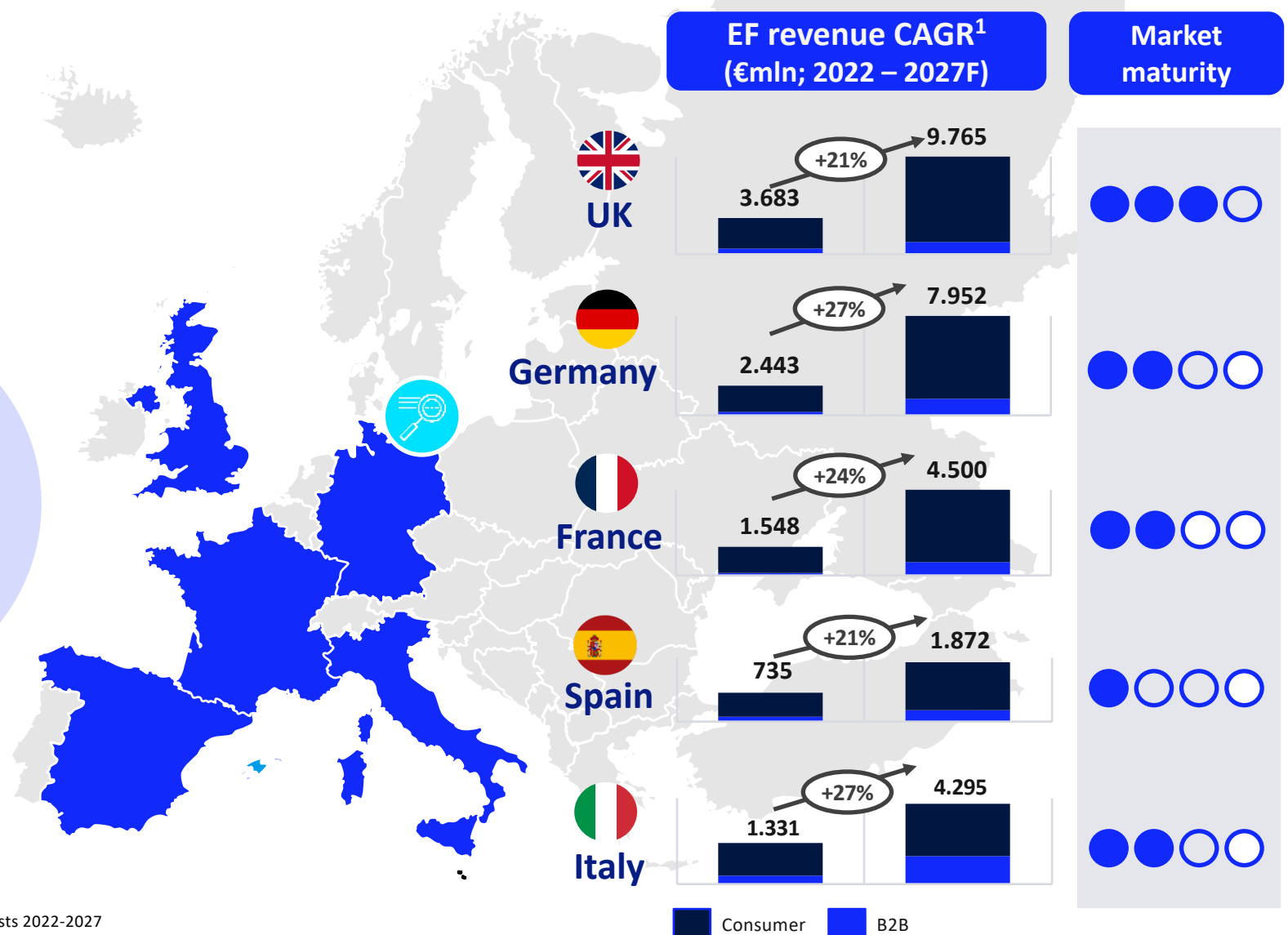
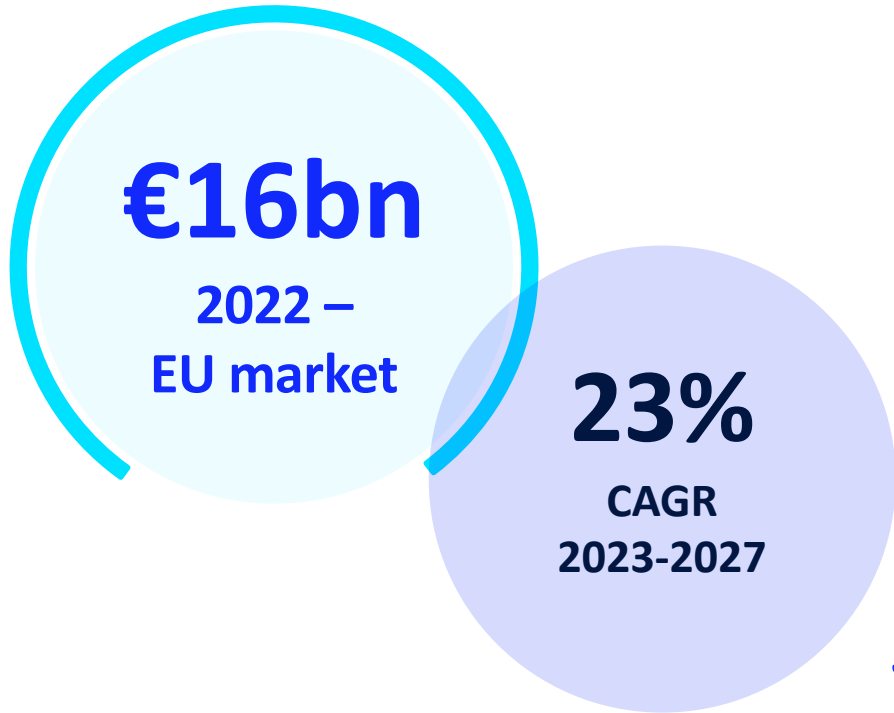


# What are European companies looking for from Embedded Finance providers?

Paolo Zaccardi, CEO & co-founder, Fabrick

Luca Corti, Vice President Business Development, Mastercard

# Embedded Finance revenues in EU projected to showcase a growth rate of 23% until 2027



# Not only a B2C opportunity:

the real challenge of Embedded Finance is to close the gap between B2C and B2B



Request to pay

Purchase order financing

Embedded Invoice financing

Working capital financing

Expense management

B2B BNPL

B2B issuing

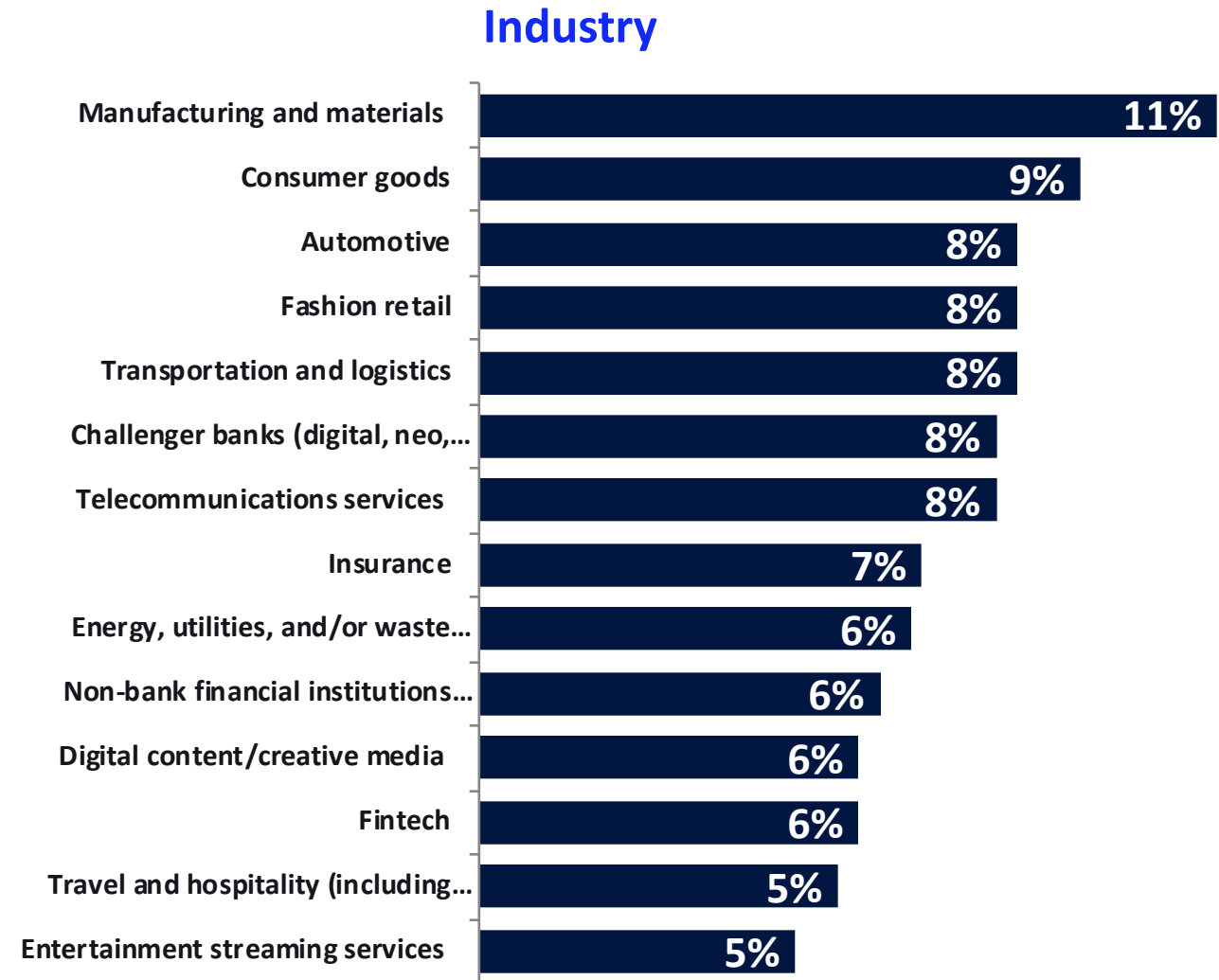
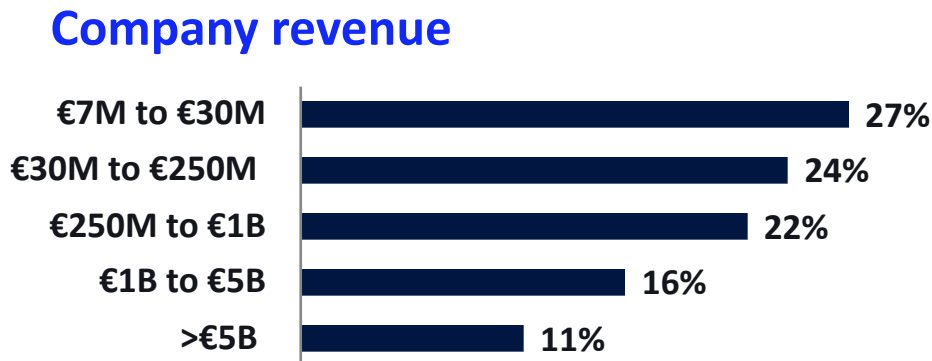
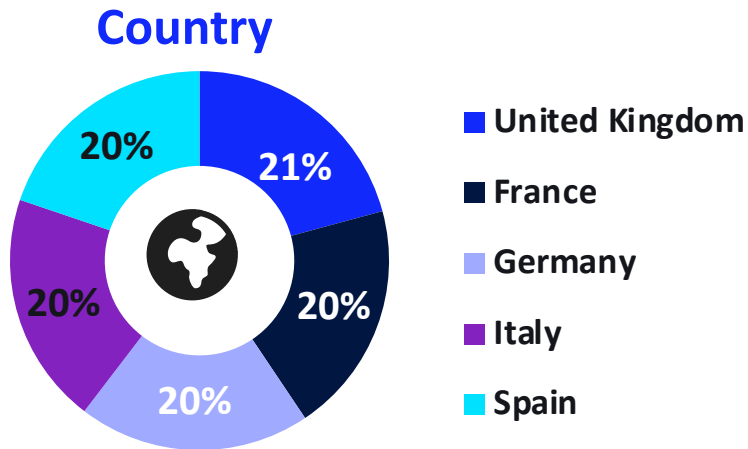
Virtual accounts

## OUR GUIDING QUESTIONS

**What are the **main challenges** companies have when accepting, managing, and reconciling end-to-end payment flows?**

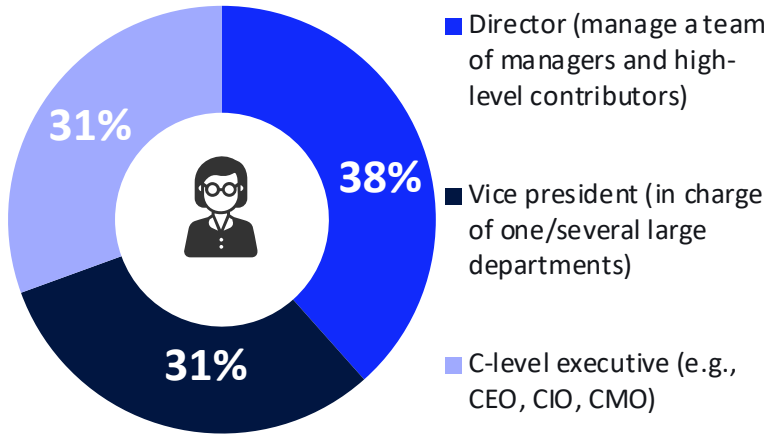
**How can Embedded Finance **improve back-office processes and enrich the overall customer experience?****

# We have asked these questions to >600 decision makers across EU

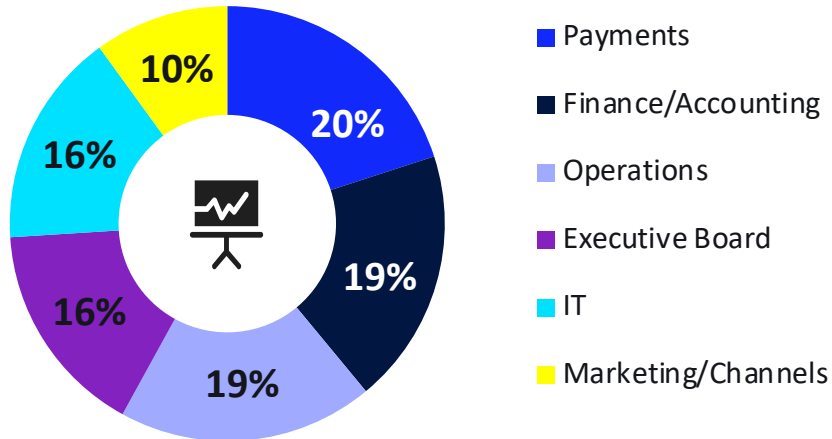


# We have asked these questions to >600 decision makers across EU

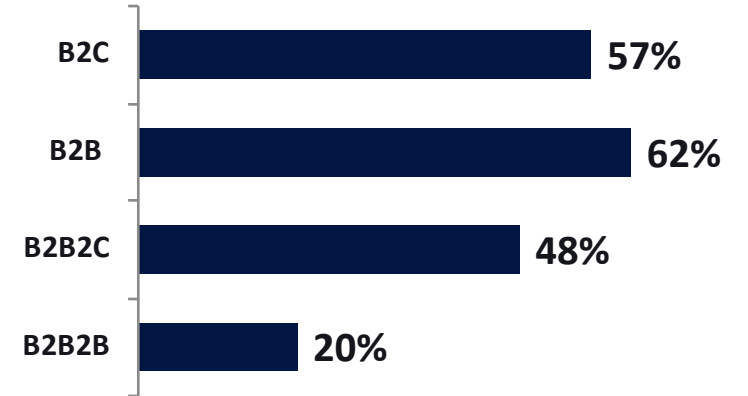
## Respondent level



## Department

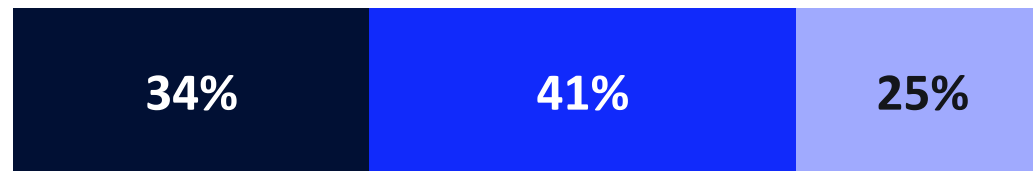


## Type of payments



## Level of responsibility

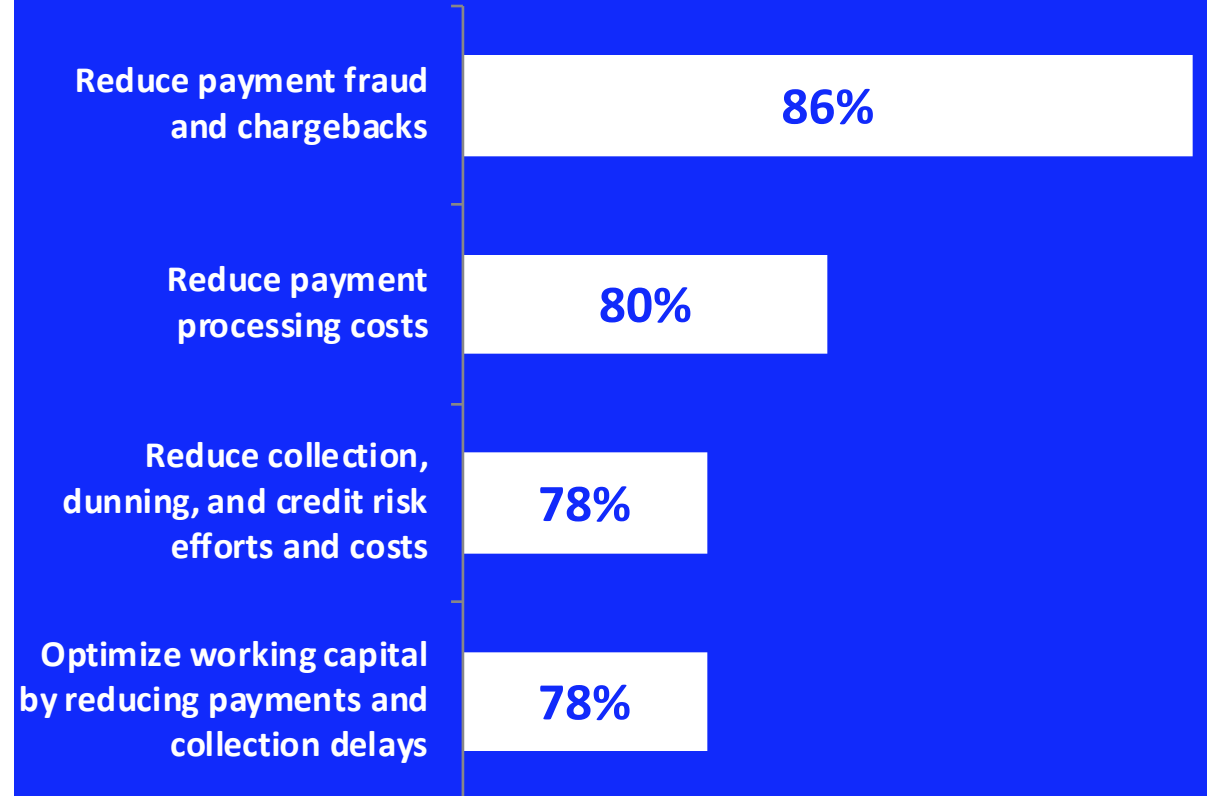
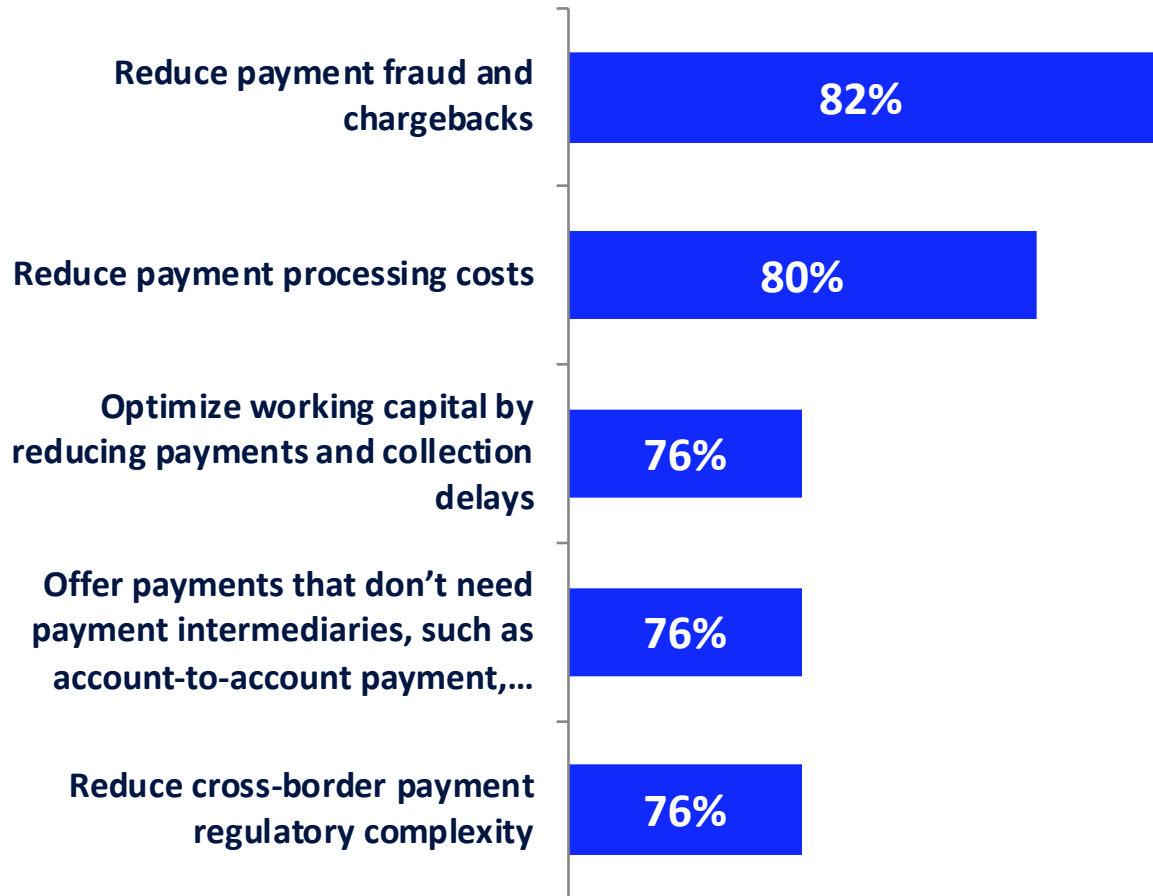
I am the final decision-maker/budget holder
  I am part of a team making decisions
  I influence decisions



# Top3 priorities in the next 24 months



(critical priority + high priority)



# Top3 challenges in payments



(highly challenging + challenging)

**66% Integration and interoperability** to enable end-to-end processing across vendors and technologies

**66% Reconcile payments** across all the various payment methods

**66% have a unified view** of physical and digital payments



**73% Integration and interoperability** to enable end-to-end processing across vendors and technologies

**71% Reconcile payments** across all the various payment methods

**70% have real-time visibility** across all our payment flows

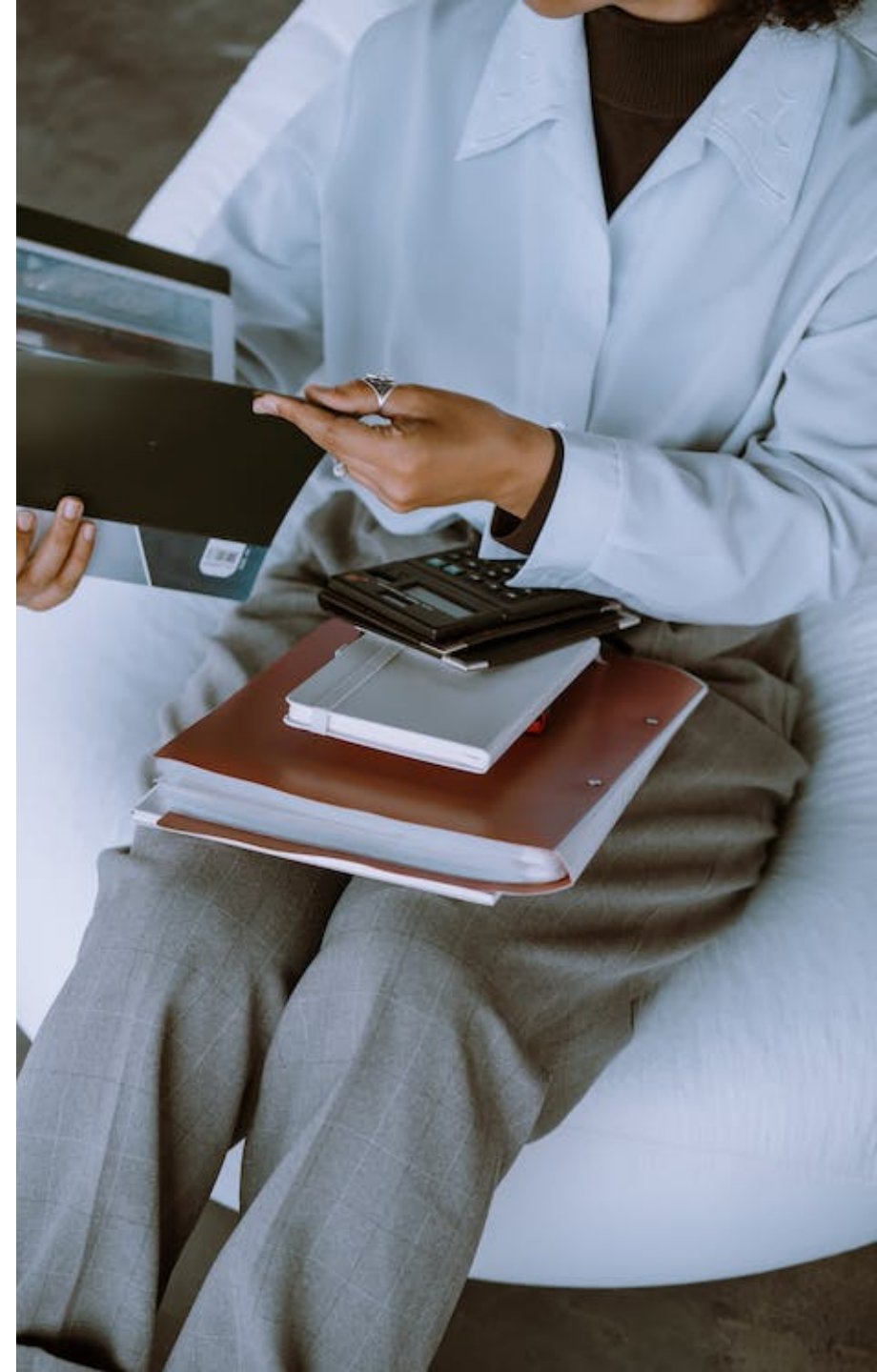


**“We have lost huge sums of money due to lack of reconciliation. It was due to missing refunds or to double charge, or to our inability to capture the funds in time.**

**Businesses shouldn’t be losing money for that in 2023.”**

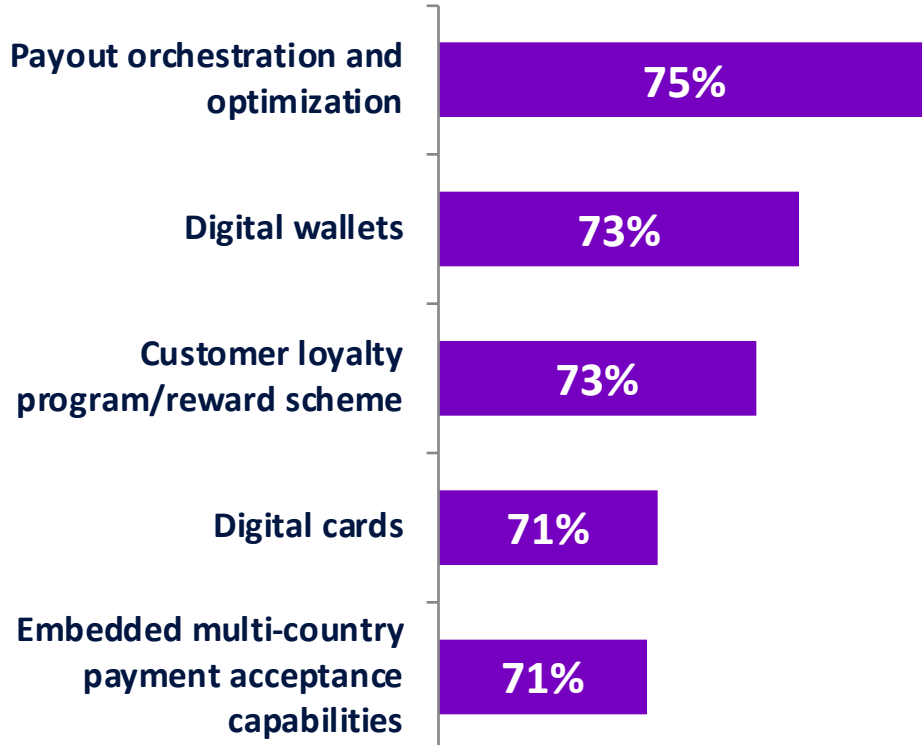


- Senior Manager, Global Payment Acceptance – Food Marketplace

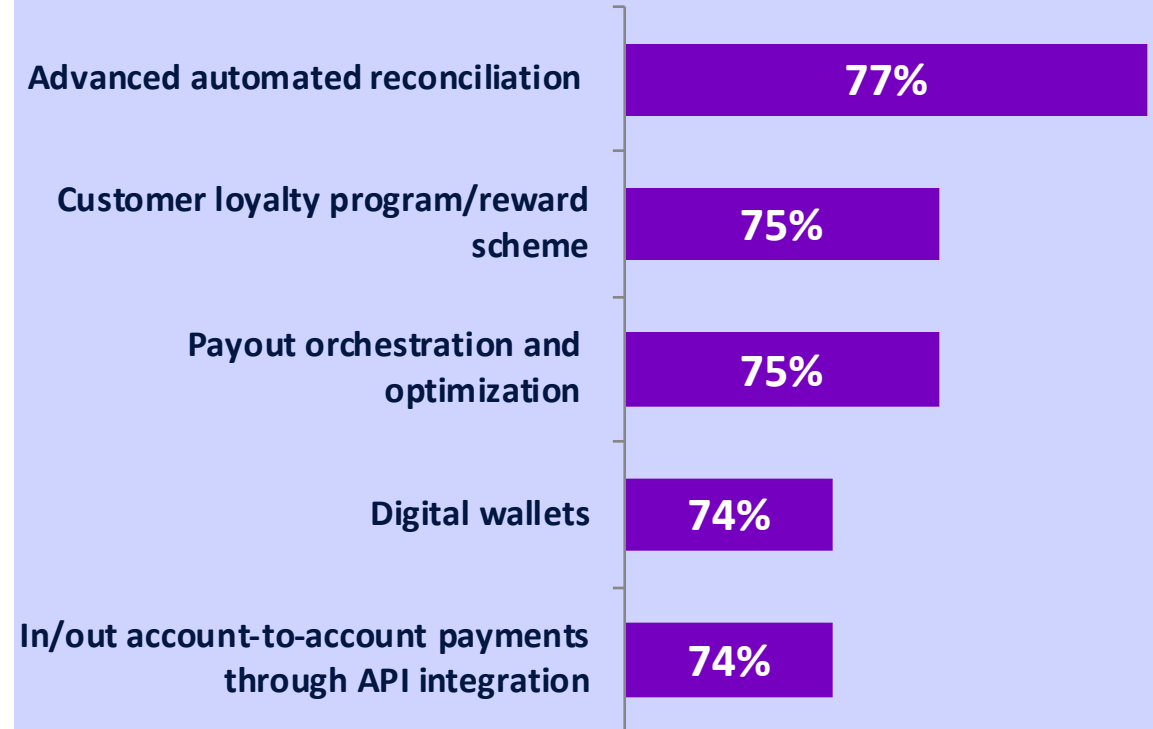


# Investment priorities in the next 24 months

(critical priority + high priority)

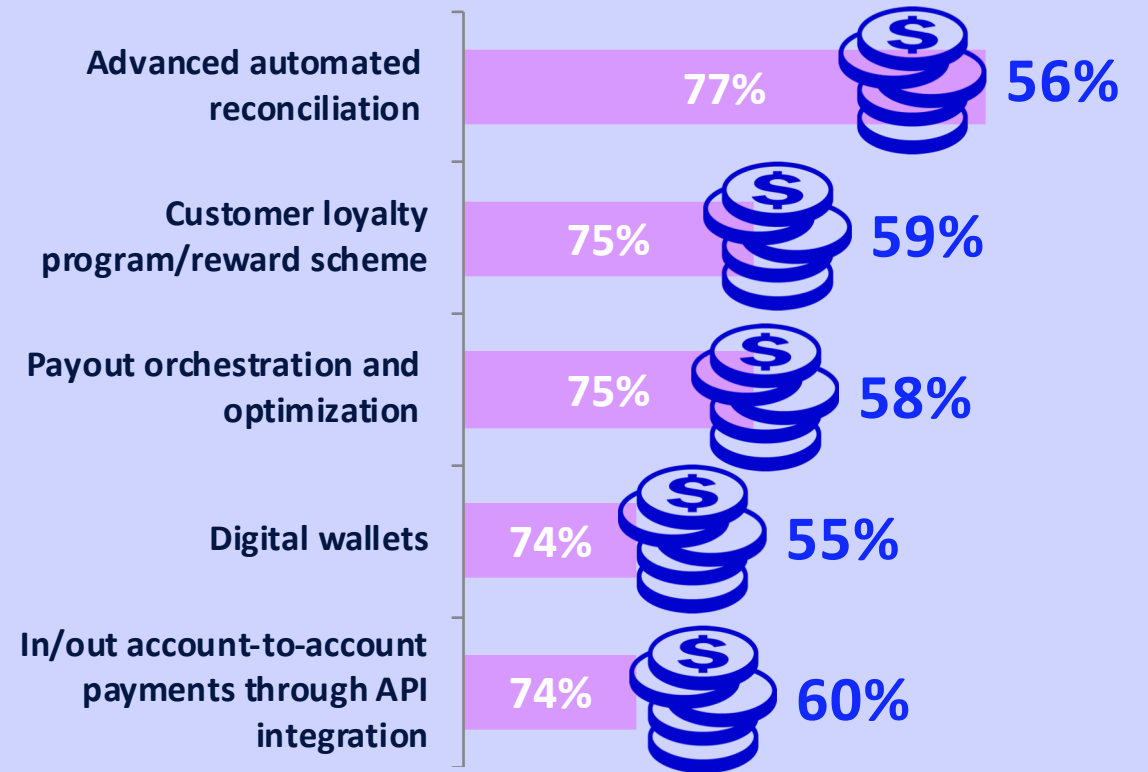
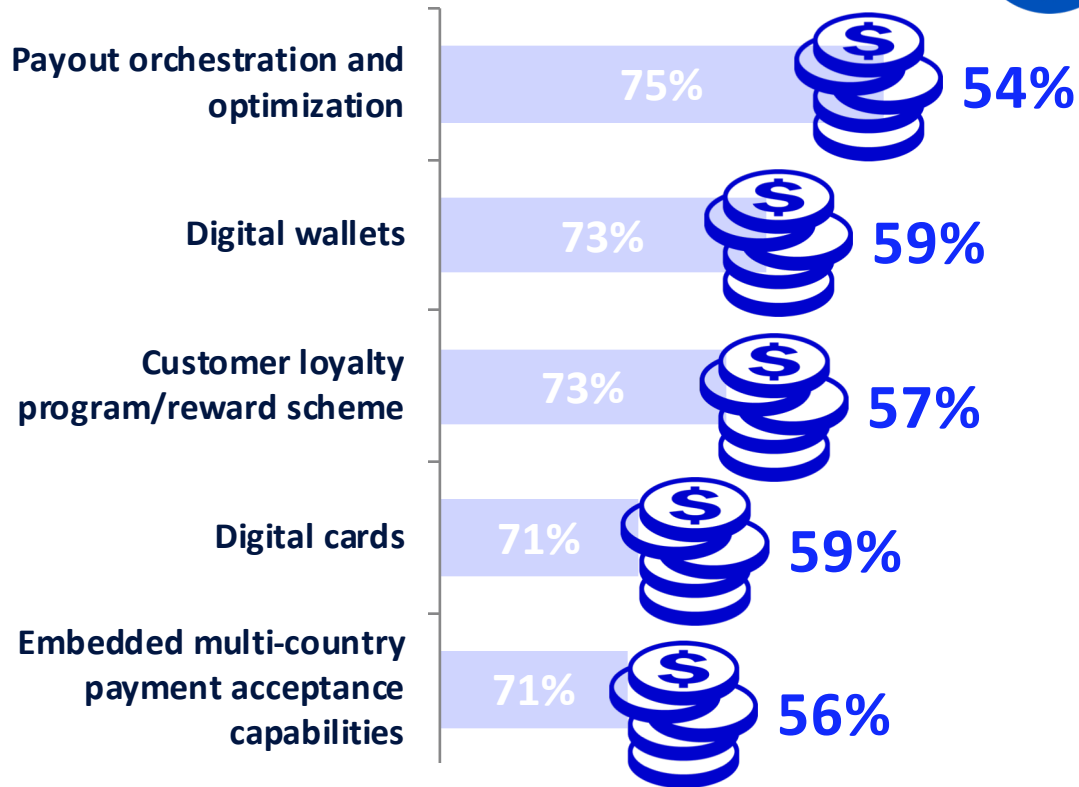


**44%** is considering to **switch to another provider** within the next 24 months  
(same % in EU and IT)




# Planned % increase of current technology budget for these capabilities

(Above 20%)



“We need to optimize payment cost and time spent managing it. So we’ll invest into **optimization of payment routing** to decide what’s the best for the equation of conversion cost, and also into **automation of payouts** so that we reduce the manual work for accounting and processing payments.”

 Financial Officer – Fashion Marketplace



# Top3 drivers when choosing a payment/EF provider

(critical driver + important driver)



**77%** Quality of APIs in portfolio

**76%** Covering the end-to-end payment cycle including back-office processes

**[TOP DRIVER FOR INSURANCE AND AUTOMOTIVE]**

**75%** Proven quality of its AI and ML engines

**[TOP DRIVER IN FRANCE]**



**79%** Capacity to manage multi-country regulatory complexity

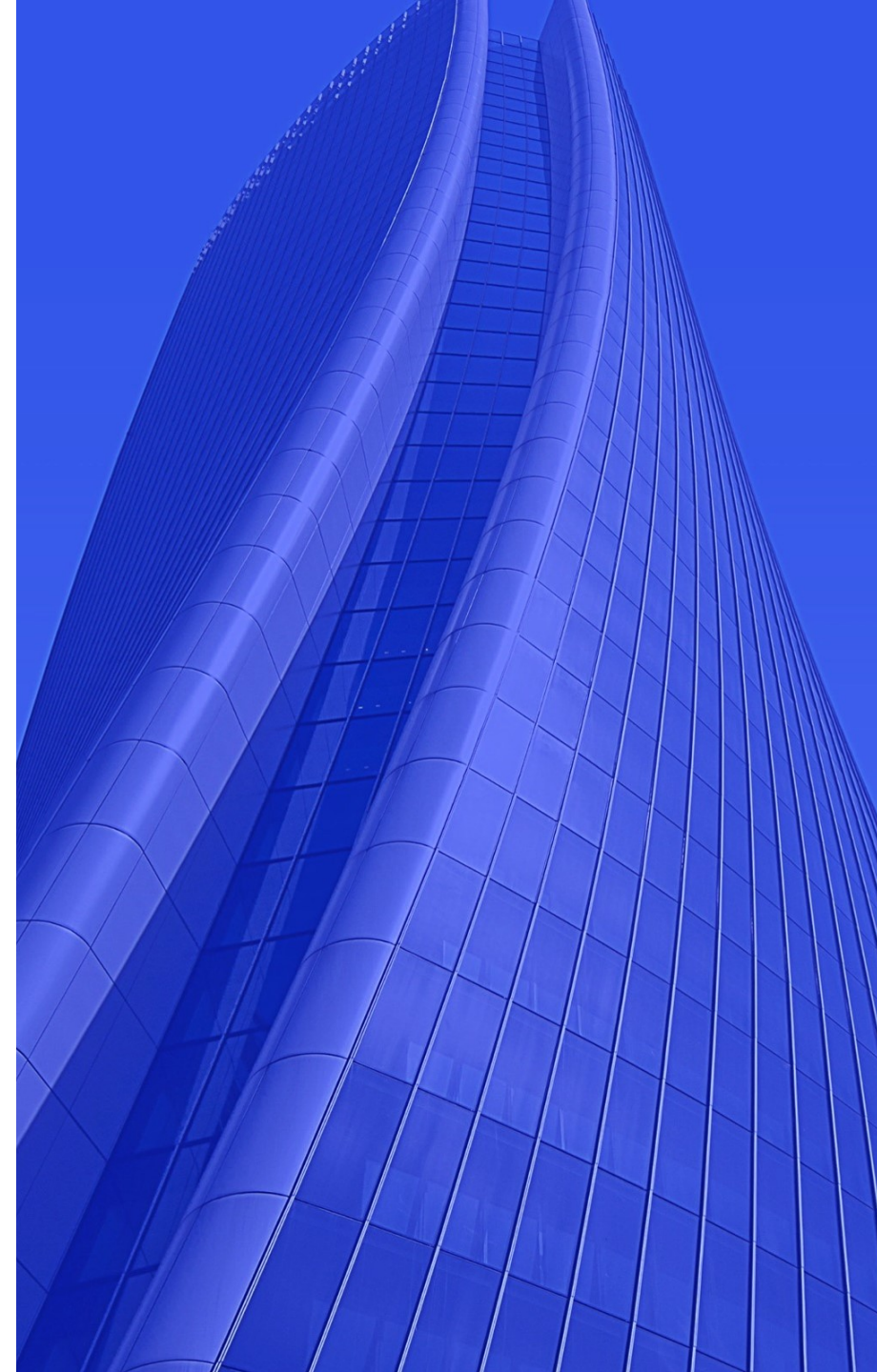
**78%** Quality of customer support

**76%** Covering the end-to-end payment cycle including back-office processes

**“It’s all about balancing cost and benefit. Payment orchestration is benefiting us a lot: if we had to develop that in-house instead of leveraging a vendor, would we be able to scale and at what cost? So the future for us is leveraging vendors more and more to guarantee scalability.”**



Senior Manager, Global Payment Acceptance – Food Marketplace



# How top 3 outcomes from investments into EF vary across industries

## AUTOMOTIVE



- 41%** Reduce payment processing costs
- 35%** Enhance digital business
- 29%** Improve conversion rates

## INSURANCE

- 43%** Reduce fraud and chargebacks
- 38%** Reduce payment processing costs
- 36%** Enhance our capacity to scale internationally



## FASHION RETAIL



- 39%** Enhance our capacity to scale internationally
- 35%** Reduce payment processing costs
- 35%** Uplift revenues

## ENERGY & UTILITIES



- 37%** Enhance our capacity to scale internationally
- 37%** Uplift revenues
- 37%** Enhance CX

## TRANSPORT. & LOGISTICS

- 47%** Uplift revenues
- 43%** Enhance digital business
- 35%** Reduce payment processing costs and fraud



## FINTECH



- 50%** Enhance our capacity to scale internationally
- 39%** Enhance CX
- 33%** Enhance digital business

**“If you want to go fast, go alone. If you want to go far, go together.”**

— African proverb





# What are European companies looking for from Embedded Finance providers?

Paolo Zaccardi, CEO & co-Founder, Fabrick

Fabien Henin, Head of Payment Products, Banque Edel

Fernando Garcia Jimenez, Head of Engineering Digital Banking Italy, BBVA

Francesco Maldari, Head of Technology and Payment Solutions & Services, UnipolSai Assicurazioni SpA