

# CONSUMER SENTIMENT ABOUT **OPEN BANKING** **PAYMENTS**

PYMNTS  
INTELLIGENCE



March 2024 Report

---

# CONSUMER SENTIMENT ABOUT OPEN BANKING PAYMENTS

## TABLE OF CONTENTS

- What's at Stake . . . . . 04
- Key Findings . . . . . 08
- PYMNTS in Depth . . . . . 12
- Data Focus . . . . . 32
- Actionable Insights . . . . . 36
- Methodology . . . . . 39

READ MORE




October 2023  
**How Open Banking Can Provide Fast and Easy Consumer Payouts**



Consumer Sentiment About Open Banking Payments 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

---

 Open banking allows consumers to securely connect to their bank accounts to make payments to merchants and service providers using their regular online banking credentials.

Nearly half of U.S. consumers indicate high levels of willingness to pay this way, with particularly strong appetites among younger consumers. In fact, the majority of Generation Z and millennial consumers say they would be highly willing to use open banking payments for at least one type of common transaction, such as recurring bills, subscriptions and groceries.

Despite this enthusiasm, few consumers made any open banking payment for a product or service within the last year. This presents immense potential for growth. The gap between robust interest and actual utilization appears to be driven mainly by a lack of awareness and concerns related to security, presenting a dual challenge for open banking payments providers.

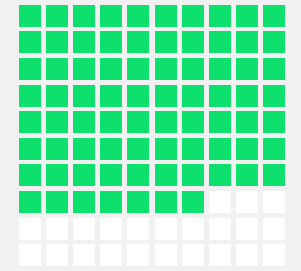
Only **11%** of consumers used open banking payments in the last year.

PYMNTS Intelligence finds that familiarity and trust play crucial roles in bridging this divide between strong interest and everyday use. For example, 68% of consumers who paid through open banking in the last year are generally satisfied with their experiences, and this increases substantially among high-frequency users. Fifty-six percent of non-users, meanwhile, cite trust-related concerns as a key reason for their disinterest.

## What are open banking payments?

Open banking payments enable consumers to make secure, instant bank account payments to merchants and service providers using only their regular online banking credentials. During checkout, the user is asked to select their bank from a list and log in as they normally would. The open banking technology connects the user to their bank to authenticate the transaction without ever exposing their credentials to another party or storing their bank account information with the merchant or in a digital wallet.

# 77%



of consumers who used open banking in the last year are **willing to do so again.**

These are just some of the findings detailed in Consumer Sentiment About Open Banking Payments, a PYMNTS Intelligence and Trustly collaboration. This edition examines the state of play for open banking payments and draws on insights from a census-balanced survey of 2,541 U.S. consumers conducted from Dec. 29, 2023, to Jan. 5, 2024.

**This is what we learned.**

# KEY FINDINGS

## 01

### GENERATIONAL DIVIDE

Gen Z shows significantly stronger interest in using open banking payments than other age groups.



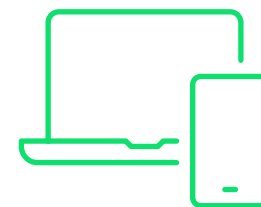
# 72%

Share of Gen Z consumers expressing strong willingness to use open banking payments

## 02

### USAGE GAP

Despite consumers' stated interest and willingness to link their bank accounts to websites and apps, their usage of open banking payments is low, primarily due to lack of awareness.



# 2.9

Average number of websites or apps consumers already link their bank account to

03

## TRUST FACTOR

Consumers tend to trust banks or credit unions most to provide open banking payments, yet overall trust in potential providers is low.



# 43%

Share of consumers naming banks and credit unions as a trusted organization to provide open banking payments

04

## SATISFACTION LINK

Frequent use of open banking payments correlates to higher satisfaction and willingness to switch to businesses that support this payment option.



# 82%

Share of consumers using open banking payments frequently in the last year who report high satisfaction with them

# PYMNTS IN DEPTH

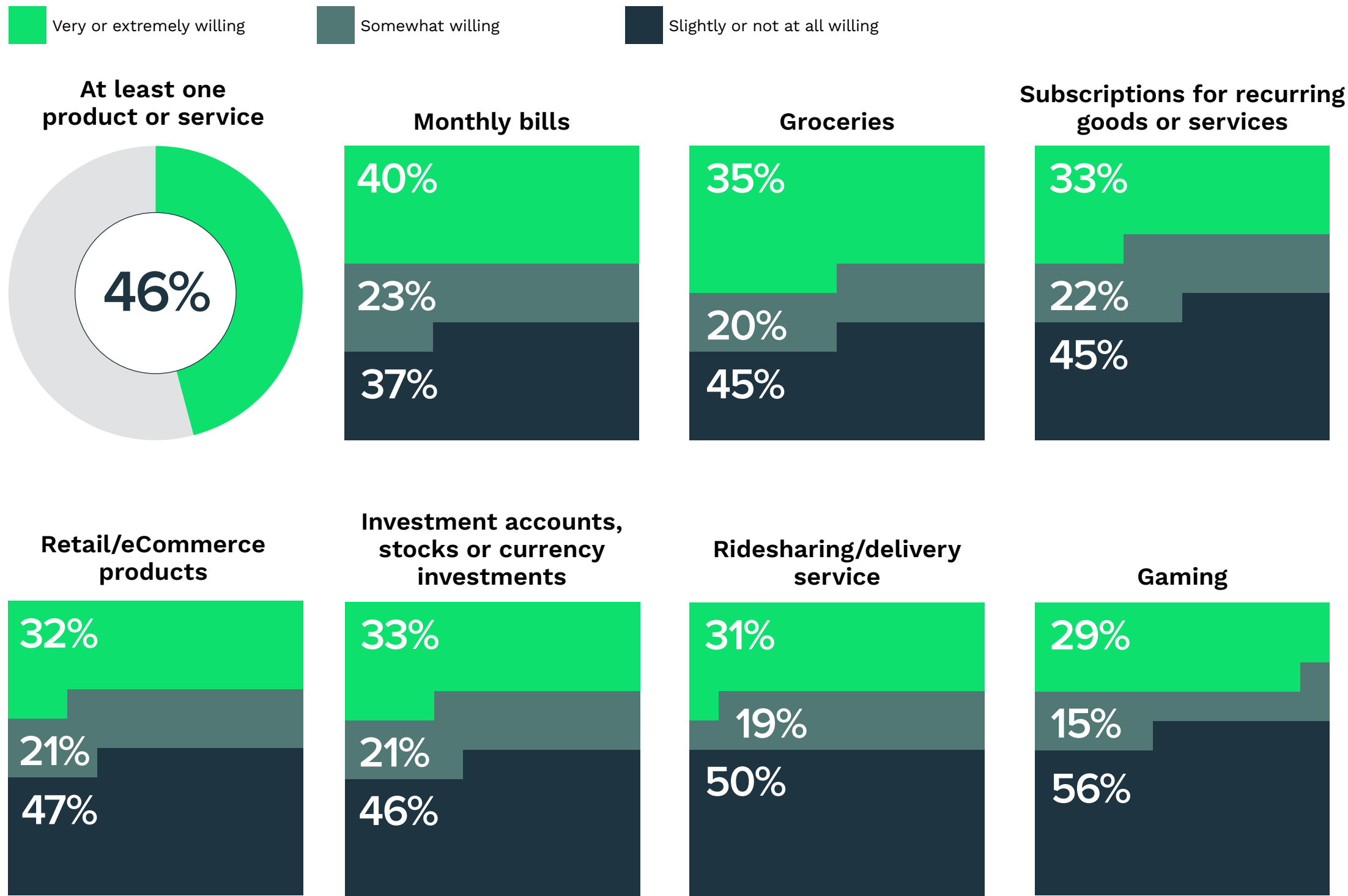
**Gen Z consumers are 54% more willing to use open banking payments than the average consumer.**

Open banking payments are gaining traction among U.S. consumers. PYMNTS Intelligence's latest study finds that an estimated 121 million consumers, approximately 46% of U.S. adults, express a high degree of willingness to adopt this payment method for at least one select transaction. Among those likely to make select transactions in the next year, interest levels are highest for using open banking payments for monthly bills, at 40%, followed by groceries, at 35%, and subscriptions, at 33%.

**FIGURE 1:**

**Openness to open banking**

Share of consumers likely to transact in select categories citing their willingness to make an open banking payment for select products or services in the next 12 months



The survey reveals a clear divide between enthusiastic younger consumers and their less interested older peers. Seventy-two percent of Gen Z and 66% of millennial respondents indicate strong willingness to use open banking payments, while just 42% of those in Generation X and 22% of baby boomers and seniors said the same. Meanwhile, 50% of consumers who earn at least \$100,000 per year — high-income earners — are highly willing to use open banking payments, notably more than the 42% of those earning \$50,000 or less per year who said the same. These findings suggest that open banking providers should tailor engagement strategies for varying segments.

Source: PYMNTS Intelligence

Consumer Sentiment About Open Banking Payments, March 2024

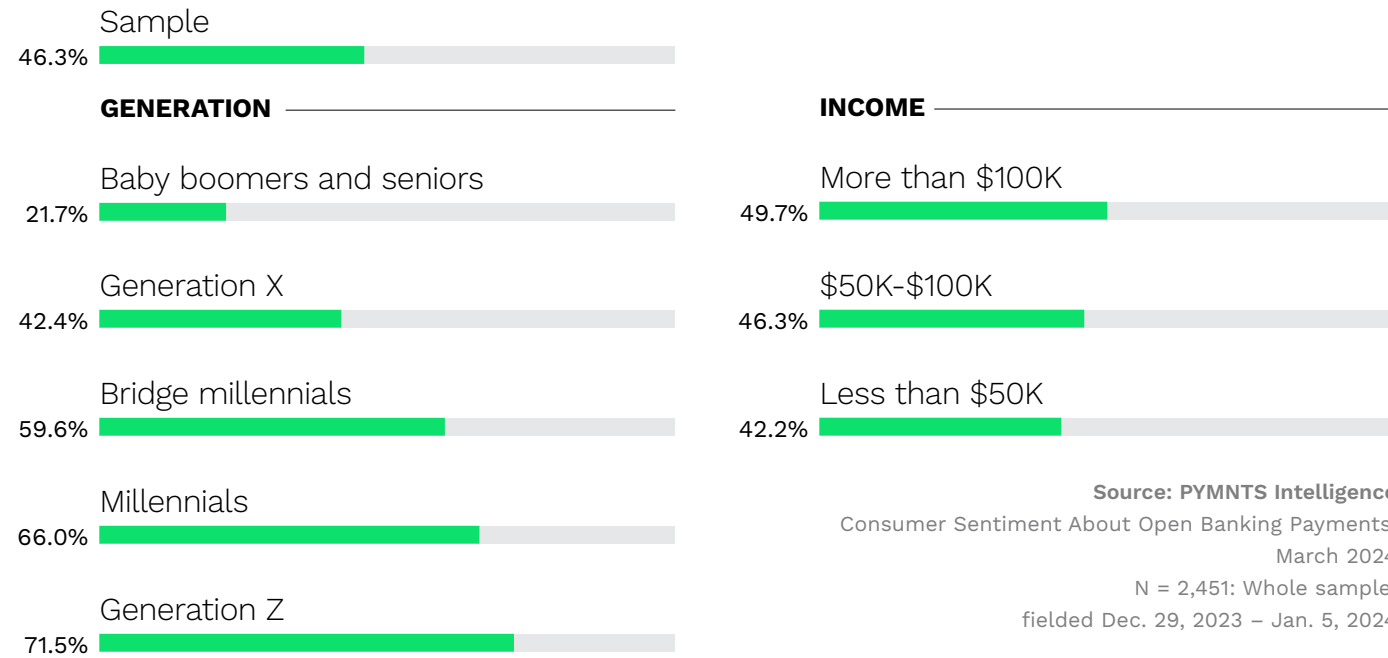
N varies based on the number of respondents likely to pay for select products or services in the next 12 months, fielded Dec. 29, 2023 – Jan. 5, 2024



**FIGURE 2:**

**Willingness to use open banking payments**

Share of consumers very or extremely willing to use open banking to pay for at least one select product or service, by demographic



**Source: PYMNTS Intelligence**  
 Consumer Sentiment About Open Banking Payments,  
 March 2024  
 N = 2,451: Whole sample,  
 fielded Dec. 29, 2023 – Jan. 5, 2024



**50%**

of consumers who earn at least **\$100,000** per year — high-income earners — are **highly willing** to use open banking payments.



# Only 11% of adults used open banking payments in the last year, partly reflecting a lack of awareness.

The strong interest consumers express in open banking payments belies relatively low actual usage, however. Only an estimated 11% of U.S. adults — approximately 27 million individuals — used open banking payments for at least one transaction in the past year. In contrast, an estimated 68 million individuals manually input account and routing numbers, 52 million paid via their bank’s bill pay services and 26 million used digital wallets. Open banking payments were most used for monthly bills and subscriptions, with 17 million consumers (64% of total open banking users) doing so.

The discrepancy between consumers’ stated willingness to adopt open banking payments and their actual usage appears to

**FIGURE 3:**

### How consumers currently use bank account transfers

Share of consumers who made select payments using select bank account transfer methods in the last 12 months

	Provided routing and account	Bank bill pay	Open banking payments	Digital wallet
• <b>For at least one product or service</b>	<b>26.2%</b>	<b>19.9%</b>	<b>10.5%</b>	<b>10.2%</b>
• Monthly bills	19.3%	14.2%	5.4%	4.1%
• Investment accounts, stocks or currency investments	6.9%	3.8%	2.8%	1.7%
• Subscriptions for recurring goods or services	5.6%	3.9%	1.8%	2.6%
• Retail/eCommerce products	1.5%	2.0%	1.3%	2.1%
• Grocery/online grocery	1.2%	1.3%	0.9%	1.7%
• Bets or gambling	1.0%	0.7%	0.5%	0.9%
• Ridesharing/delivery service	0.6%	0.6%	0.9%	1.5%

Source: PYMNTS Intelligence

Consumer Sentiment About Open Banking Payments, March 2024

N = 2,451: Whole sample, fielded Dec. 29, 2023 – Jan. 5, 2024

largely stem from a lack of awareness. Of the 89% of consumers who did not use open banking in the last year, 44% indicate they are not familiar with this type of payment. This suggests robust growth potential as awareness of open banking payments grows.

FIGURE 4:

Consumers already connect their bank accounts

Average number of websites or apps that consumers connect their bank accounts to, by demographic

2.9

Sample



3.2



More than \$100K

2.9



\$50K-\$100K

2.4



Less than \$50K

2.2



Baby boomers and seniors

2.8



Generation X

3.2



Bridge Millennials

3.4



Millennials

3.6



Generation Z

Source: PYMNTS Intelligence

Consumer Sentiment About Open Banking Payments, March 2024

N = 2,451: Whole sample, fielded Dec. 29, 2023 – Jan. 5, 2024

Indeed, consumers who used open banking in the last year are almost three times as likely to be willing to do so again. Specifically, 77% express readiness to use it again, compared to the 27% of non-users who are nonetheless highly willing to try using open banking for the first time. The data shows a strong correlation between trial use and continued usage, highlighting the potential for open banking to significantly expand its footprint by adopting strategies to boost initial engagement.

Looking at the wider use of linked bank accounts for payments reveals that the average consumer is already comfortable with the fundamental concept of open banking. Consumers link their bank accounts to or store their banking credentials with 2.9 external apps and websites, on average. Younger consumers are substantially more likely to do so, with Gen Z linking their bank accounts to 3.6 apps and websites, on average, and millennials to 3.4, on average. The same is true for higher-income consumers, who average 3.2 apps and websites. These findings suggest that lucrative markets can be persuaded to use open banking payments.

## Familiarity with open banking payments drives repeat use



**77%** Share of open banking payments users who express strong willingness for repeat usage



Open banking payments users are three times as likely as non-users to be highly willing to pay this way again in the future



**18%** Share of non-users who say they are unfamiliar with open banking payments

# Consumers name banks and credit unions as the organizations they trust most to provide open banking payments — yet trust in potential providers overall is low.

Security and trust are the biggest sticking points for consumers who do not use open banking payments. Overall, 56% of those who did not use open banking in the last year cite concerns related to these areas, with notably higher rates among older consumers. Usability and convenience challenges were a concern for 48% of non-users. Notably, security and trust issues loom especially large for older consumers: 64% of baby boomer and senior non-users named security or trust related issues compared to 44% of their Gen Z and millennial counterparts who said the same.

**FIGURE 5:**

### Top reasons for not being interested in open banking payments

Share of consumers who have not used open banking payments citing select concerns about the payment method, by generation

	Sample	Generation Z	Millennials	Bridge millennials	Generation X	Baby boomers and seniors
• Concerns about security and trust	56.2%	43.7%	43.8%	48.9%	56.7%	63.8%
• Usability and convenience challenges	47.7%	51.5%	48.1%	48.2%	42.4%	49.7%
• Cost and availability of the payment process	20.2%	31.4%	25.2%	21.3%	18.8%	16.7%
• No incentives or rewards offered for using it	15.5%	12.1%	15.0%	18.3%	17.9%	15.1%
• Other	3.4%	1.3%	0.5%	1.9%	3.8%	4.9%
• I do not think I would have any concerns or difficulties.	6.6%	7.6%	4.9%	3.5%	6.9%	6.9%

Source: PYMNTS Intelligence

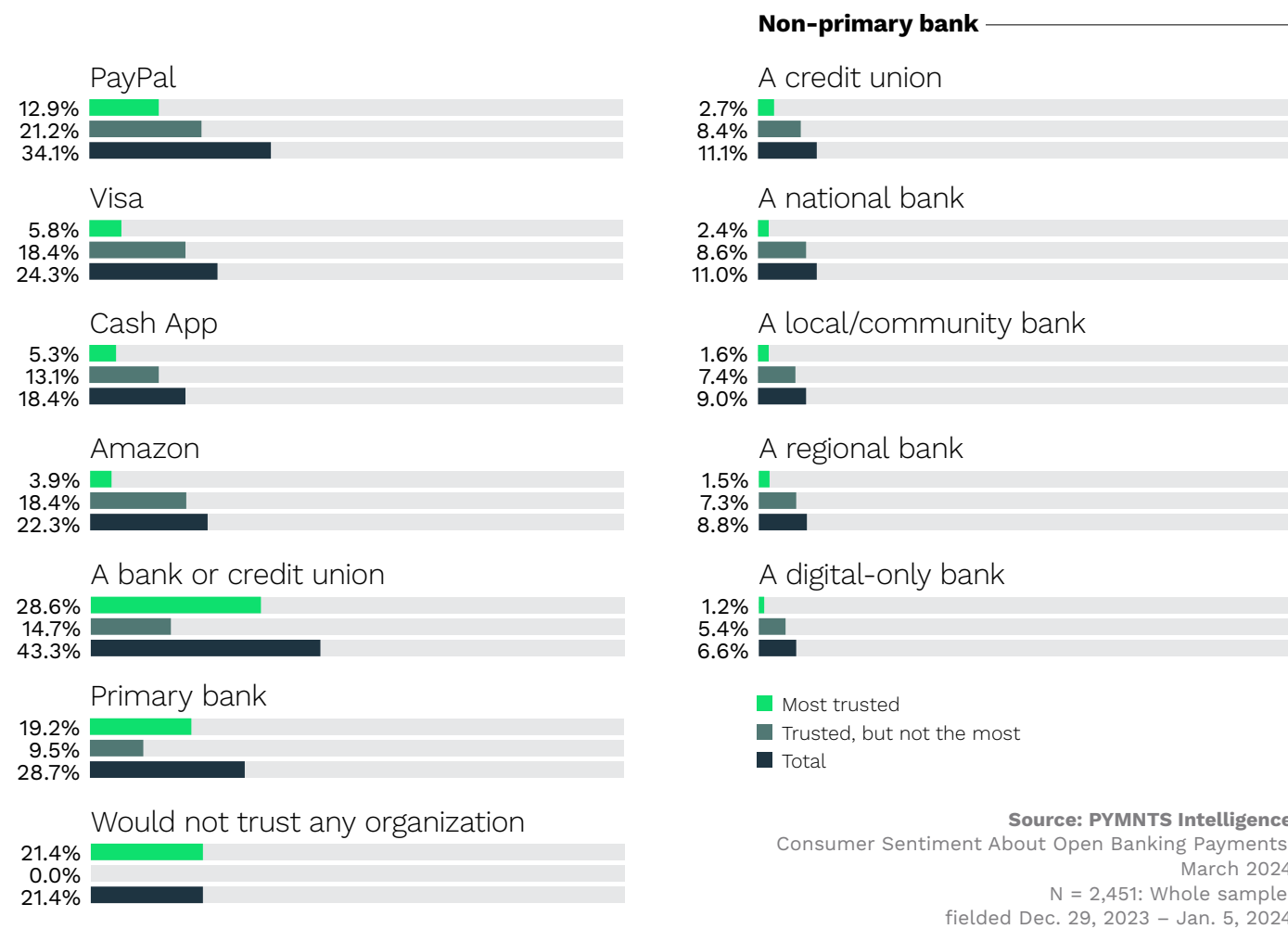
Consumer Sentiment About Open Banking Payments, March 2024

N = 1,560: Consumers who have not paid for a product or service using open banking payments, fielded Dec. 29, 2023 – Jan. 5, 2024

**FIGURE 6:**

**Organizations trusted to provide open banking payments**

Share of consumers saying they would trust select organizations or institutions to provide open banking payments, by level of trust



**Source: PYMNTS Intelligence**  
 Consumer Sentiment About Open Banking Payments,  
 March 2024  
 N = 2,451: Whole sample,  
 fielded Dec. 29, 2023 – Jan. 5, 2024

Consumers are most likely to trust traditional financial institutions to provide open banking solutions. Overall, 29% of respondents name a bank or credit union as their most trusted provider, most of whom indicate their primary bank, at 19%. PayPal ranks as the most trusted FinTech, at 13%, while Visa, Cash App and Amazon trail well behind. These findings reveal a fragmented trust market in which no single provider dominates consumer confidence.

However, lack of trust defines the overall landscape for open banking payments. Only 43% of consumers would trust any bank or credit union to provide open banking solutions, and just 29% would trust their primary bank. Moreover, 21% of consumers express blanket distrust in any organization to deliver open banking payments, reflecting deep skepticism that providers should work to address.

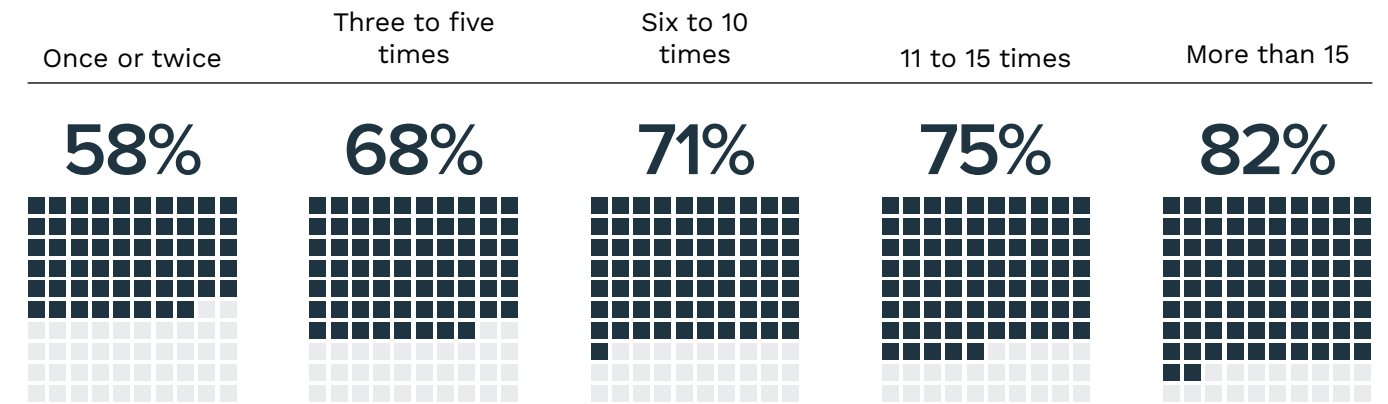
## Familiarity breeds trust: The more consumers use open banking payments, the higher their satisfaction and the more likely they are to switch to businesses that provide this payment option.

Despite concerns among non-users, consumers who use open banking payments largely report positive experiences. Overall, 68% of users say they are very or extremely satisfied. Importantly, the data shows that higher frequency of use boosts trust. Among consumers who used open banking payments at least 15 times in the last year, the share of highly satisfied users climbs to 82%. This contrasts with the 58% who used it just once or twice. To put this in perspective, traditional payment methods have somewhat higher average satisfaction levels, including credit cards, at 87%, debit cards, at 86%, and cash, at 79%. However, this gap will likely shrink as consumers become more familiar with open banking payments.

**FIGURE 7:**

### Satisfaction grows with open banking payment use

Share of consumers who are very or extremely satisfied paying for products or services using open banking payments, by number of times used



Source: PYMNTS Intelligence

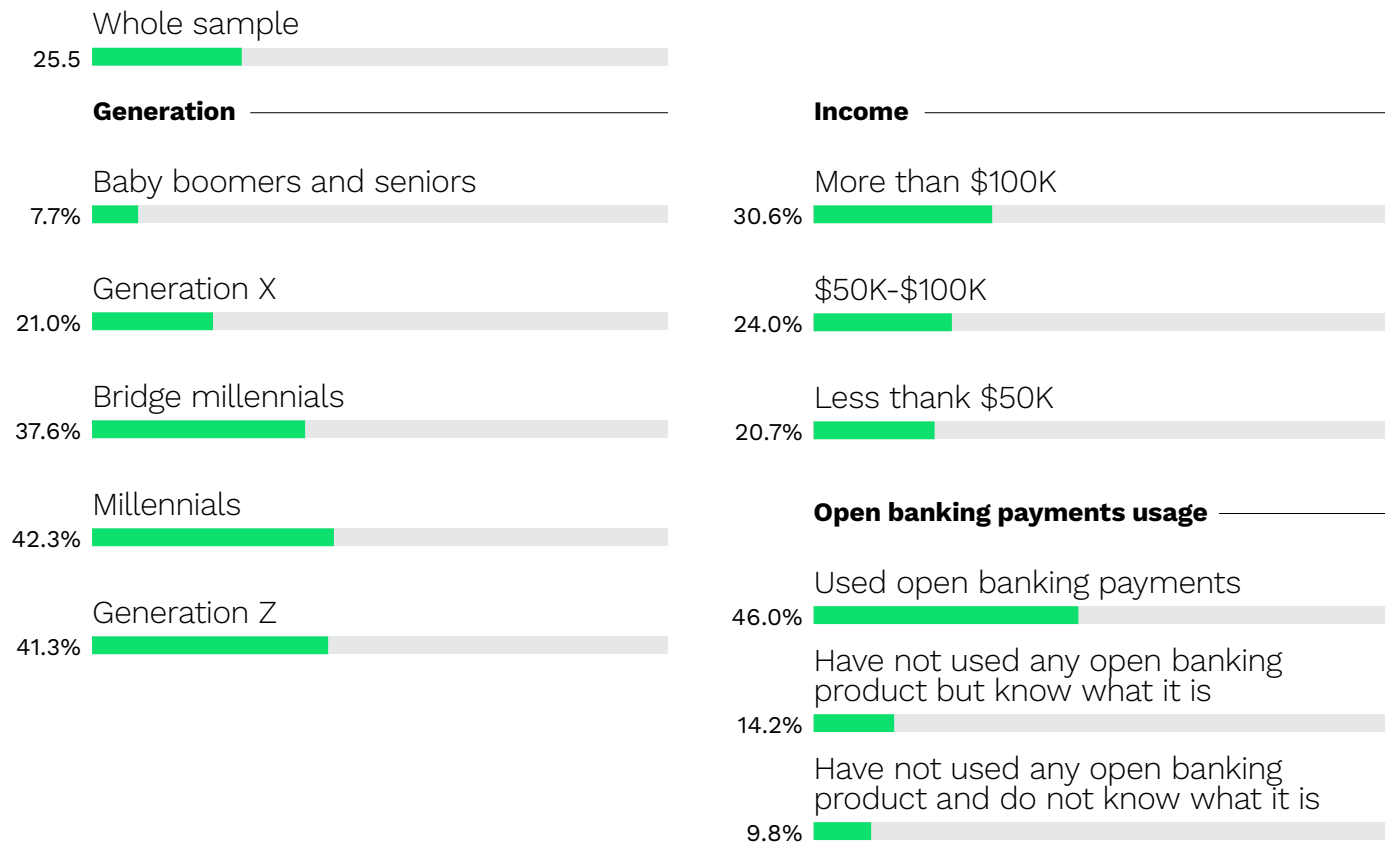
Consumer Sentiment About Open Banking Payments, March 2024  
N = 981: Respondents who have paid for a product or service using open banking payments, fielded Dec. 29, 2023 – Jan. 5, 2024

The study also finds that consumers' willingness to switch to businesses that support open banking increases with their current use of this payment method. For instance, while 26% of respondents say making a decision to switch businesses or service providers would be highly influenced by the availability of open banking payments, this share jumps to 46% among current open banking users. This likelihood is also more pronounced among younger consumers, at 42% for millennials and 41% for Gen Z.

**FIGURE 8:**

**Making the switch for open banking payments**

Share of consumers saying open banking payments would be very or extremely influential in their decision to switch merchants or service providers



Source: PYMNTS Intelligence  
 Consumer Sentiment About Open Banking Payments, March 2024  
 N = 2,451: Whole sample, fielded Dec. 29, 2023 – Jan. 5, 2024

**46%**

Share of consumers who have used open banking payments saying **availability** of open banking payments would be **highly influential** in their decision to switch merchants or providers

589, 23, 1176, 608, 308, 75, 1176, 308, 589, 23, 308, 300, 900, 111



# DATA FOCUS

---

**Incentives can drive the adoption of open banking payments, especially among younger consumers.**

**Millennial and Gen Z consumers are much more willing to use open banking payments if they get discounts or access to loyalty programs.**

---

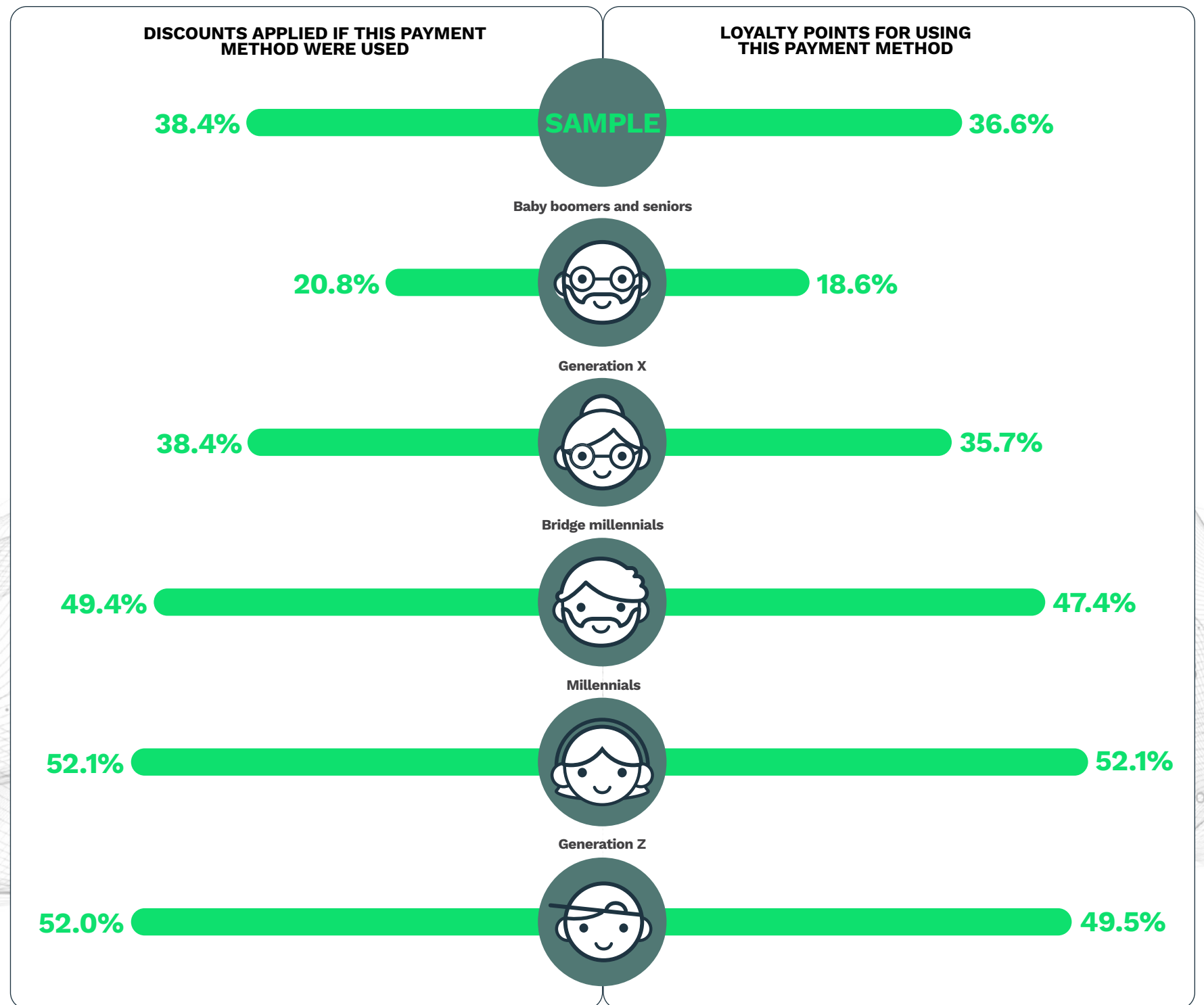
Discounts can increase consumers' willingness to adopt open banking payments. Overall, 38% of consumers report that discounts would be highly influential in their decision to use this payment method. Younger consumers express higher levels of enthusiasm, with 52% of both millennials and Gen Z saying that discounts would play a strong role. Just 21% of baby boomers and seniors say the same.

Loyalty programs closely parallel these trends. Thirty-seven percent of consumers say that the ability to earn rewards points would greatly influence their willingness to use open banking payments. Again, younger generations show especially keen interest, with 52% of millennials and 50% of Gen Z agreeing that loyalty programs would have a substantial impact. Overall, the data strongly indicates that open banking providers should prioritize discounts and loyalty programs to drive wider adoption of open banking payments, especially among lucrative younger demographics.

**FIGURE 9:**

**Influence of incentives on willingness to adopt open banking payments**

Share of consumers who cited select factors as very or extremely influential on their willingness to use open banking payments, by generation



Source: PYMNTS Intelligence  
 Consumer Sentiment About Open Banking Payments, March 2024  
 N = 2,451: Whole sample, fielded Dec. 29, 2023 – Jan. 5, 2024

# ACTIONABLE INSIGHTS



## 01

Younger consumers show particularly strong willingness to adopt open banking payments. To capture the attention of Gen Z and millennials, highlight both the ease of use for routine transactions and the security and innovation of open banking payments. This can substantially improve adoption rates among these key — and lucrative — consumer segments.



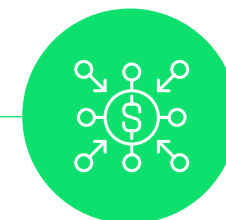
## 02

To capitalize on the high interest in but low use of open banking payments, focus some marketing efforts on the versatility of open banking payments for a broader range of goods and services. Start with recurring monthly bills, subscriptions and common purchases such as groceries to bridge the gap between curiosity and actual adoption.



## 03

To mitigate concerns about trust and security, especially among older consumers, prioritize transparent communication about security measures and user benefits. Given the trust gap, consumer education is crucial. Partner with trusted banks, credit unions and FinTechs to bolster credibility and broader acceptance across all age groups.

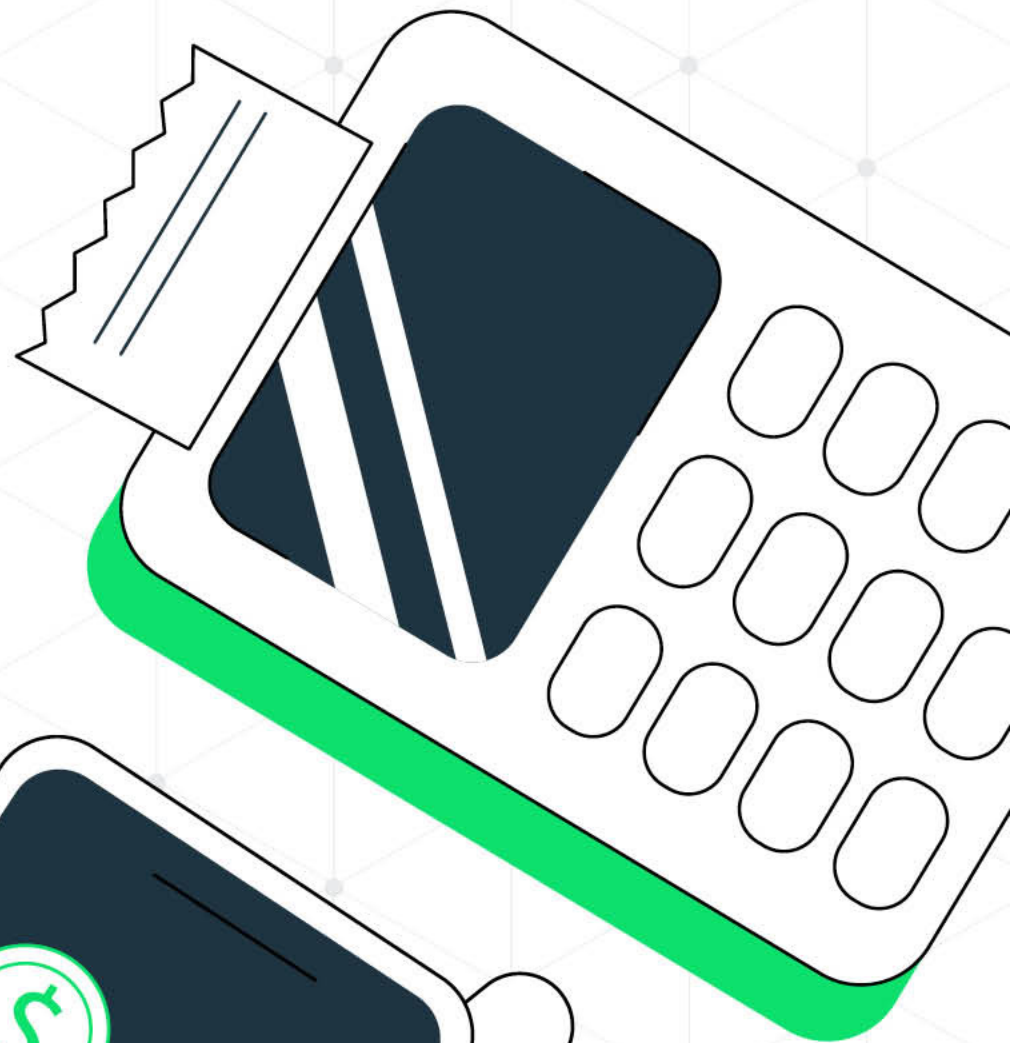


## 04

Introduce or enhance incentives for frequent use of open banking payments to cultivate loyalty and further increase usage frequency. Tailor these incentives to the preferences of diverse user groups. Additionally, promote the positive experiences and high satisfaction rates of current frequent users to attract new users and encourage existing users to broaden their usage.

# CONSUMER SENTIMENT ABOUT OPEN BANKING PAYMENTS

PYMNTS  
INTELLIGENCE



March 2024 Report

## METHODOLOGY

**C**onsumer Sentiment About Open Banking Payments, a PYMNTS Intelligence and Trustly collaboration, explores the state of play for open banking payments. We surveyed 2,541 U.S. consumers between Dec. 29, 2023, and Jan. 5, 2024, to explore how familiar they are with open banking payments, the extent to which they used the payment method and what concerns may be limiting adoption. Our sample was balanced to match the U.S. adult population in a number of key demographic variables: 51% of respondents identified as female, 33% were college-educated and 37% declared incomes of more than \$100,000 per year.

### THE PYMNTS INTELLIGENCE TEAM THAT PRODUCED THIS REPORT

Scott Murray  
SVP and Head of Analytics

Daniel Gallucci  
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**

Founded in 2008, Trustly is a global leader in open banking payments. Our digital account-to-account platform redefines the speed, simplicity and security of payments, linking some of the world's most prominent merchants with consumers directly from their online banking accounts. Trustly can handle the entire payment journey, setting us apart from the competition and enabling us to offer an attractive alternative to traditional card networks at a lower cost. Today we serve 8,300 merchants, connecting them with 650 million consumers and 12,000 banks in over 30 countries. In 2023, we processed over \$56 billion in transaction volume on our global network. Trustly is a multi-national payments and data solutions company, offering products across North America and Europe. In the United States, services are provided by Trustly, Inc., its local affiliates and partners. Read more at [us.trustly.com](https://us.trustly.com)

Consumer Sentiment About Open Banking Payments 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).