

# 4 key insights fueling Embedded Finance in 2024



## How Embedded Finance is reshaping the landscape for software platforms.

Remember when financial services were the preserve of the banking world? Not anymore. Today Embedded Finance is revolutionizing the financial landscape by seamlessly integrating financial services into non-financial platforms. With Embedded Payments as the launchpad, this opens up opportunities for software companies to offer a broad range of financial products directly within their ecosystem, boosting loyalty and driving new revenue streams.

Ready to explore the transformative trends in Embedded Finance? Read on.



### The Embedded Finance market is skyrocketing

This rapid market growth offers huge potential for software platforms to reimagine their business models and restructure their offerings to deliver more accessible, integrated, and user-friendly financial solutions.

2023  
\$73.83  
billion



2032  
\$523.01  
billion

EXPERT MARKET RESEARCH, 2023



### Traditional finance is a roadblock for SMBs

SMBs have been struggling with cash flow issues and lengthy processes of traditional banks. Many have resorted to loans with predatory terms, sometimes reaching up to an eye watering 350% APR<sup>1</sup>. The good news is that most businesses are open to exploring financial products through their software tools, and 76% are willing to pay a premium for integrated services<sup>2</sup>.

<sup>1</sup>NERD WALLET, 2023. <sup>2</sup>AIRWALLEX, 2023



84%  
of businesses

open to exploring financial products through their software platform.

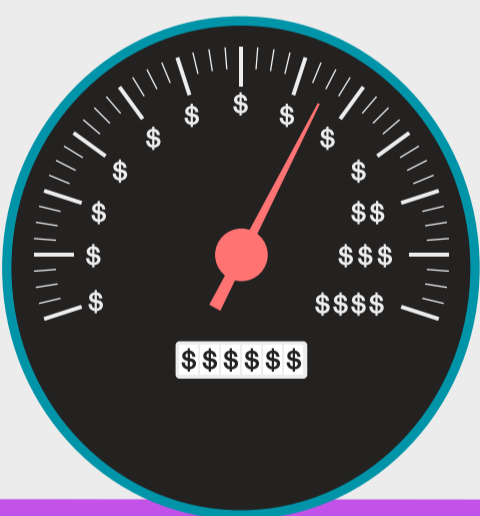
UNIT, 2023



### Integrated financial products are revving up revenue

Embedded Finance sets platforms apart, making them more attractive to users and enhancing customer experience with seamless financial integration. This leads to increased user retention and repeat business, with 89% of merchants taking subsequent offers from their software platform after a successful initial engagement<sup>3</sup>.

<sup>3</sup>PARAFIN, 2022



2x to 5x  
more revenue per user

The growth that platforms integrating financial products can achieve.

A16Z, 2020



### The future is in complementary embedded solutions

The next step for Embedded Finance includes building on payments with an expansion of complementary embedded solutions, real-time integration of financial services tailored to user data, and personalized financial products based on user data. And this is just for starters, with the market expected to continue expanding as software platforms increasingly adopt Embedded Finance solutions.

36%

Increase in Gross Merchandise Value (GMV) SMBs with access to capital can expect to see.

SHOPTFY, 2023



Ready to dive deeper into the key opportunities and challenges facing the embedded finance sector?

Discover how Payrix and Worldpay's Embedded Finance solutions can help enhance platform value, drive growth, and improve customer loyalty, enabling your platform to stay ahead now, and in the future.

Speak to our team about fueling your platform's potential today.

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