

Convergence of Real-Time Payments and Open Banking Helps Banks to Grow Revenue and Attract Customers

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New white paper by ACI Worldwide and Lipis Advisors outlines new uses cases for banks, processors and merchant acquirers

NAPLES, Fla. & LONDON--(BUSINESS WIRE)--Mar. 14, 2019-- Banks, processors and merchant acquirers must adopt holistic real-time and Open Banking strategies in order to monetize real-time payments, according to [Get More from Real-Time Payments](#), a new white paper published by [ACI Worldwide](#) (NASDAQ: ACIW), a leading global provider of real-time [electronic payment and banking solutions](#), and payments consultancy [Lipis Advisors](#).

The study sets out recommendations for banks, processors and merchant acquirers and outlines services that allow all participants in the payments ecosystem to create new revenues, increase margins, and shorten the time to ROI.

“Our research shows that the possibilities for value realization in the open and real-time banking ecosystem abound,” said Craig Ramsey, head of real-time payments at ACI Worldwide. “New services such as ‘Request to Pay’ are already proving popular in many parts of the world. Once merchants and banks recognize the benefits adoption will take off.

“Real-time payments and Open Banking add value for businesses in a variety of ways and they have a huge potential to help banks grow revenue and attract new customers when combined.”

“Consumers have been quick to adopt real-time payments in many countries, because they offer additional convenience and functionality,” comments Leo Lipis, chief executive of Lipis Advisors. “Many people are just now beginning to realize that the combination of real-time payments and open banking can improve efficiency, compliance, and create new services for corporate customers, too, and lead to increased revenue for banks.”

The paper outlines new use cases, spanning retail and wholesale payments, that can benefit the entire value chain including:

Benefits of real-time payments and Open Banking for consumer services

The convergence of real-time payments and Open Banking will allow for the creation of new types of digital overlay services, such as Request to Pay (RtP), whereby a biller can send an electronic request for payment and customers can respond via their mobile phone to make the payment. India is an example for how digital overlay services can create an explosion in cashless payments. The paper predicts that RtP is set to revolutionize billing in sectors such as utilities, local government or mortgage payments. Other services could combine real-time payments with related financial services; for example, banks could offer faster decision on short-term loans by combining real-time payment systems and data on credit worthiness.

Benefits of real-time payments and Open Banking for corporate services

Real-time payments and Open Banking have the potential to address inefficiencies for corporate customers in accounts receivable and payable departments, where the reconciliation process of incoming payments to outstanding invoices remains highly manual. API-enabled systems and more functionally-rich data standards can solve this, by providing invoices and payments that map to the needs of the corporate customer.

Benefits of real-time payments and Open Banking for regulatory compliance

For many banks compliance with Know-Your-Customer (KYC), Anti-Money Laundering (AML), and Counter-Terrorism Financing (CTF) sanctions often involve manual steps that prevent straight through processing, which drives up the cost and reduces the speed of payments. APIs could allow for two-way communication with centrally held and up-to-date sanctions lists, allowing for always up-to-date automated screening. Furthermore, anti-fraud measures can also be shared among consortium banks, allowing mule accounts to be identified more efficiently.

Download the complete white paper [Get More From Real-Time Payments](#), from Lipis Advisors and ACI Worldwide: www.aciworldwide.com/get-more-from-real-time-payments

About ACI Worldwide

ACI Worldwide, the [Universal Payments](#) (UP) company, powers [electronic payments](#) for more than 5,100 organizations around the world. More than 1,000 of the largest financial institutions and intermediaries, as well as thousands of global merchants, rely on ACI to execute \$14 trillion each day in payments and securities. In addition, myriad organizations utilize our [electronic bill presentment and payment](#) services. Through our comprehensive suite of software solutions delivered on customers' premises or through ACI's [private cloud](#), we provide real-time, [immediate payments](#) capabilities and enable the industry's most complete [omni-channel payments](#) experience. To learn more about ACI, please visit www.aciworldwide.com. You can also find us on Twitter [@ACI_Worldwide](#).

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