



Payment Trends Now And Post-Pandemic

technology payments pandemic

Summary: A new report provides findings on the latest payment trends. We offer you some insights on contactless payments, emerging technologies, and person-to-person payments to help with your planning.

At the end of 2019, popular payment apps included Tabbedout, LevelUp, and Mint. Meanwhile, DoorDash and GrubHub have become more widely used lately. There is a lot to keep track of these days with payments. We know that you are watching these fast-moving trends to see how they develop and how they could affect your customers.

To help you out, we bring you some [highlights from The Strawhecker Group](#) on a number of payment-related trends:

Contactless payments. This had been an area of growing importance before the pandemic, but hypersensitivity to contact has only made the movement in this direction more acute. A National Retail Federation and Forrester study found 19% of US consumers polled said they made a digital payment in a store for the first time this May, and a notable [57% said they would keep using contactless payments post-pandemic](#). This, along with other research on customer preferences for contactless, indicate the ongoing need for community financial institutions (CFIs) to hasten issuance of these card types and consider integrating payment apps with mobile phones. This could provide additional fee income as well.

Urgency for more technologies. More payment technologies are expected to continue to crop up and address the needs of the "new normal." These technologies, according to the report, include mobile services, non-contact verification, proximity services, cloud-based services, and digital communication tools. For CFIs, it's a good time to review customer-facing technologies to see where improvements can be made. Areas to think about include:

- [Chatbots](#)
- [Mobile banking app](#)
- [Voice-banking](#)

Person-to-person (P2P) payments. This is certainly an area that was gaining traction before the pandemic, and adoption only grew during the pandemic. Strawhecker's report offers the example of payment providers, such as Square, that are continuing to capitalize on this trend. In Square's case, that's being accomplished by expanding its Cash App's features beyond plain vanilla P2P transfer with features such as Cash Boost (a rewards program) and Cash App Investing. For CFIs already offering a P2P solution, it's advisable to see what other complementary features could be added to make the offering even more compelling, especially to younger customers who are heavy P2P users. Consider the findings of a recent Manole Capital Management payments survey that found [90% of college-age consumers polled use the Venmo app](#), while the others are divided between Apple Pay Cash 4%, Zelle 3%, and PayPal 3%.

These payment trends are going to demand additional attention from CFIs as our industry continues to respond and adapt to the new realities of the pandemic and the changing payment behaviors of its customers. As always, we will keep you updated on these trends as they continue on.

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