DECTA

What do merchants want from their **payment providers?** 2026

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FOREWORD FROM DIANE BROCKLEBANK

At the Payments Innovation Forum (PIF), we believe meaningful innovation begins with listening, genuinely and attentively, to the businesses living the challenges we aim to solve. That is what makes this year's White Paper so valuable. Built on fresh independent research with 500 UK SME decision-makers, it gives the merchant community a rare, unfiltered voice in a conversation too often held about them rather than with them.

The backdrop could hardly be more demanding. UK SMEs are navigating persistent cost pressures, higher employment costs, tighter access to credit, rising fraud and cyber threats, and the stubborn drag of late payments. At the same time, customer expectations keep climbing and cross-border ambitions are too often blunted by friction that should have been engineered out years ago.

The findings here read as a wake-up call. Despite real progress across our industry, a meaningful gap remains between what merchants and their customers need and what providers actually deliver.

We welcome this paper as both a challenge and an invitation: to look honestly at where we are falling short, and to co-create solutions that are accessible, adaptable and genuinely built around the businesses they serve. We hope it sparks the conversations, and the collective action, that UK SMEs deserve.

Diane Brocklebank, Executive Director, Payments Innovation Forum

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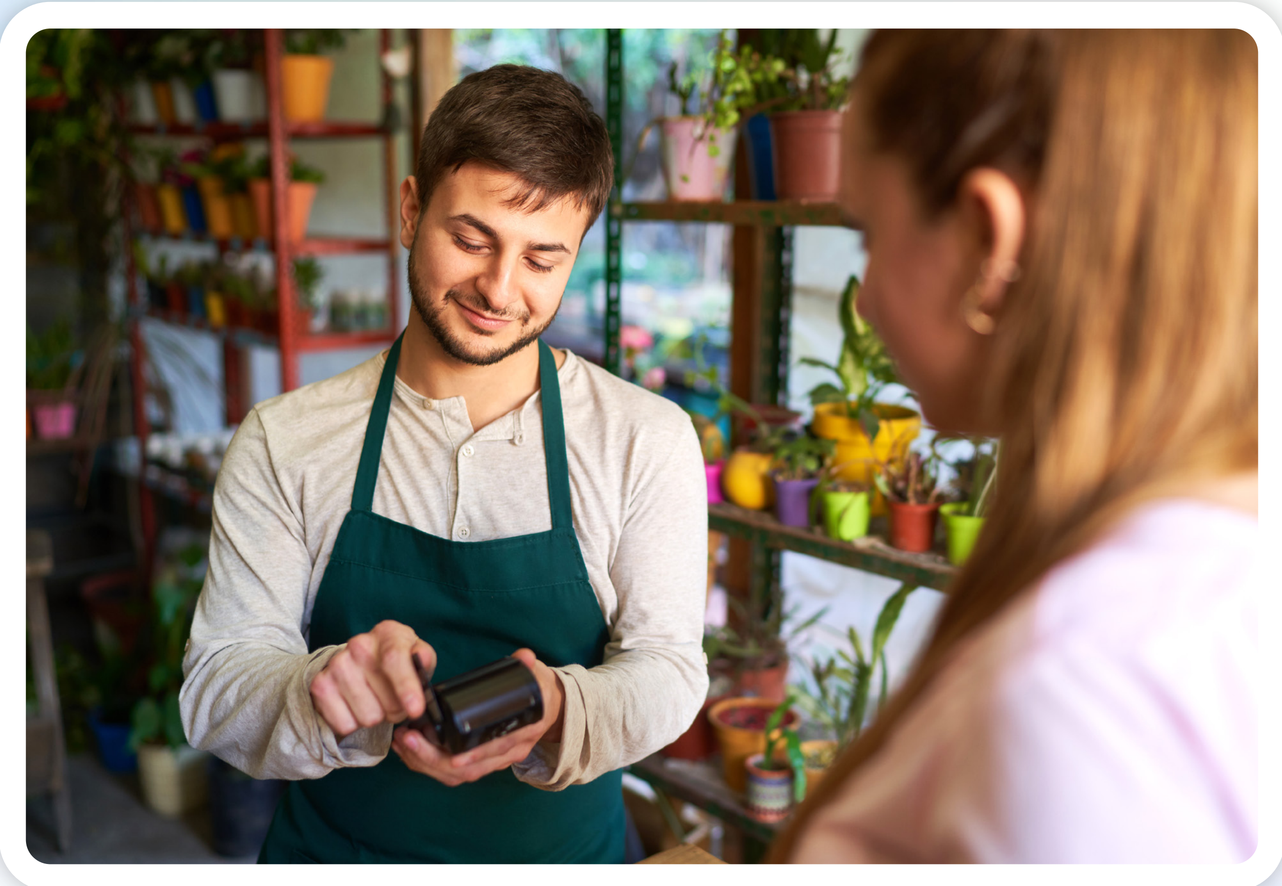


INTRODUCTION FROM SCOTT DAWSON

UK Small to Medium Enterprises are the backbone of British commerce. They represent **99.9%** of all businesses in the country, employ millions and generate **51%** of the country's turnover. At DECTA, we have a very simple philosophy – SMEs matter. They're vital in fact, and if we support them then we're supporting the country, its people and the world at large.

Despite years of innovation in the payments industry, a significant gap persists between what merchants and their customers need and what payment providers deliver. This whitepaper, based on new independent research among 500 UK SME decision-makers, examines that gap in detail. It explores merchant confidence, pain points, customer expectations, cross-border ambitions and attitudes toward the payments industry itself – offering a clear picture of what merchants actually want from their payment providers in 2026.

Scott Dawson, CEO, DECTA

82% of UK SME merchants are optimistic their business will survive the next three years – but many feel the payments industry isn't helping them get there

60% say payment technology companies DO support businesses like theirs – but 1 in 6 say fees are simply too high

51.8% of merchants put security above everything – above the latest tech, above lower fees

48.6% of merchants believe their customers' top priority at checkout is payment security

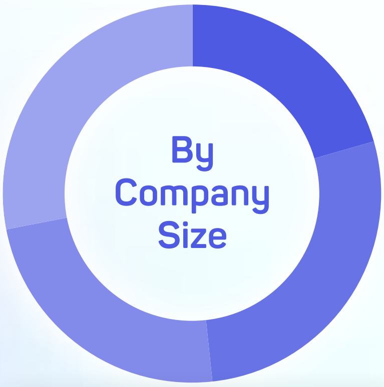
40.8% expect to have to raise prices in the next three years - a pressing context for payment cost conversations

About This Research

- **500 UK decision-makers** in SME merchant businesses (18+)
- **Research conducted by Censuswide**: 13–20 March 2026
- Respondents segmented by **company size** (1–249 employees), **turnover** (under £100k to £50m–£99.9m), **region** (across all UK nations and major cities)
- Censuswide is a member of the MRS, BPC and signatory of the **Global Data Quality Pledge**

METHODOLOGY

This whitepaper draws on exclusive research commissioned by DECTA and conducted by Censuswide, one of the UK's leading market research agencies. The survey was designed to capture the views of senior decision-makers within UK-based SME eCommerce businesses, covering their attitudes to business conditions, payment technology and customer expectations. The full sample breakdown is detailed below.



- **1–9 employees**: 103 (20.6%)
- **10–49 employees**: 139 (27.8%)
- **50–99 employees:** 119 (23.8%)
- **100–249 employees:** 139 (27.8%)

- **Under £100,000:** 48 (9.6%)
- **£100k–£999k:** 101 (20.2%)
- **£1m–£9.99m**: 195 (39%)
- **£10m–£49.99m:** 103 (20.6%)
- **£50m–£99.99m:** 53 (10.6%

- **London:** 168
- **Manchester:** 55
- **Birmingham:** 51
- **Leeds:** 20
- **Liverpool:** 20
- **Bristol:** 22

- **Greater London:** 126
- **North West**: 68
- **West Midlands:** 46
- **South East:** 38
- **South West:** 37
- **East Midlands:** 37
- **East of England:** 34
- **Scotland:** 33
- **Yorkshire and the Humber:** 32
- **North East:** 27
- **Wales:** 14
- **Northern Ireland:** 8

Research Methodology Note

Fieldwork was conducted entirely online. All respondents confirmed their status as decision-makers (owner, director, or senior manager) within an SME eCommerce business. Data was weighted to be representative of UK SME business demographics. Censuswide adheres to the MRS Code of Conduct and ESOMAR principles.

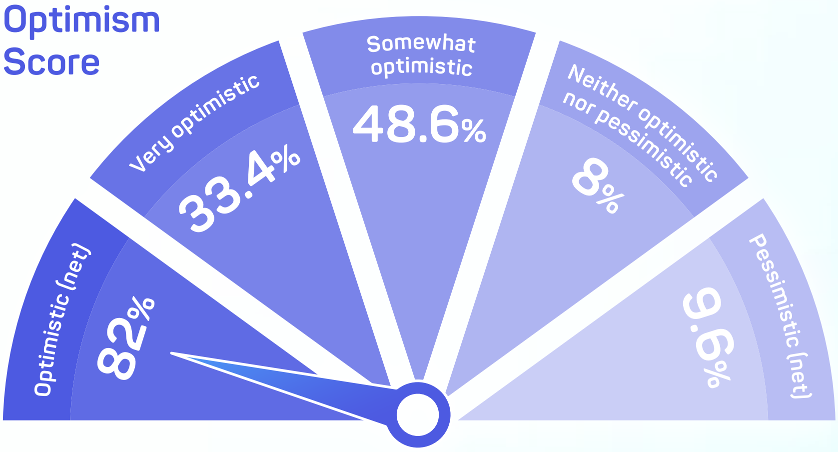
CAUTIOUS OPTIMISM IN CHALLENGING TIMES

UK SME merchants are a resilient bunch. Despite economic headwinds – rising costs, volatile energy prices, the complexity of expanding into new markets and a rapidly evolving technology landscape – the majority remain optimistic about the future. That doesn't mean that they're 100% satisfied with the status quo.

Beneath the headline confidence figures, a more nuanced picture emerges: one of merchants who are working hard, feel underserved by parts of the industry and are making difficult trade-offs between investing in growth and surviving the next financial shock.

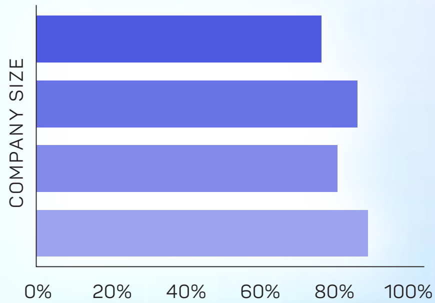
Understanding this context is essential for any payment provider that wants to be a genuine partner to UK SMEs, not just a vendor. It's also important for SMEs themselves to know: all of your peers are in the same boat, so you can work together on solutions.

Business Optimism Score



"4 in 5 UK SME merchants believe their business will survive the next three years"

Which companies are most optimistic?



- **1-9 employees:** 74.76%
- **10-49 employees:** 84.17%
- **50-99 employees:** 78.99%
- **100-249 employees:** 87.77%

Will conditions in the UK improve for businesses in the next three years?

- Improve (Net): **52.8%**
- Stay about the same: **22.2%**
- Worsen (Net): **21.8%**
- Not sure: **3.2%**

UK SMEs by the Numbers

In the UK, **SMEs collectively support 27 million jobs** (61% of UK employment) and contributing an astounding **£4.5 trillion** in annual turnover. **99.9% of UK companies are SMEs**

Q7: Is the UK still a good place to do business?

61% say **YES**

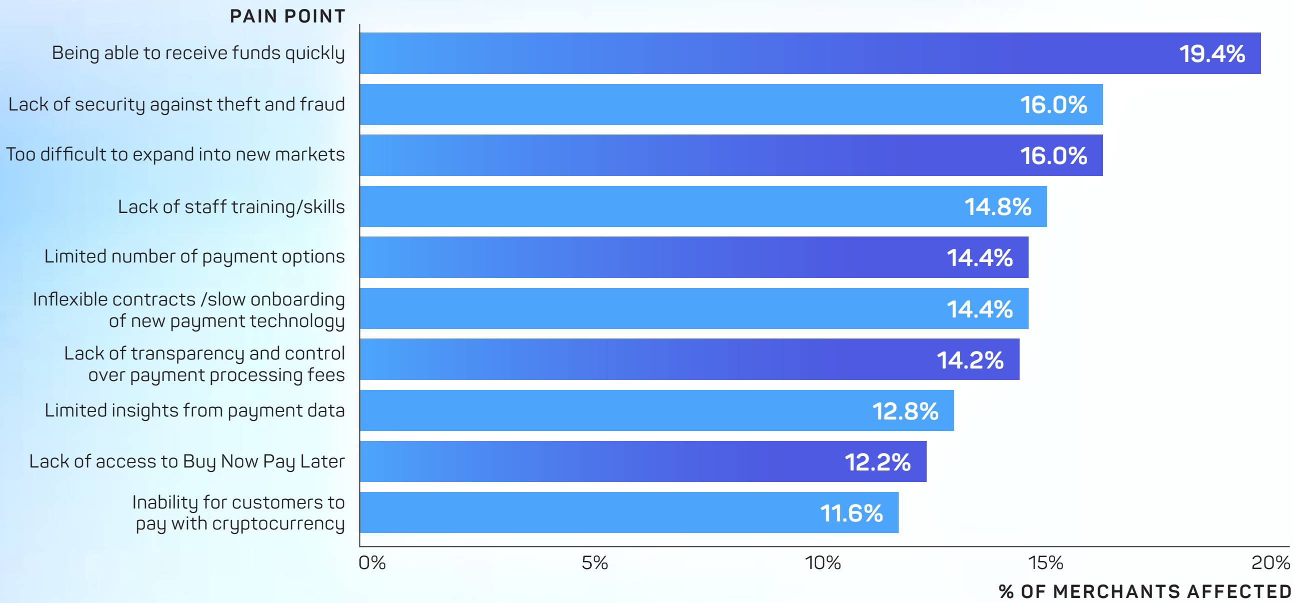
36% say **NO**

Among those saying no, **13% say government needs to support** with lower costs and better funding. **12.6% say UK finance and payments companies** need to make things cheaper and simpler. **8.2% say government needs to support with technology**.

THE FRICTION POINTS THAT ARE COSTING SMEs MONEY

Ask UK SME merchants what's holding their business back and there's no one answer. The difference between the most common answer and the least is only eight percentage points, and no answer rises above one fifth of respondents. That means that there's no silver bullet that will fix UK SME's problems, and that points to infrastructural problems that need to be fixed in payments technology and the wider economy.

Top Business Pain Points for UK SMEs



The Cash Flow Problem

19.4% of merchants cite **slow access to funds as a negative factor**. This is the single most-cited pain point. Among **merchants with £1m–£9.99m turnover, this rises to 24.6%**. That points to instant payments and instant settlements being a major competitive factor for SMEs.

The Transparency Deficit

14.2% of merchants say **lack of transparency and control over payment processing fees is hurting their business** – a particular concern for micro businesses (1–9 employees: 10.7%) but notable across all sizes. Oddly, this figure rises sharply among merchants in Yorkshire and the Humber (21.6%) and the South West (21.6%).

17.8% Report No Negative Factors

It's not all doom and gloom: nearly **1 in 5 merchants say no factors are negatively affecting their business**. This group is most strongly represented among micro businesses (26.2%) and those with lower turnover, suggesting a segment of merchants who may be less engaged with payment technology and therefore harder to reach with innovation messaging.

The payments industry talks a lot about innovation. But for merchants, the most pressing issue isn't the next big feature – it's getting paid faster.

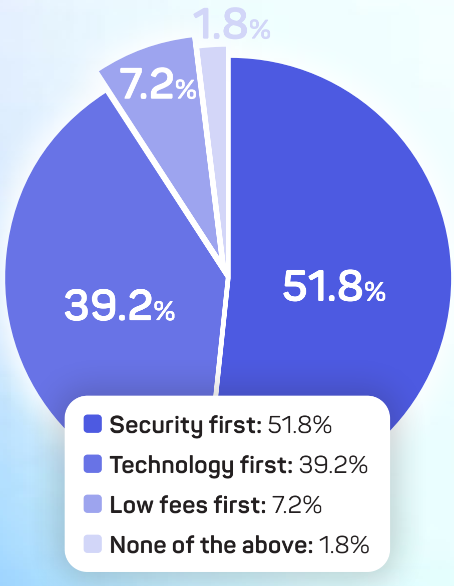
WHAT MERCHANTS VALUE MOST:
A QUESTION OF PRIORITIES

All business is about priorities. Asked to identify which statement best described their outlook, UK SME merchants were unequivocal: security wins.

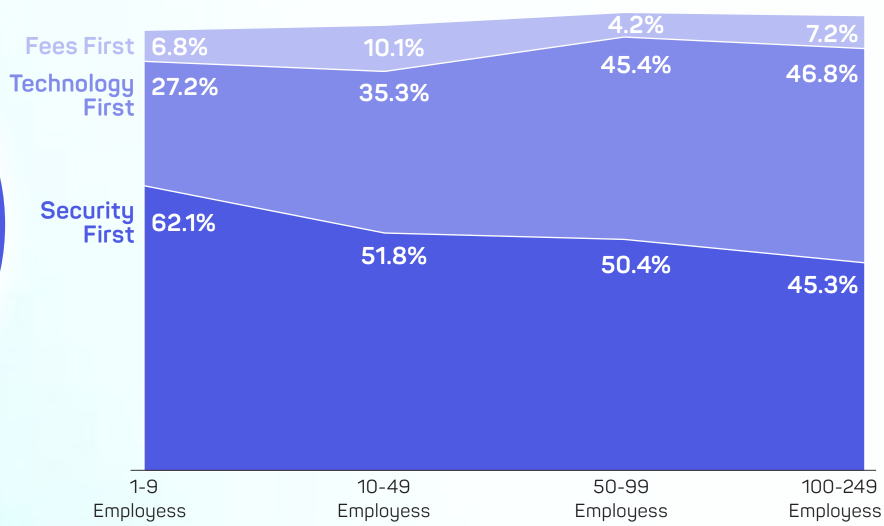
By a significant majority, merchants would rather trust their payment infrastructure than chase the latest technology or save money on interchange. There's a pretty good reason for this: if a potential customer can't pay in crypto, for instance, then they'll just use a different payment method. At worst you'll lose some sales. If your business is hit by a major cyber incident then your reputation might never recover.

This doesn't mean innovation is irrelevant – nearly 4 in 10 merchants actively prioritise technology capability over cost or security.

The challenge for payment providers is recognising that merchants are not a monolith: size, turnover and geography all shape where their priorities lie, and a one-size-fits-all proposition is likely to under-serve a significant proportion of customers.

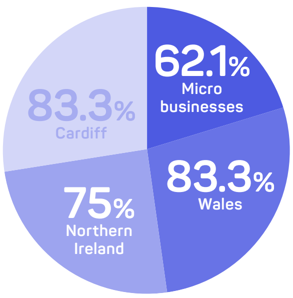


Security vs Technology Priority by Company Size



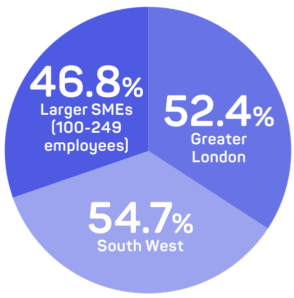
The Security-First Merchant

Merchants most likely to prioritise security: For these merchants, messaging that leads with reliability, fraud protection and PCI compliance will resonate far more than feature lists or technology roadmaps.



The Technology-First Merchant

Merchants most likely to prioritise technology: These merchants are more likely to demand API flexibility, multiple payment method support, and future-proof integrations.



51.8% of merchants put security above everything else - above the latest tech, above lower fees. Trust is still the most valuable product a payment provider can offer.

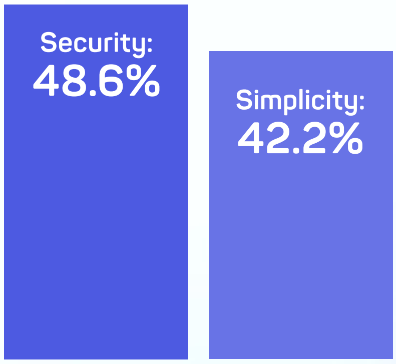
THROUGH THE MERCHANT'S EYES: THE CUSTOMER PAYMENT EXPERIENCE

Understanding what your customers want is one thing. Understanding what those customers believe their own customers want is another layer of intelligence entirely. Our research asked merchants to identify their customers' top payment priorities - and the answers offer a clear brief for payment providers. Security and simplicity dominate. But the demand for multiple payment options, Buy Now Pay Later, and Open Banking reveals an expanding landscape of customer expectations that merchants feel increasing pressure to meet.

The Top 8 responses to Queston 4

POS.	Category:	Percentage
01	Payment security:	48.6%
02	Simplicity:	42.2%
03	Speed:	37.2%
04	Multiple payment options:	36.4%
05	Being able to get refunds:	21.8%
06	Guest checkout:	18.8%
07	Buy Now Pay Later:	18.4%
08	Open Banking:	15.2%

Security + Simplicity = A Clear Mandate



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BNPL: No longer optional?

18.4% of merchants say their **customers' top priority includes Buy Now Pay Later access** – it would likely be more if we surveyed solely B2C companies. This rises to **24.4%** among merchants in West Midlands and **25.5%** in West Midlands regions - and to **28.1%** in Greater London. Among mid-sized businesses (£1m–£9.99m turnover), the figure reaches 22.1%. BNPL is one of the major payments innovations of the last decade, and is fully in the mainstream at this point. If it's an option then we'd strongly recommend it.

Open Banking: Growing but not yet mainstream

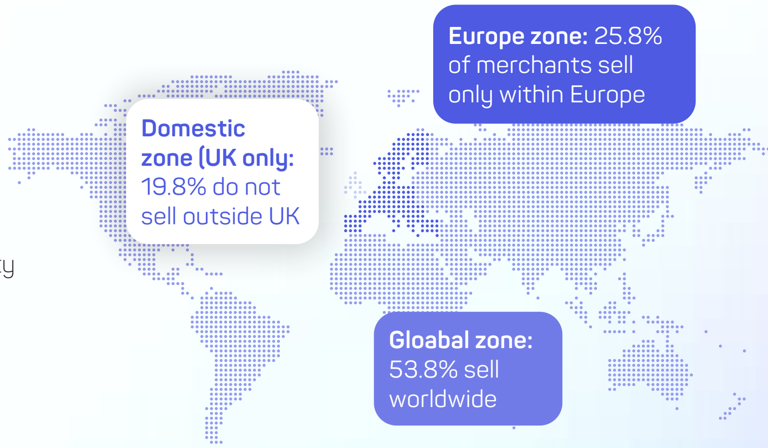
15.2% of merchants see **Open Banking as a customer priority – rising to 30.4%** among merchants in the North West. This signals meaningful but uneven demand. One important thing to remember about Open Banking is that few people identify with the term 'open banking', but a large percentage of the UK has used Open Banking services at some point. The lesson is to offer them where they would make a difference, but avoid talking about Open Banking directly.

Crypto: More relevant than you might think

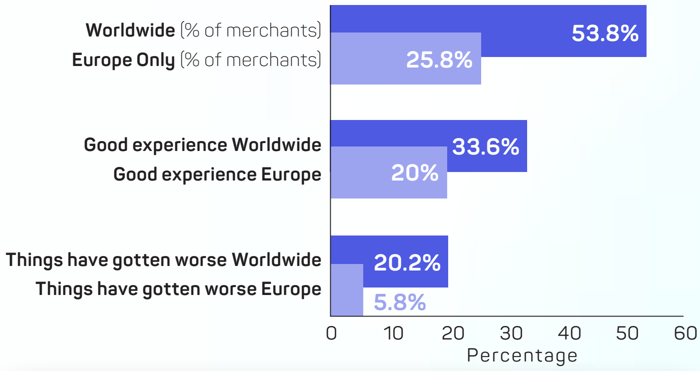
11.8% of merchants believe their **customers want to pay with cryptocurrency** – a figure that climbs to **20.7%** among high-turnover merchants (£50m–£99.99m). While not a mainstream priority, payment providers ignoring crypto might risk being seen as behind the curve by their most valuable merchant customers, and B2B merchants

GLOBAL AMBITIONS, LOCAL FRUSTRATIONS

UK SME merchants are not simply domestic operators. The majority sell internationally - and a significant proportion are finding global commerce harder than it used to be. For payment providers, cross-border capability is no longer a premium feature reserved for enterprise clients; it's a core requirement for the majority of UK SMEs. The data reveals both an opportunity and a warning: the merchants who are experiencing the best international results are those whose payment infrastructure can keep pace with their ambitions.

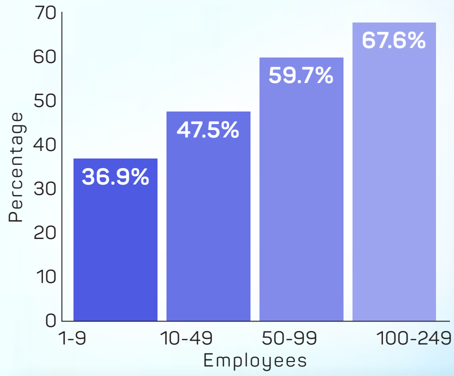


The Global Merchant: Good news vs Bad news



- **Worldwide** 53.8% of merchants
- **Good experience:** 33.6%
- **Things have gotten worse:** 20.2%
- **Europe Only** 25.8% of merchants
- **Good experience:** 20%
- **Things have gotten worse:** 5.8%

International Reach by Company Size



- **1-9 employees sell worldwide (net):** 36.9%
- **10-49 employees:** 47.5%
- **50-99 employees:** 59.7%
- **100-249 employees:** 67.6%

The size premium in global commerce

Larger SMEs are significantly more likely to be selling globally – and significantly more likely to have a good experience doing so. **47.5% of merchants with 100–249 employees** report a good worldwide experience, versus just **22.3% of micro businesses (1–9 employees)**. This creates a clear opportunity for payment providers to support smaller merchants in making the leap to cross-border commerce.

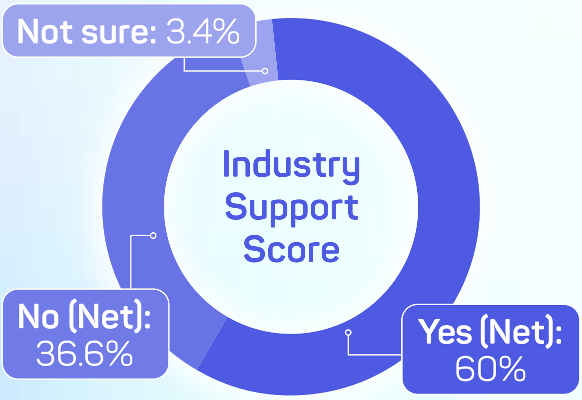
What does the future hold for cross-border?

From Q9: **24.4% of all merchants expect** it will become easier to do business abroad in the next three years. **But 17.8% expect it to become more difficult**. Payment providers that proactively prepare their merchant customers for both scenarios - with flexible multi-currency support, competitive FX rates, and seamless international checkout – will earn lasting loyalty.

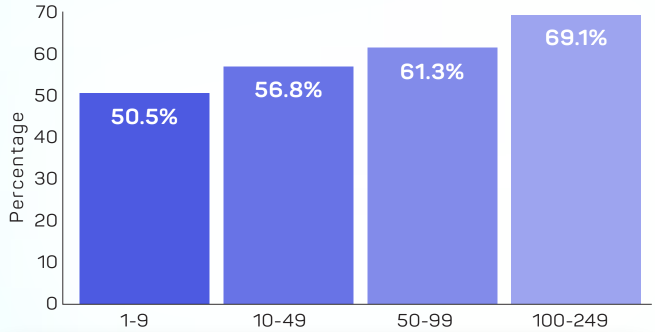
Over half of UK SME merchants are already selling worldwide, but 20% say the experience is getting worse. That's a competitive gap payment providers need to close.

HOW MERCHANTS REALLY FEEL ABOUT THEIR PAYMENT PROVIDERS

Are payment technology companies - card schemes, acquirers, checkout providers, and POS manufacturers – supporting UK SME merchants? The answer, according to our research, is: mostly, but far from universally. 60% of merchants say they feel supported. But that means 4 in 10 do not. And among those who feel let down, the complaints are specific, consistent, and actionable. High fees, slow integration, technology that doesn't meet real-world needs – these are not abstract grievances. They represent real cost and lost opportunity for the UK's SME community. And they represent a clear challenge to the industry as a whole.



Satisfaction by Company Size: How the "Yes" rate varies across company size



- **Fees too high:** 16.2%
- **Technology too complex/slow to integrate**: 9.4%
- **Technology doesn't meet our needs:** 8.4%
- **Don't let us access data we need:** 2.6%

- **1-9 employees:** 50.5% say yes (the most critical segment)
- **10-49 employees:** 56.8%
- **50-99 employees:** 61.3%
- **100-249 employees:** 69.1%

The Fee Problem - and why it matters most for smaller merchants

16.2% of all merchants say fees are too high – but among micro businesses (1–9 employees), **this rises to 27.2%**. For a business processing just a few thousand pounds a month, even a fraction of a percentage point in interchange makes a meaningful difference to margins. Payment providers that offer transparent, SME-friendly pricing models have a genuine opportunity to win significant market share.

Integration Complexity: The hidden barrier

9.4% of merchants say they feel unsupported because payment technology takes too long to integrate and is too complex. **This rises to 17.4%** in the West Midlands. Integration friction is a loyalty killer: every month a merchant spends getting a new payment method live is a month their customers are going elsewhere

The Data Dividend - Missed

2.6% say they don't feel supported because providers don't give them access to the data they need. While this appears low, when cross-referenced with Q3 (**12.8% cite "limited insights from payment data"** as a business pain point), it suggests many merchants don't yet connect their data frustrations to their payment provider - an untapped opportunity for providers who can lead on analytics.

4 in 10 UK SME merchants don't feel supported by the payments industry. That's not a market failure. It's an opportunity.

WHAT COMES NEXT – AND WHAT MERCHANTS ARE COUNTING ON?

What do the next three years hold for UK SME merchants? Our research asked respondents to predict which developments they believe will unfold – and their answers paint a picture of a community braced for further cost pressures, but hopeful that technology will finally start working in their favour. For DECTA and the wider payments industry, these predictions offer a clear roadmap: the merchants who will thrive are those whose payment providers evolve alongside them.

The Merchant Forecast

- **36.0%** "Payments technology will become better aligned to my needs"
- **24.4%** "It will become easier to do business abroad"
- **20.0%** "Fraud and financial crime will get better"
- **9.6%** "I will be able to decrease prices"

- **40.8%** "I will have to increase prices"
- **25.2%** "Fraud and financial crime will get worse"
- **17.8%** "It will become more difficult to do business abroad"
- **12.4%** "Payments technology will NOT become better aligned to my needs"

DECTA's Response: 5 Commitments

A visual list of five things DECTA commits to based on the research findings

Faster settlement: Responding to the **19.4%** who cite slow access to funds as a key pain

Transparent, competitive pricing: Responding to the **16.2%** who say fees are too high

One-click integration: Responding to the **9.4%** frustrated by complexity

The widest range of payment methods: Responding to the **36.4%** whose customers demand choice

Data that drives decisions: Responding to the **12.8%** who lack payment insights

Security + Support + Scale: The DECTA Proposition

Security

Because **51.8% of merchants** put trust above everything else, DECTA's infrastructure is built from the ground up for PCI-DSS compliance and fraud prevention.

Support

Because **36.6% feel let down** by the industry, DECTA's dedicated merchant support team is available 24/7 with response times measured in minutes, not days.

Scale

Because **53.8% of merchants are selling globally**, DECTA processes payments in [X] currencies across [Y] markets – with the same simplicity as domestic transactions.

Conclusion

The research is clear. UK SME merchants are resilient, ambitious and globally minded – but they are navigating an environment where the payments industry has not always kept pace with their needs. Too many merchants are paying more than they should for less than they deserve. Too many are waiting too long for their money. Too many feel that the technology they're offered doesn't match the expectations of their customers.

But there is real cause for optimism. The majority of merchants believe conditions will improve. The majority believe payments technology will become better aligned to their needs. They just need a payments provider willing to make that happen.

FIND OUT HOW DECTA CAN SUPPORT YOUR PAYMENTS STRATEGY

www.decta.com