backed wallets offer distinct domain advantages over tech-based peers...

- 1** Real regulatory accountability (PCI, GLBA, PIPEDA)
- 2** Established consumer protection and redress processes
- 3** Trusted fraud management systems
- 4** Infrastructure aligned to interoperability, not platform lock-in

...that can leverage their reputation as a trusted institutions focused on safeguarding, not monetizing, customer data, to drive growth

Europe as a Case Study

Europe provides a compelling example of the power of centralized, interoperable, bank-backed wallets, and proves that bank-backed infrastructure and interoperability can compete with Big Tech—and win consumer trust

Wero & the European Payments Initiative (EPI)

- A pan-European A2A wallet backed by 20+ major banks.
- Launched in 2024 across Germany, France, Belgium, expanding into Benelux by 2025.
- Interoperable with SEPA Instant and supported by leading acquirers like Nexi, Worldline, Nuvei

Strategic Goal: European Sovereignty

- Driven by concern over dependence on U.S.-based networks (Visa, Mastercard, Apple Pay).
- Focused on controlling digital payments through a regional, bank-owned platform.

Regulatory Orchestration:

- Driven by concern over dependence on U.S.-based networks (Visa, Mastercard, Apple Pay).
- Focused on controlling digital payments through a regional, bank-owned platform.

Centralization Enables Scale

Centralized digital infrastructure brings numerous benefits from a fraud, security and operational standpoint

✓ **Fraud Detection
at the network
level**

✓ **PCI DSS-aligned
merchant
onboarding**

✓ **Data localization
+ privacy
compliance**




✓ **Auto-refresh of
payment
credentials**

✓ **Lower total cost
of acceptance**

Centralized infrastructure helps ensure that security and simplicity are built into the pipe

Rethinking Chargebacks in North America

Legacy chargeback processes continue to pose challenges for merchants and FIs

-  Slow and expensive process
-  Complex and inconsistent outcomes
-  Increasingly incompatible with real-time, digital-first commerce

Jurisdictions are pushing ahead with stronger fraud protections while Canadian merchants struggle to adopt new standards



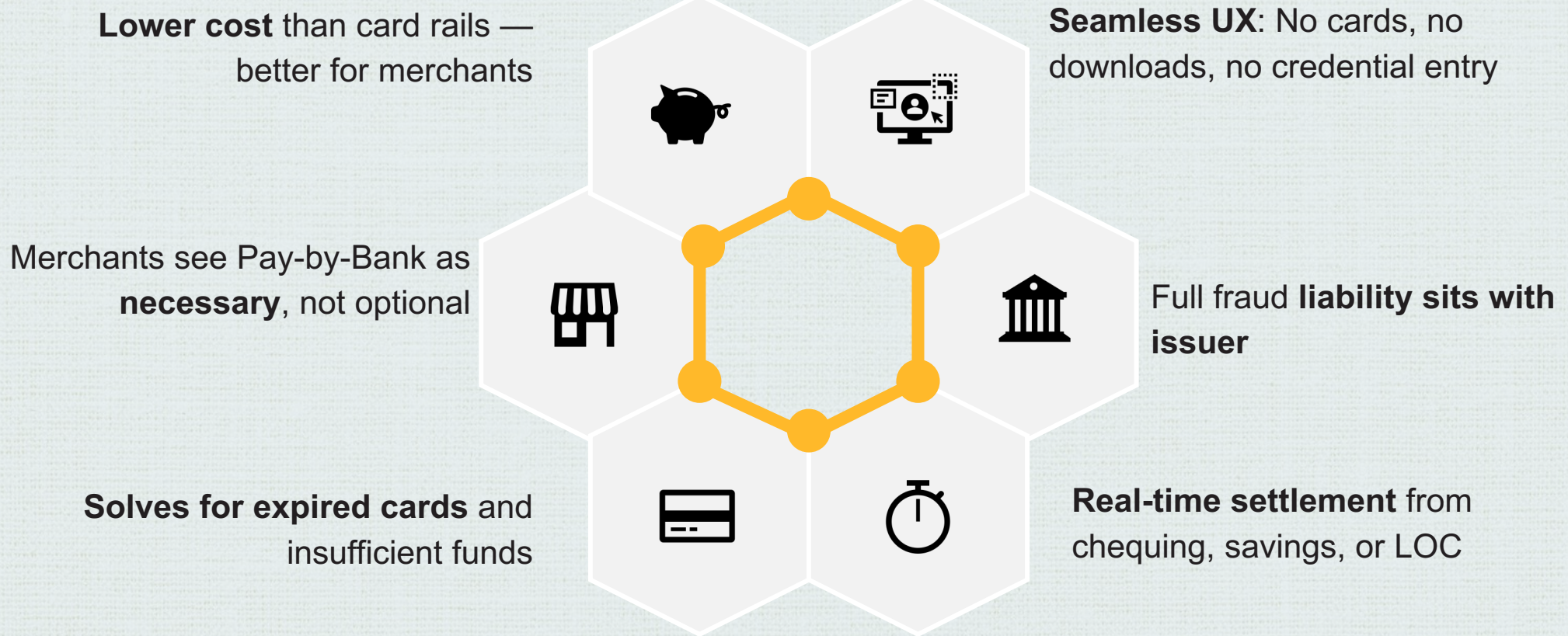
Europe's PSD2 introduced Strong Customer Authentication (SCA), dramatically reducing fraud and making chargebacks nearly obsolete



North America attempted 3DS, but it proved too cumbersome, costly, and conversion-unfriendly

We can't protect the future of commerce with yesterday's rules. Chargebacks need a reboot

Pay-by-Bank in Action



Retailer Insight: 70% say Pay-by-Bank addresses unmet consumer needs. (Interac + RCC 2024)

Why Big Tech Isn't the Answer This Time

Challenges with Big Tech



Closed-loop systems reduce merchant flexibility



Data monetization is core to business models



No direct relationship between consumer and payment provider



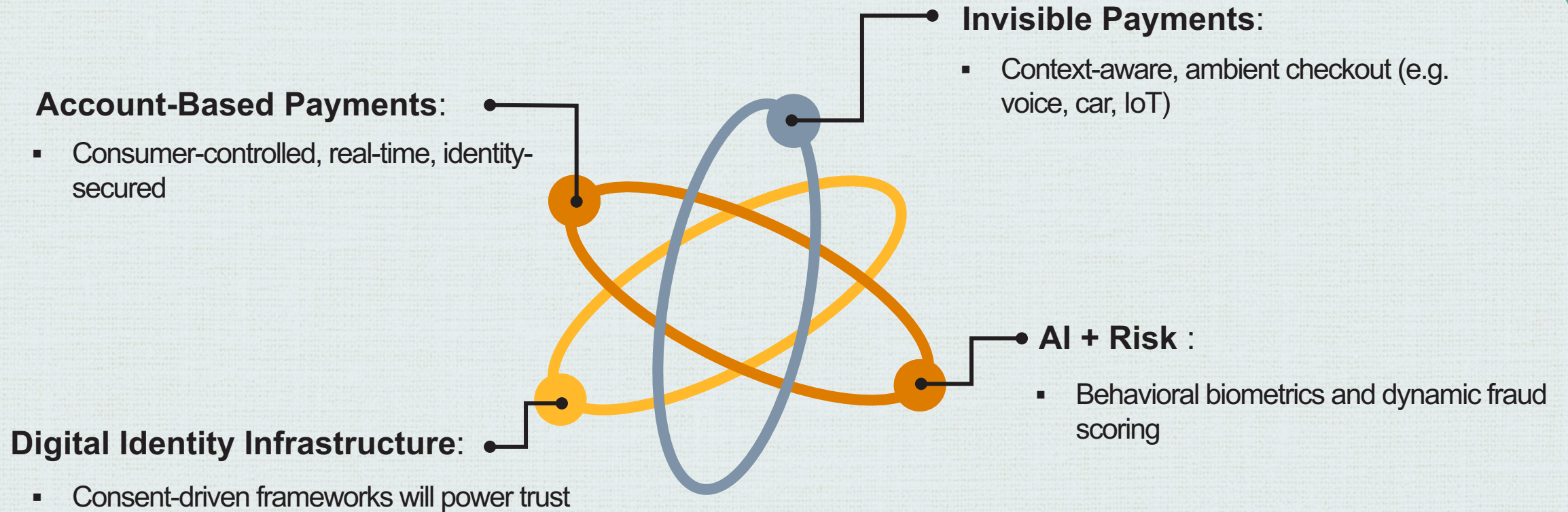
Limited cross-border alignment with regional compliance



High reliance on device and OS compatibility

Consumers don't want to be the product. They want to be protected.

Future Trends to Watch



Security becomes the differentiator, not the blocker.

Building the Future Together

For North America to scale securely, we need:

- Shared API standards across borders
- Fraud interoperability frameworks
- Support for SMBs, not just merchants
- Bank-backed infrastructure as the foundation for enterprise-scale
- Jurisdictional collaboration — modeled after the EU's harmonized payment evolution

Decentralized innovation got us here. Centralized trust will get us further.

The Role of Regulation – Jurisdiction by Jurisdiction

Regulation must be localized and population-informed

Europe led with:

- PSD2 → Open Banking + SCA
- Digital Markets Act → Platform openness + consumer rights

North America needs:

- Real-time payment protections
- Consent and privacy frameworks
- Fraud and redress models for A2A payments

U.S. and Canada must shape regulation to drive innovation—not react to Big Tech

Regulators can't be spectators. They must architect the guardrails for digital trust.

Thank you





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