

Banking and Payments **BULLETIN**



CISOs need less hype and more help from GenAI

Alternative payments temper growth of card acceptance

Russian payments landscape resilient despite sanctions

Open banking creates new value and vulnerability

As UK banks close branches, building societies buck trend

Country profile: Egypt

Banking and Payments

BULLETIN



An exciting time to be in the payments game

I am taking this opportunity to draw your attention to two feature articles in this edition of *Banking and Payments Bulletin*.

They highlight the breadth and depth of research at Datos Insights by analysing the extremely healthy but relatively established card acceptance sector (see page 2) and the still emerging world of open finance (see page 7).

The number of merchant outlets accepting cards grew 5% and the number of EFTPOS terminals 3% in 2022. While respectable, these figures represent a slowdown and highlight challenges in the form of non-card-based alternatives, which have gained traction in some countries. The shift to alternative types of payment is partly consumer driven, but also reflects merchant desires to reduce the cost of acceptance. In mature markets, card payments are more entrenched, with consumers accustomed to using cards (or proxy devices) and merchants therefore in a weaker position to encourage a shift to alternatives. Contactless payments will continue to encourage growth, although the latest research shows 85% of EFTPOS terminals accept contactless payments and that this will reach nearly 100% by the end of the decade.

If the payment cards industry is some way down the maturity curve, open finance is still near the start. That is not to say that nothing is happening – numerous countries have made excellent progress along the open banking, open finance and open economy journey – but progress varies wildly by geography, and mass adoption, even in countries with solutions in place, is generally still some way off.

The underlying drivers for 'open' initiatives are competition and innovation, but without regulation and co-ordination, market forces alone are struggling to maximise potential. Even in Europe with its well-established PSD2 regulations, the absence of central co-ordination has led to a fragmented market with a lack of common API standards and varying quality of bank APIs. The USA, which up to now has taken a market-driven approach, lags further behind – a situation which should change this year with the introduction of a Consumer Financial Protection Bureau rule requiring companies to share data at the request of the customer.

While card payments and open finance may be at different levels of maturity, neither has peaked. Innovation in payments continues to thrive, creating not just new entrants but driving incumbents to greater heights. It is an exciting time to be in the payments game.

Dominic Hirsch
Senior Advisor
Datos Insights

- 2 GLOBAL CARD ACCEPTANCE**
Alternative payments temper growth of card acceptance
- 4 RUSSIAN PAYMENTS**
Russian payments landscape resilient despite sanctions
- 5 AI AND CYBERSECURITY**
CISOs need less hype and more help from GenAI
- 7 OPEN BANKING**
Open banking creates new value and vulnerability
- 10 COMPOSECURE PERSPECTIVE**
Hyper-personalisation and premiumisation in payments
- 11 UK BRANCHES**
As UK banks close branches, building societies buck trend
- 13 ASIAN ATMS**
South Asian markets see strong ATM growth
- 15 DIEBOLD NIXDORF PERSPECTIVE**
The off-premises opportunity
- 16 NEWS BULLETIN**
Banking and payments news
- 17 COUNTRY PROFILE**
ATM and cards intelligence on Egypt
- 21 CONFERENCE DIARY**
Upcoming industry events from around the world

Editor-in-Chief Wayne Mincey

Managing Editor Morten Jorgensen

Editor Alex Effgen

Editorial Board Julie Conroy, Richard Cummings, Tom Hutchings, Matt Kamisher-Koch

Contributors Jerome Amara, Helen Amos, Robert Chaundy, Daniel Dawson, Amanda Gourbault, John Horn, Laith Jawad, Robert Kilpatrick, Gillian Shaw

Subscriptions Dani Wright

Advertising Amanda Hardy, Felix Kronabetter

For all editorial and advertising enquiries:

Telephone: +44 20 8831 7300

Email: bulletin@datos-insights.com

Advertisers in this issue:

CompoSecure www.composecure.com

Diebold Nixdorf www.DieboldNixdorf.com

Mastercard www.mastercard.com

Annual subscription (12 issues):

Printed and electronic (unlimited users) £3,000

Follow us: [in](#) [X](#) @RBRDataServices

ISSN 1748-5304

RBR Data Services, Datos Insights
393 Richmond Road
London TW1 2EF, United Kingdom