

The complete guide to embedded finance

How software platforms are driving retention, stickiness, and rapid growth by embedding payments and financial experiences.


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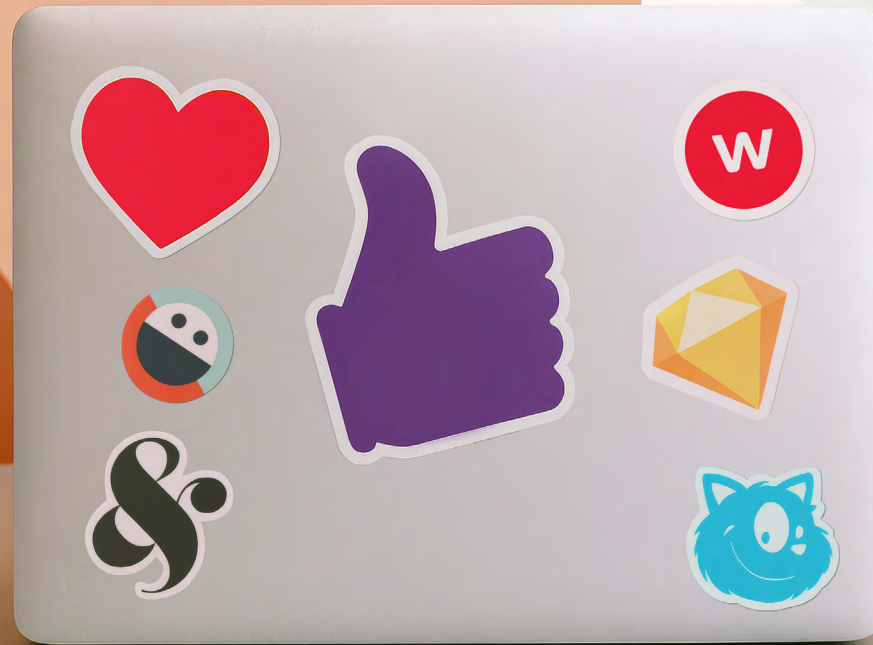


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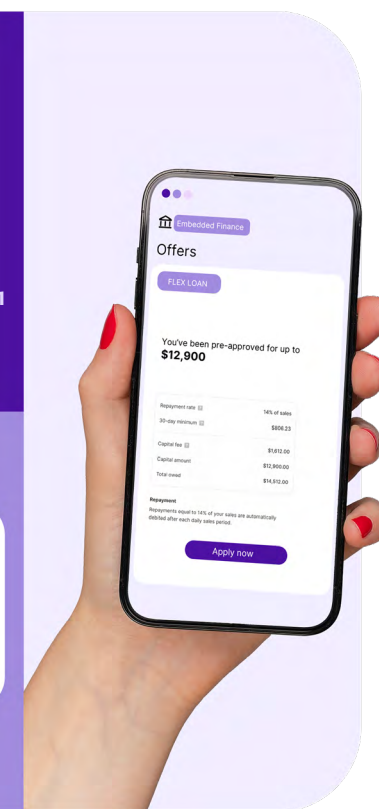
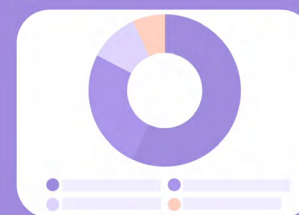
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53% of SMBs who were offered financial products by their software provider accepted.¹



¹TSG, U.S. SMB Embedded Finance Survey, 2025.

INTRODUCTION

The only way is up



Hypergrowth isn't just a buzzword. It's the reality for software platforms that are embracing embedded finance solutions.

By integrating payments, lending, banking, cards, insurance, and more, they not only deliver seamless experiences that keep businesses loyal and engaged but also accelerate revenue growth.

Software platforms that embed these value-added financial solutions turn business users into advocates, while those that don't risk losing ground in a market where convenience is king. It's a highly competitive environment where crafting the right strategy is critical.

This guide explores the state of embedded finance, why retention and loyalty matter, and how platforms can harness financial experiences to become a one-stop shop—building competitive differentiation, unlocking new revenue streams, and meeting evolving user demands.

Embedded finance is projected to reach \$7.2 trillion globally by 2030.²

²The Paypers Embedded Finance and Banking-as-a-Service Report 2024.

STATE OF THE MARKET

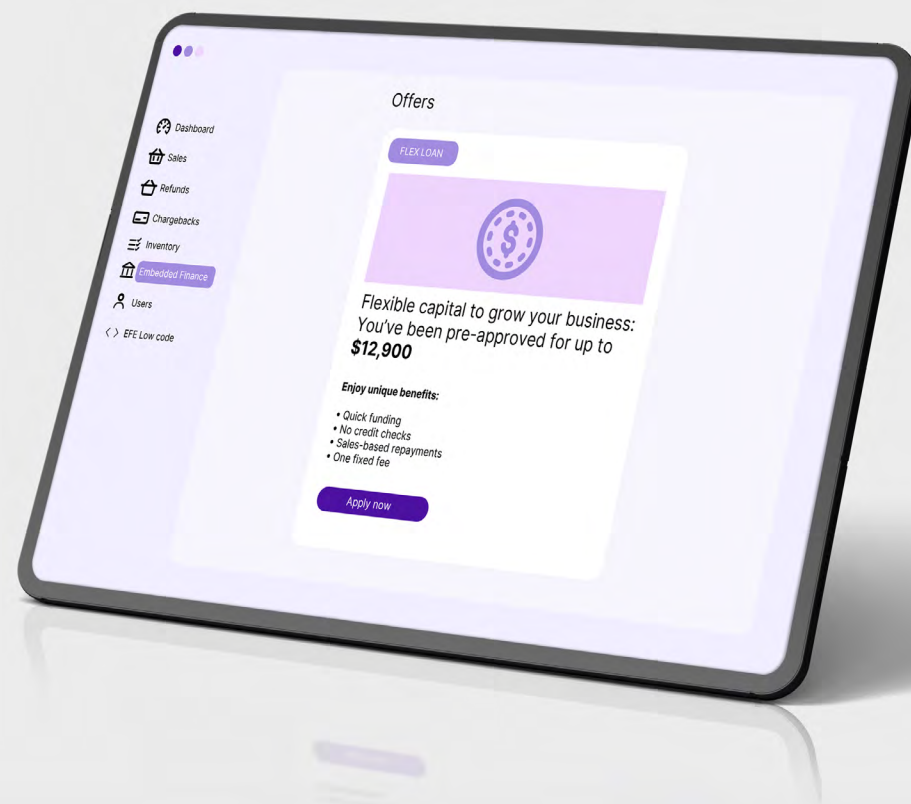
From desirable to indispensable

Just like smartphones went from novelty to must-have, embedded finance has evolved from an intriguing feature to a foundation for growth.

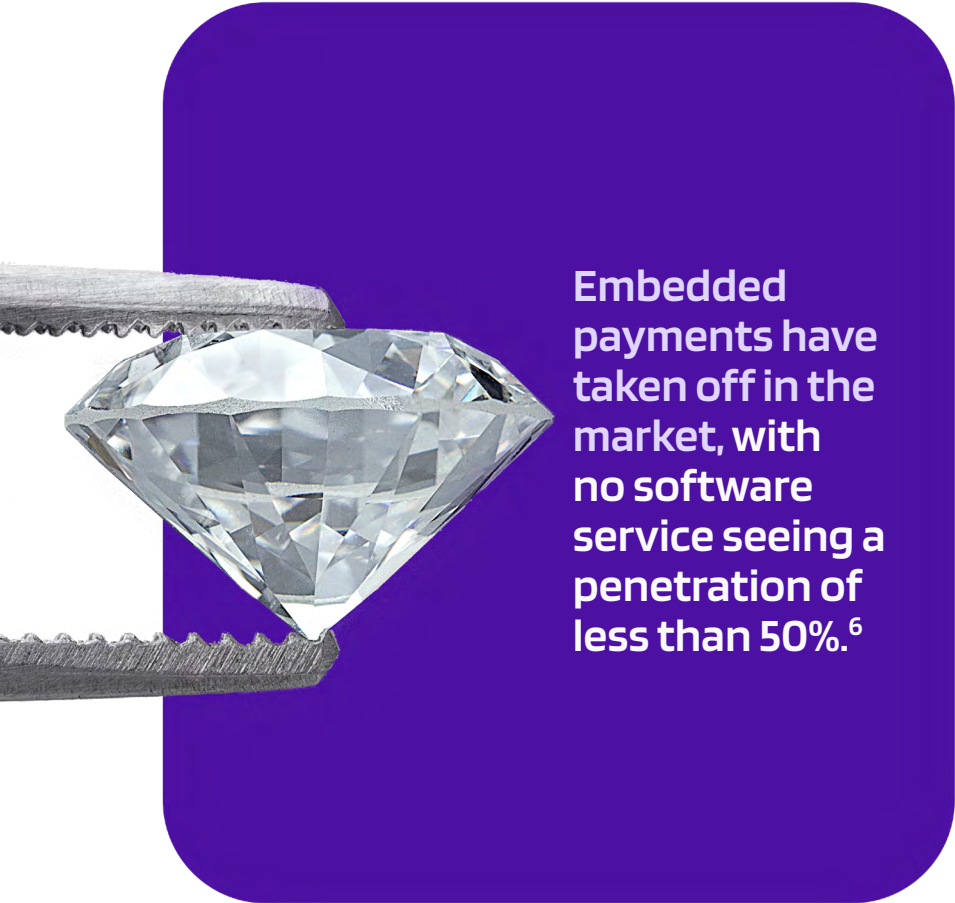
So, it's no wonder that for businesses, financial experiences are now essential. According to the [2025 Merchant Insider Report](#):

- In 2023, 90% of businesses expressed interest in embedded finance. Fast-forward to 2025, and that same 90% now consider access to financial products and services as critical to their operations.³
- 9 in 10 businesses want to adopt a card payment solution.⁴
- More than 1 in 5 businesses are actively seeking software providers better suited to their industry, proving that delivering verticalized, integrated financial experiences matters.⁵

These trends point to a decisive market shift. Embedded finance is no longer a differentiator for early adopters; it is rapidly becoming an essential business component for software platforms. Those who deliver integrated financial experiences can position themselves as indispensable providers, while those who don't risk losing relevance in an increasingly competitive landscape.



^{3,4,5} Worldpay for Platforms 2025 Merchant Insider Report.



Embedded payments have taken off in the market, with no software service seeing a penetration of less than 50%.⁶

WHAT IS EMBEDDED FINANCE?

Explore the multifaceted growth engine

In today's world, businesses expect all-in-one convenience.

Embedded finance answers this requirement by integrating payments, lending, banking and other financial services into non-financial apps and platforms. This eliminates the need and the hassle of redirecting users to different providers.

Seamless? Certainly. Profitable? Definitely. Embedded finance offers a super-smooth integration that enables software providers to serve up value-added services like payments, lending, insurance, and investment directly within their user experience.

⁶ TSG, "U.S. SMB Embedded Finance Survey," 2025.

The building blocks of embedded finance

Payments

The gateway to embedded finance, enabling instant transactions within software platforms.

Lending

Providing access to credit or financing directly inside business tools.

Insurance

Offering tailored insurance products at the point of need.

Investments

Facilitating investment opportunities without leaving the platform.

Business banking accounts and cards

Delivering core banking capabilities, empowering businesses to manage funds, issue cards, and handle expenses seamlessly.



WHY EMBEDDED FINANCE IS IMPORTANT

Fueling success for software platforms and businesses

Every industry is talking about rapid transformation, but when it comes to software companies, it really is hold-on-to-your-hats territory.

The evolution from a simple tool to a comprehensive set of solutions that can power business operations and customer experiences has been rapid and seismic. The engine of much of this change? Embedded finance. It represents a win-win situation for both software companies and businesses, with each driving the other's success.



Top three reasons why embedded finance matters

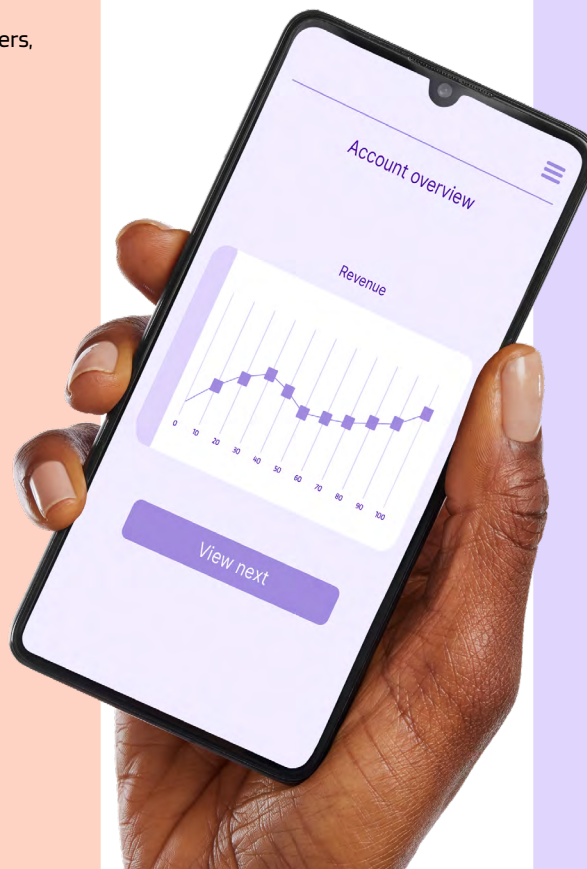
For software platforms

Integrating financial services elevates customer experience and drives retention:

1. Turns convenience into a competitive advantage by owning the experience end-to-end.
2. Makes software providers indispensable to their customers, driving loyalty and rendering switching unthinkable.
3. Opens up new revenue streams with each new product added to the overall experience.

THE PROOF:

Software providers experienced a revenue increase of over 40% per product built.⁷



For businesses

Embedded finance provides a powerful catalyst for growth, removing friction and adding financial agility:

1. Unlocks opportunities to deliver better experiences to customers, building stronger relationships and loyalty.
2. Streamlines business operations, reducing overheads and freeing up resources for reinvestment and growth.
3. Enables access to innovative financial solutions, giving businesses the flexibility to scale faster and stay competitive.

THE PROOF:

76% of SMBs would pay extra for a unified platform offering multiple financial services.⁸

⁷ State of Embedded Finance Report 2023, Payrix/FIS.

⁸ The Paypers Embedded Finance and Banking-as-a-Service Report 2024.

HOW ADDING FINANCIAL EXPERIENCES
DRIVES GROWTH

Build it, and they don't just come; they stay

The importance of embedded finance for both software platforms and businesses is undeniable.

But how do those opportunities translate into that tantalizing hypergrowth mentioned at the beginning? Let's dive a little deeper to back up this big word with some big substantiation.



Embedded finance helps platforms climb higher and faster by equipping them with the tools for success.



Seamless experiences create loyalty

Embedded finance transforms software platforms from a utility into a place where businesses want to stay. Every smooth interaction, whether it's a payment processed instantly or credit approved in context, forms daily habits that build confidence and trust. **Conversely, the risk of falling short is real: if expectations aren't met, two-thirds of SMBs (65%) are willing to switch software providers.**⁹



New services unlock new revenues

Embedded finance isn't just about making life easier for businesses; it's also a powerful monetization engine for software platforms. By layering in new services like lending, insurance, and card issuing on top of payments, it creates multiple new revenue streams that go far beyond subscription fees. **In fact, SaaS businesses integrating fintech can experience a 2-5 times revenue increase per customer.**¹⁰



When innovation is the advantage, speed wins

In fast-moving markets, it's not the largest companies that win; it's the ones that adapt most quickly to customer needs. Embedded finance accelerates innovation by giving software providers the tools to roll out new financial experiences without building everything from scratch. **It's undoubtedly why 72% of executives say software innovation is essential for staying competitive.**¹¹

⁹ PYMNTS, Two-Thirds of Businesses Will Switch for Embedded Finance, July 2025.

¹⁰ The Paypers Embedded Finance and Banking-as-a-Service Report 2024.

¹¹ Worldpay for Platforms 2025 Merchant Insider Report.

How the different facets of embedded finance provide the ingredients for growth:

Payments

- Streamlines transactions
- Reduces friction
- Enhances business satisfaction

Insurance

- Protects business users at critical moments
- Builds trust and platform value

Lending

- Enables businesses to access capital quickly
- Improves cash flow and growth

Investments

- Helps businesses grow their wealth
- Creates recurring engagement and higher-value interactions

Business banking accounts and cards

- Embeds core services like accounts and deposits
- Software platforms become the everyday hub for businesses' finances
- Offers flexible, modern ways to manage and move money
- Creates new monetization opportunities

BENEFITS AND CHALLENGES

Punching through the complexity barrier

For software platforms and businesses alike, every advantage brings its own set of complexities.

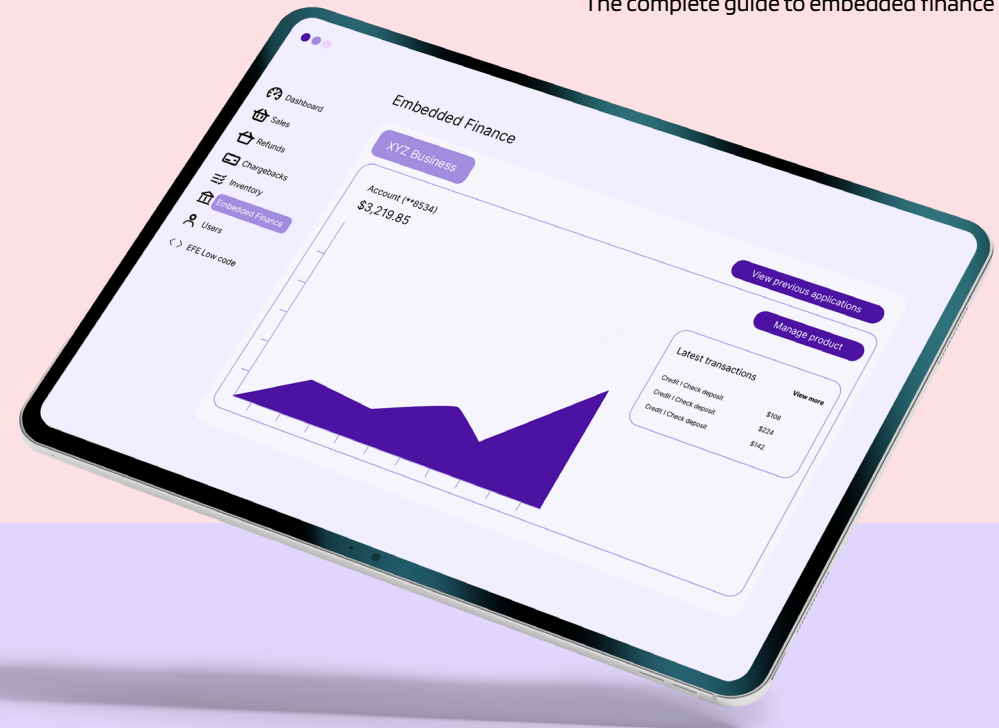
Success depends on recognizing that every solution carries trade-offs. Growth opportunities emerge when integration is seamless, but missteps in execution can introduce friction that erodes trust. Knowing where the tipping points lie helps software platforms move forward with confidence.

That's why the right expertise isn't optional; it's essential to ensure implementation unlocks journeys of growth and avoids roadblocks.

A pair of blue boxing gloves is positioned diagonally across the right side of the page. The gloves are made of a smooth, dark blue material, likely leather or a synthetic equivalent, and feature visible stitching and padding. They are set against a light purple background that has a subtle gradient. The lighting creates soft shadows, giving the gloves a three-dimensional appearance.

36% of users say good customer service is the key reason they stay with a provider.¹²

A look at the benefits and challenges



For software platforms:



Benefits

The upside is crystal clear. Embedding payments and financial products opens the door to higher customer retention, brand stickiness, and new monetization streams such as carving out a share of the lucrative lending market. **It also creates differentiation in a crowded market, positioning software platforms as the all-in-one operating system businesses never want to leave.**



Challenges

But the journey isn't without any pitfalls. Software platforms must navigate a maze of regulatory requirements, overcome the operational complexity of delivering multiple financial services, and maintain airtight security standards. **Success depends on finding the right partner who can simplify the complexity and shoulder some of the operational load.**

For businesses:



Benefits

When it comes to businesses, the benefits are just as powerful. Embedded finance means faster access to credit to help with cash flow, tailored financial solutions delivered in a familiar user experience that has pre-approvals baked in, and significant efficiency gains across daily operations. **Instead of juggling multiple providers, businesses get everything they need from the platform they already trust.**



Challenges

The thought of adopting new technologies can be daunting. It requires investment in people and processes, seamless integration into existing operations, and confidence that data security will never be compromised. **However, the payoff is worth it, but only when solutions are designed with user needs at the center.**

WHEN IS THE RIGHT TIME TO INVEST?

Spoiler alert: It's now



It's time to buckle up because the adoption of embedded finance is only going to accelerate.

Here are just three of many insights from the [2025 Merchant Insider Report](#) that provide proof of the breakneck speed of progress:

- 1. In 2023, 39% of businesses** were unlikely to switch providers due to satisfaction with payments; today, that number is 48%.¹³
- 2. More than 50% of businesses** plan to grow their software budget.¹⁴
- 3. Software budgets are rising**, with an average increase of 23%.¹⁵

This isn't just a trend gathering pace; it's a structural shift in how businesses operate. The longer software companies wait, the harder it becomes to catch up with competitors who are already embedding financial services into their core. The best time to get on board? It's right now.

^{13, 14, 15} Worldpay for Platforms 2025 Merchant Insider Report.



KEY TAKEAWAYS

The playbook for software platform success

- ✓ **From trend to table stakes**
Embedded finance has shifted from a new idea to a core growth strategy, with software companies that fail to adapt risking losing ground.
- ✓ **Convenience drives loyalty**
Today's business users expect financial services built into their daily tools, and they'll quickly switch to software providers who deliver what they want.
- ✓ **Growth multiplies with every service**
Adding payments, lending, or insurance isn't just functional; it's been proven to unlock new revenue streams and accelerate hypergrowth.
- ✓ **The right execution matters**
Success comes from embedding financial experiences securely and seamlessly, with the right partners to manage complexity and scale.

CONCLUSION

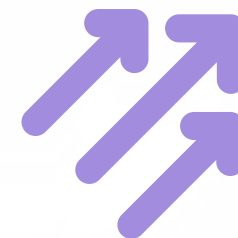
Unlock your software platform's potential

Embedded finance has become a powerful, transformative force for software companies and businesses alike.

The question now is no longer whether you should embrace it, but how best to grasp the opportunity and realize its full benefits.

This is where we come in. At Worldpay for Platforms, we have a team of over 600 dedicated experts who are ready to partner with you to execute at scale across the full spectrum of embedded finance solutions with technology that's purpose-built for software platforms.

More reasons to choose Worldpay for Platforms:



Simplify your tech stack with a single integration that reduces complexity while offloading compliance and fraud risk.

Accelerate speed-to-market by bypassing legacy banking systems with modern, pre-built financial components.

Deliver fast, frictionless financing, banking accounts, and cards to your customers. All in just one API call and three lines of HTML.

worldpay
for platforms

Ready to drive your platform's hypergrowth and deliver exceptional financial experiences? **Let's talk.**

platforms.worldpay.com/embedded-finance/