

White-label e-commerce gateways: A new world of opportunity for banks



Introduction

Whitelabel e-commerce gateways: a new world of opportunity

The European banking sector’s drive for profitability comes at a time when competition has never been higher, nor the payments landscape more complex. New regulations loom, from 2025’s Digital Operations Resilience Act (DORA), through to the third payment services directive and Payment System Regulation (PSD3 and PSR, due in 2027/2028), all of which promise to add to banks’ regulatory burden.

Meanwhile, banks themselves are engaged in the process of updating legacy platforms that are, in the worst cases, not just expensive to maintain but unable to cope with new payment methods such as cryptocurrency or BNPL. And to cap it off, competition from fintechs and payment service providers (PSPs) has never been more intense.

The e-commerce opportunity

Seen in this context, e-commerce acquiring is a huge opportunity for banks. Mordor Intelligence¹ project that European e-commerce will be worth more than \$1 trillion by 2030, with growth of more than 8% per year predicted over the next half decade. Banks looking to take advantage of this fast-growing market might consider third parties as acquiring partners. However, third parties often lack either the reach or flexibility banks need to cope with new payment methods, local currencies and the specific regulatory requirements of individual markets. Added to which, their understanding of an individual bank’s specific business is often lacking.

White-label e-comm gateways: bank-owned online acquiring

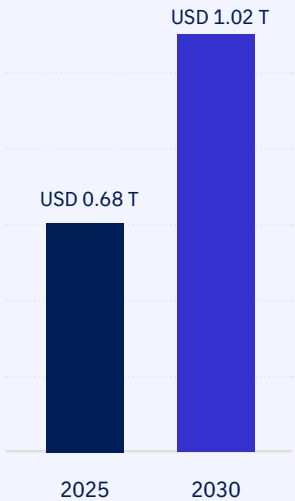
By contrast, owning a white-label e-commerce gateway run on the bank’s behalf by a software service provider gives banks the opportunity to unlock control of data relating to transactions managed by the gateway. This allows banks to access rich insights into customer spending patterns and the ability to pass those insights on to customers while identifying new product and service opportunities based on that data. By improving customer relationships, banks can not only retain customers as competition grows, but generate more revenue from these customers through new products.

Little wonder, then, that the global white-label e-commerce gateway market is projected to reach \$4.1 billion by 2033, growing at between 10 and 15% a year.² White-label gateways managed by third parties are rising in popularity because



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Market Size in USD Trillion CAGR 8.36%



¹ Mordor Intelligence, European E-commerce Report, 2025

² Global Growth Insights, 2025: “White Label Payment Gateway Software Market”

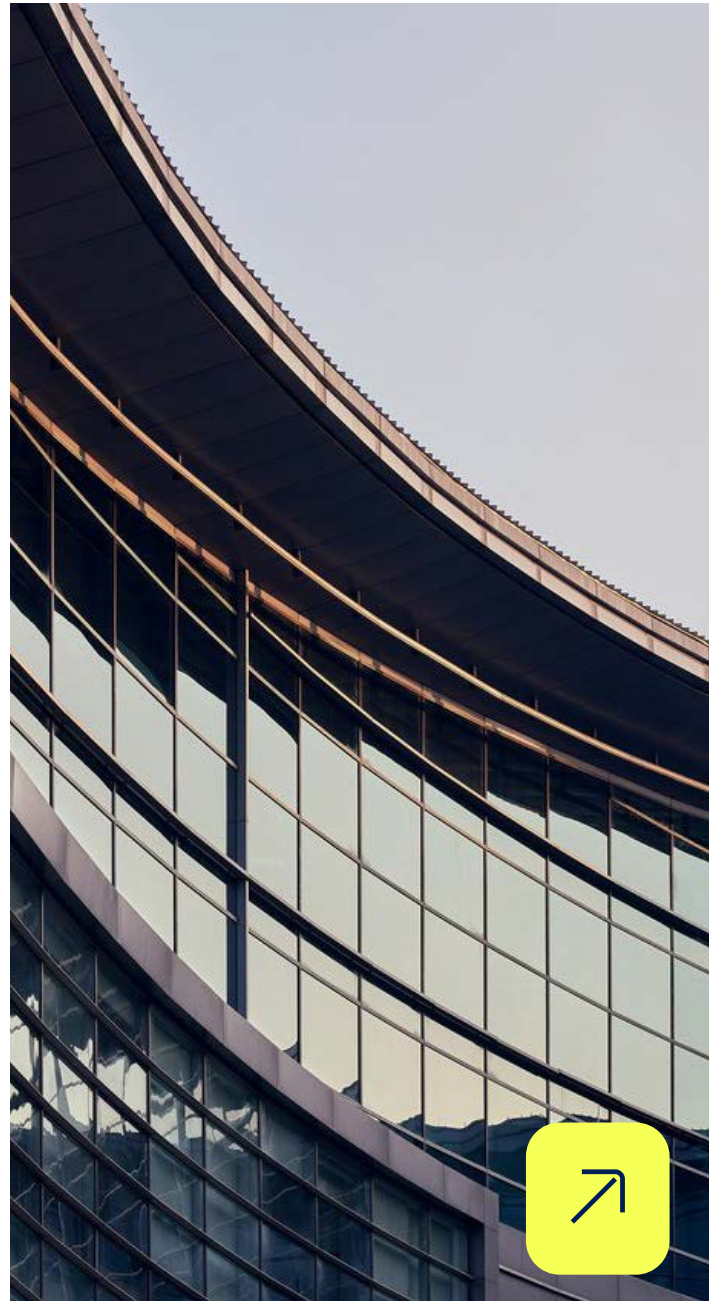
they enable acquiring banks to own relationships with online retailers, grow revenue and simplify their supply chain. By owning a secure and customizable solution under their own brand – rather than that of a partner or third party – banks are able to better manage their relationships with online merchants as well as their own customers. At the same time, the complexity of managing, securing and maintaining the gateway is handled by a third party.

White-label e-commerce gateways can be configured by a software service provider to match the specific needs of a bank's business, optimizing services based on the amount of cross-border transactions a bank acquires, customer use of certain payment methods such as cards, digital wallets or account-to-account transactions and more. With some business cases projecting that white-label gateways could net mid-sized banks a further €12m+ in annual recurring revenue from their payments business, it's clear why such gateways are generating significant interest.

In what follows, we examine the business case for white-label e-commerce gateways in four key areas: acquiring, compliance, payments optimization, and competition. We close this e-book with a summary of the benefits of white-label gateways to help you decide if this is the right solution for your bank.

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[Access the e-commerce gateway portal for trial](#)

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Chapter I – FLEXIBILITY

As payments diversify, flexibility is all

In today's hyper-competitive landscape, many banks struggle to keep up with more nimble, specialist online acquiring firms, whether PSPs or fintechs. While banks grapple with the cost of maintaining or replacing outdated core technologies, digital-native fintechs gain advantage by bringing products to market more rapidly than a bank's existing tech stacks will allow. Some banks might seek to partner with a third-party provider to speed up the modernization of their offering. However, too often these partners provide simplistic, one-size-fits-all solutions that don't meet the needs of a bank's specific geographies or customer segments.

Consolidation, Open Banking and cross-border: the drivers of diversity

A number of market forces have combined to form today's more diverse payments online landscape. For example, while cards remain popular in many markets, Open Banking is creating new opportunities in payments, with banks offering API access to accounts for third parties. This makes it possible for banks to offer whitelabel payment products (such as A2A transactions with a BNPL option) tailored for specific markets – in this case, young people. Meanwhile, other markets are experiencing a surge in digital wallet use, or the beginnings of crypto-currencies used to pay online.

Across Europe, cross-border e-commerce growth is surging, too. According to an analysis by FedEx

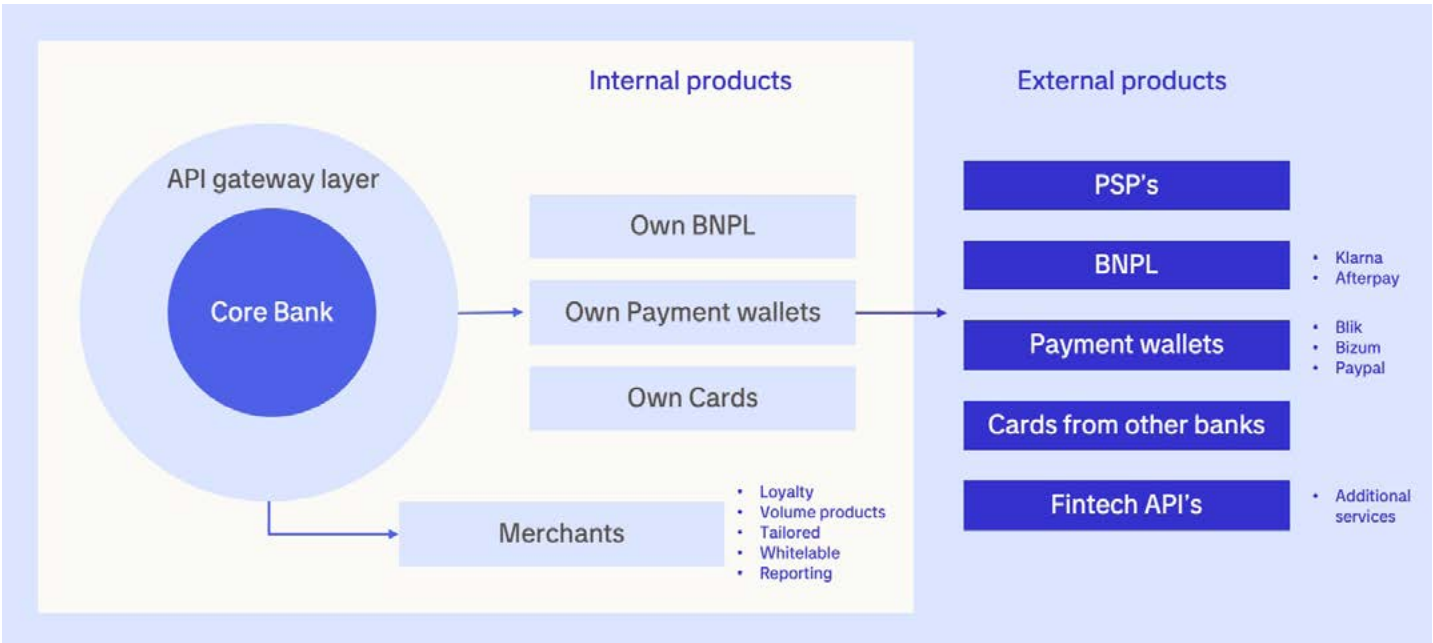


Last year, over 33% of online transactions were cross-border – and cross-border e-commerce grew twice as fast as domestic transactions.

and Poste Italiane,¹ last year just over one-third (€326 billion) of all e-commerce transactions were cross-border, up 16% from the previous year. This growth rate is double that of domestic e-commerce, demonstrating the speed at which the digital world is going global.

From an acquiring perspective, cross-border e-commerce has its own specific challenges, including the fees and charges incurred by specific transaction types such as credit cards compared with those for A2A transactions. Furthermore, merchants will want the ability to accept a much wider range of payment types in a cross-border environment, while being able to handle transactions in a range of currencies is a necessity.

¹ CB Commerce, 2024: "European Cross-Border E-commerce Reaches New Heights



Finally, many banks have also experienced merger and acquisition events during the period of stagnant profitability between 2008 and 2018; now the dust has settled, these new, multi-national groups are re-examining their acquiring operations and looking for more flexible solutions that are able to scale to meet the diverse needs of different payment preferences and national regulators' requirements.

When it comes to acquiring, owning a proprietary whitelabel e-commerce gateway empowers a bank to accept new forms of payment such as A2A transactions or crypto while avoiding the fees and costs of a third-party provider – not to mention the risk of being dependent on a third party. At the same time, as the gateway's owner, banks can cross-sell new products and services to merchants and their end customers (such as loans and account services) using analysis of transaction data to shape their offering.

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Chapter II – COMPLIANCE

Compliance helps build trust. But it's getting complicated...

In survey after survey, banks emerge as among the most trusted entities for consumers – ahead of utilities providers, media outlets, and even governments. As anyone in banking knows, this degree of trust is earned through a long-term commitment to safeguarding client funds, careful investment strategies, risk management and a strong commitment to fighting fraud.

With digital transactions taking a growing share of overall economic activity, regulators are placing a wide range of demands on banks to bring regulation into the digital era. In recent years, we've seen the introduction of new regulations governing customer authentication online (Strong Customer Authentication, or SCA), the treatment of cryptocurrency transactions (MiCA) and, most recently, the Digital Operations Resilience Act, or DORA.

And the pace of change won't slow down, with the rise of agent-enabled e-commerce, topic we discuss in a [recent report](#) in partnership with Celent, stablecoin-enabled payments, and other innovations which promise to

change the online acquiring landscape completely over the next 10 years.

Local matters too

Alongside new payment methods and EU regulations, we'll also find a more diverse payments landscape in the future with more differentiated local regulation, especially in non-EU markets such as Switzerland, Norway, the UK and the Balkans. Think about the Norwegian approach to digital identity, for instance, or Switzerland's treatment of crypto transactions as another example. In the UK, new regulations have recently been announced that will treat BNPL transactions as a form of personal loan.

While payment gateway solutions have emerged that support standards such as the EU's SCA requirement under PSD2, the growing complexity of the regulatory landscape means that, looking ahead, gateway solutions are going to have to demonstrate increasing flexibility to cope with both EU and local regulations in areas such as A2A transactions, BNPL and crypto.

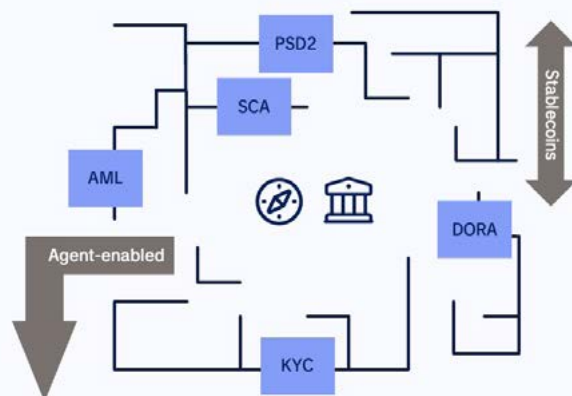
How white-label gateways add value

Banks have an opportunity to enhance the trust they offer customers by enhancing their proprietary e-commerce gateways with improved compliance software that updates their systems automatically to reflect evolving national and supra-national regulations. Doing so will reduce complexity both for the bank itself and its customers, while reducing the time and cost of regulatory compliance for the bank.

It also helps banks deliver on the promise of greater transparency for customers in areas such as AntiMoney Laundering and Know Your Customer (KYC), where corporate clients in particular are frequently surprised by the level of detail required when onboarding. By tailoring a bank's own gateway to the specific needs of its customers, local regulators and supra-national regulations, compliance is made more efficient and processes such as onboarding can also become smoother, with lower friction for customers.



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Chapter III – OPTIMIZATION

As banks modernize e-commerce, they must optimize performance

Last year, we conducted [a survey](#) showing that over 80% of European banks are now engaged in modernizing their payments systems. This relatively late engagement with modernization stems from a decade-long period of lower profitability after the Great Financial Crash of 2008, during which the funds and other resources required to modernize were in short supply. To drive improved profitability and rationalize operations, many banks merged or acquired operations in new markets, especially across Central and Eastern Europe.

From a payments and e-commerce perspective, this round of mergers and acquisitions (M&A) left a range of redundant platforms, differing systems and standards and – above all – a complex mix of legacy technologies that are expensive and time-consuming to maintain. Even where such M&A activity did not occur, banks still struggled with finding the time, money and people to modernize online

acquiring operations, relying on growing consumer appetite for e-commerce to deliver more revenues.

However, it's now clear that modernization is a necessity. Over the last 15 years, customers of all kinds – both consumers and merchants – have come to expect the same speed, agility and security from payment experiences found in sectors such as digital media, healthcare and online retail.

Meanwhile, e-commerce growth is slowing, projected to be around 4% per year over the next five years¹, and online merchants and shoppers want value-added services based on analysis of rich transaction data, from product purchasing trends through to inventory management, new payment products like BNPL options from accounts or cards, and more.

As we've noted in previous chapter, further complexity is added to this situation by a range of emerging regulations that aim to



safeguard consumers as fraud rockets in digital channels, while the nature of digital commerce is becoming more diverse, with new rails and payment methods added all the time.

To compete with nimble digital-first competitors, whether PSPs or fintechs, banks need not just to modernize their approaches to e-commerce, but to optimize them for the markets and sectors in which they operate, responding to the specific needs of their customer base.

White-label gateways - owning the e-commerce experience, yet reducing cost and risk

Banks can own the e-commerce experience with a white-label gateway, tailoring their offering to meet the unique needs of various customer segments, while leaving tasks such as compliance management, updates, security and more to their software solutions partner. From a consumer perspective, this could mean offering specific payment methods preferred in certain regions such as Bizum in Spain, BLIK in Poland, or PayPal in the UK. Likewise, banks can create a smooth, in-band payment process tailored to meet the needs of specific groups, geographies or segments – for instance, applying additional anti-fraud measures in the gaming segment.

Owning an e-commerce gateway enables banks to create differentiated solutions for merchants, while upgrades and new features can be integrated by their software solutions partner. Differentiated, tailored merchant solutions create competitive advantage for banks compared to the “one-size-fits-all” model provided by some PSPs and fintechs. Through ownership of the e-commerce gateway, banks can control everything from transaction pricing through to new features based on the analysis of rich transaction data, all through a single integration between bank and merchant. Relying on a single integration can also speed up merchant onboarding from days or weeks to a matter of minutes, depending on a bank’s internal requirements – while the complexity of managing upgrades, compliance and security can be handled by their software partner.

Finally, owning an e-commerce gateway gives banks the flexibility to integrate with fintech partners, creating a bespoke dashboard for merchants on which fintech integrations sit alongside transaction data metrics, fraud detection performance statistics, and other features. Taken together, these factors constitute a powerful argument for why merchants should choose a bank-owned white-label gateway over a range of fintech and PSP products. As part of the wider modernization of their payment systems, banks should consider their own e-commerce gateway to reduce costs, improve service delivery and time to market, drive more revenue, and position themselves for the intense competition we’ll see in the next 5-10 years.



Chapter IV– COMPETITION

Hot, and getting hotter: why e-comm competition is good for banks

In an earlier chapter we covered the relatively slow move by European banks to modernize their systems over the last decade – a move now taking place at speed. Although banks have woken up to the necessity of modernizing and optimizing their e-commerce offerings, this comes after a period in which Payment Services Providers (PSPs) and fintechs grew from non-player characters to bossing the market. According to Mordor Intelligence, the European e-commerce gateway market will triple in value over the next five years, reaching \$30 billion by 2030 – with growth like this, there's everything to play for.

The challenge for banks is that PSPs and fintechs have emerged as competitors fighting for the same revenues, because they

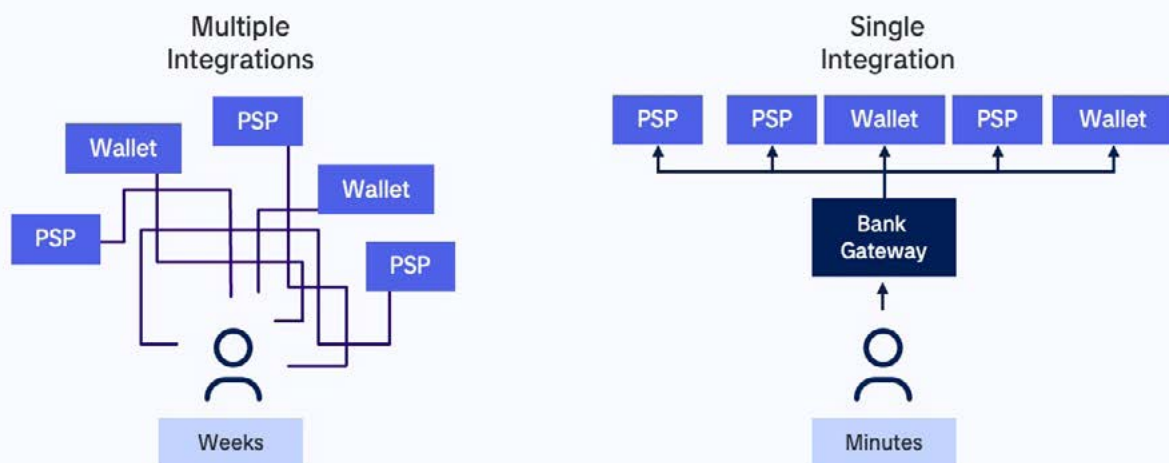
are seen as being more agile and innovative. This leads to competitive pressure on banks and a struggle to retain market share as these more nimble players adapt more quickly to market demands and offer merchants attractive white-label solutions.

How banks can fight back

Even if their offerings seem attractive at first sight, PSPs and fintechs will typically offer a one-size-fits-all model, which may not suit the specific needs of individual clients or markets. And while many PSPs or fintechs will claim to offer customization, this can be expensive and time-consuming, with merchants finding themselves stuck in a development queue that can last weeks or months. If merchants opt for a multivendor approach, things become even



The European e-commerce gateway market will reach \$30 billion by 2030, showing the scale of opportunity out there for banks



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more daunting, as it adds the complexity of multiple integrations to the mix.

By owning merchant relationships with a bank whitelabel gateway, banks can create tailored features, from local payment methods through to creative features such as A2A transactions with a BNPL option, multi-function digital wallets, and more. Alongside tailored features, banks can propose differentiated packaged solutions for specific verticals (think travel, hospitality or online gaming) which compare favorably with the “one-size-fits-all” approach of a fintech or a PSP.

Own-label e-commerce gateways managed by banks with the support of a software partner typically involve a single integration – a feature which makes them attractive to merchants all by itself. Add to that the fact that own-label gateways come with a scalable architecture, are cloud-ready and easy to integrate with ecosystem partners such as card schemes and third-party payment providers like PayPal, WERO, Blik, Bizum, Vipps, Swish, etcetera, and you have a compelling proposition for merchants.

Merchants also benefit from the reduced complexity of having their banking partner handle their payments, which makes reporting and reconciliation much easier. Finally, bank-owned e-commerce gateways can be embedded as part of the merchant checkout process under the merchant’s brand, offering further value to the merchant while the bank manages processing and settlement and the bank’s software partner working to ensure a smooth, fast and secure payment experience.

At a time when fintechs and PSPs have seized the advantage, owning a proprietary e-commerce gateway enables banks to take the fight back to the market and regain competitive advantage in a market rich with opportunities over the next five years.



The Tieto Banktech multi-rail e-commerce payment gateway

As banks fight back, the right partner makes the difference

Online payments today is rich with opportunity – and intense competition. Over the last decade, PSPs and fintechs have made significant inroads into banks' traditional relationships with merchants, while the market itself has become more complex as consumers look for faster, easier and safer ways to pay both in their home markets and across borders. At the same time, regulators seeking to protect consumers from the menace of online fraud are introducing ever-more onerous regulations, further adding to an already complex market opportunity.

However, the prize is there in the shape of a European acquiring market that's projected to treble in value over the next five years. In order to protect and maintain their leading positions as the market grows, banks need a software partner in the e-commerce space with the strength in depth, range and flexibility to serve the needs of merchant clients and retail customers alike. Working with the right partner, banks can deliver tailored solutions that fit the needs of specific markets, business segments and consumer preferences while remaining compliant – and building trust in the process.

Tieto's Ecommerce Payment Gateway is an all-in-one e-commerce payment solution tailored for banks and processing centers. It offers flexible administration and customization options, powerful integration APIs, flexible delivery and transparent pricing that offers opportunity to increase profits.

As we've discussed in the first chapter about flexibility, developing an own-brand e-commerce gateway enables banks to provide a full range of e-commerce acquiring services to merchants without a middle man. For

merchants, this saves on fees, cuts out the complexity of multiple suppliers, and simplifies integration via a single, cost-effective API.

Own-label e-commerce gateways mean that banks are in control of fees and pricing policies, working directly with merchants on mutually-beneficial schedules of fees and costs. Backed up by a powerful, cloud-ready partner, banks can grow alongside their merchants. At Tieto Banktech, our internal estimates suggest that a mid-sized bank could earn up to €12 million more in fees by scaling alongside their merchants with an own-branded gateway solution.

Alongside this commercial opportunity, banks can cross-sell other products to merchants through their own gateway (think commercial loans or new accounts), and likewise there is the option to cross-sell banking products to consumers at checkout in partnership with the merchant client. Working with the right partner, banks can glean real-time insights into how customers spend online, and develop new products and services for merchants based on these insights.

The Tieto Banktech Advantage

Tieto Banktech's white-labeled payment gateway offers banks and their merchant clients a fully customizable, user-friendly gateway with a central dashboard/administration portal to manage shops, payment subscriptions, fraud management, payouts and gateway-hosted checkouts and customizations. The portal enables optimized merchant registration and onboarding.



Our internal estimates suggest a mid-sized bank could earn up to €12 million more in fees by operating its own gateway solution

Tieto is a leading software and digital engineering services company with global market reach and capabilities. We provide customers across different industries with mission-critical solutions through our specialized software businesses Tieto Caretech, Tieto Banktech and Tieto Indtech, as well as Tieto Tech Consulting business. Our around 15 000 talented vertical software, design, cloud and AI experts are dedicated to empowering our customers to succeed and innovate with latest technology.

Tieto's annual revenue is approximately EUR 2 billion. The company's shares are listed on the NASDAQ exchange in Helsinki and Stockholm, as well as on Oslo Børs.

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