



📘 Overview

What Financial Institutions Need to Know About Instant Pay by Bank

At the intersection of commerce and finance, Fiserv is uniquely positioned to serve as the bridge between financial institutions and retailers. This new payments use case is the result of our leadership in instant payments combining with our in-depth knowledge of commerce.



How it works

Fiserv has partnered with leading retailers to offer instant payments rails as an alternative to ACH pay by bank options, which currently exist in the market. As consumers prepare to check out at a retailer offering pay by bank, they have the option to select this payment method during ecommerce checkout or in a digital wallet. Enrollment is easy and secure, using aggregated data provided by the connected financial institution.

For instant pay by bank, the funds required for checkout are instantly debited from the selected account, which eliminates NSF losses for the merchant. ACH is available for any other purchases using financial institutions not live on the Fiserv NOW® Network.



Benefits for the financial institution

For participating financial institutions, Fiserv is incentivizing NOW participants for every debit they process. For financial institutions looking to incorporate new and innovative instant payments use cases, participating in instant pay by bank while tapping a new revenue source is ideal for their payments strategy.

For underbanked consumers without access to traditional lines of credit, financial institutions can collect transaction revenue from Fiserv for these debits, instead of accruing debit fees. These embedded finance connections also offer financial institutions new insights into consumer purchasing behavior that would not be available if these consumers use payments apps or cash. This data can drive personalization and cross-selling opportunities as these underbanked consumers' financial health improves.



How pay by bank benefits consumers

For consumers without access to credit, or looking to reduce their reliance on credit, this new payments option is essentially a more convenient option than cash.

For younger generations, especially Gen Z and Millennials, embedded finance options are extremely appealing. Pay by bank offers these consumers additional options that meet their demands for instant payments.

Certain merchants see the opportunity for improved cash flow through this payments method and may incentivize shoppers with rewards when using pay by bank. Consumers will likely select the payments option offering them the most rewards at checkout, whether a discount off purchase price, rewards points in a loyalty program or standard credit card rewards.



NOW: Enabling instant pay by bank and other instant payments across financial services

The solution behind instant pay by bank is the Fiserv NOW Network. NOW functions as both a network providing low-cost instant transactions and a gateway connecting financial institutions to the real-time payment networks.

Pay by bank through NOW also offers financial institutions exception processing capabilities. In particular, NOW enables financial institutions to work with the merchant to dispute pay by bank transactions.

Financial institutions participating in the NOW Network are eligible to receive instant payments from other financial institutions using these products.

P2P transactions



Zelle®

A2A transfers



TransferNow

B2B transfers



Zelle® Small Business

C2B transfers



CheckFree® Next™ Bill Pay
Zelle®
Pay by bank instant

B2C



Digital Payouts
Zelle® Small Business

Connect with us

For more information about connecting to NOW, participating in instant pay by bank or connecting to the instant payments networks:

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