

# GENERATION INSTANT:

How Instant Payments Help  
Consumers Receive Overpayment  
Disbursements Faster



June 2024 Survey

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# GENERATION INSTANT:

How Instant Payments Help  
Consumers Receive Overpayment  
Disbursements Faster

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MAY 2024

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## Acknowledgment

Generation Instant: How Instant Payments Help Consumers Receive Overpayment Disbursements Faster was produced in collaboration with Ingo Payments, and PYMNTS Intelligence is grateful for the company's support and insight. [PYMNTS Intelligence](#) retains full editorial control over the following findings, methodology and data analysis.

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# Introduction

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The value of overpayment disbursements, such as rebates, rewards and other refunds, may not impact consumers' overall cash flow, but many consumers still want to receive these refunds instantly. Consumers often perceive overpayment disbursements as money they previously had in their accounts and expect it back in a timely fashion. In fact, 4 in 5 consumers say they would choose an instant option for these refunds, but few are given a choice in payment method.

Overpayment disbursements are not the most common type of payouts, nor the largest. In fact, just 7.1% of consumers report they received overpayment disbursements. The average overpayment disbursement is \$68, while the average disbursement is \$433.

Receivers of overpayment disbursements are more willing to pay for instant payouts than the average consumer, especially if they need funds urgently. These findings suggest that merchants and other senders that do not process overpayment disbursements instantly are missing an opportunity to increase customer satisfaction and engagement.

These are some of the insights explored in *Generation Instant: How Instant Payments Help Consumers Receive Overpayment Disbursements Faster*, a PYMNTS Intelligence and Ingo Payments collaboration. This report is based on a census-balanced survey of 3,898 U.S. consumers conducted between Dec. 28, 2023, and Jan. 22, 2024, examining consumers' growing interest in and satisfaction with instant payment methods when receiving disbursements from government and nongovernment entities.

**This is what we learned.**

# THE ARCHITECTURE OF MONEY MOBILITY



# Consumers want overpayment refunds urgently: 11% more consumers use instant methods for these payments than for the average disbursement.

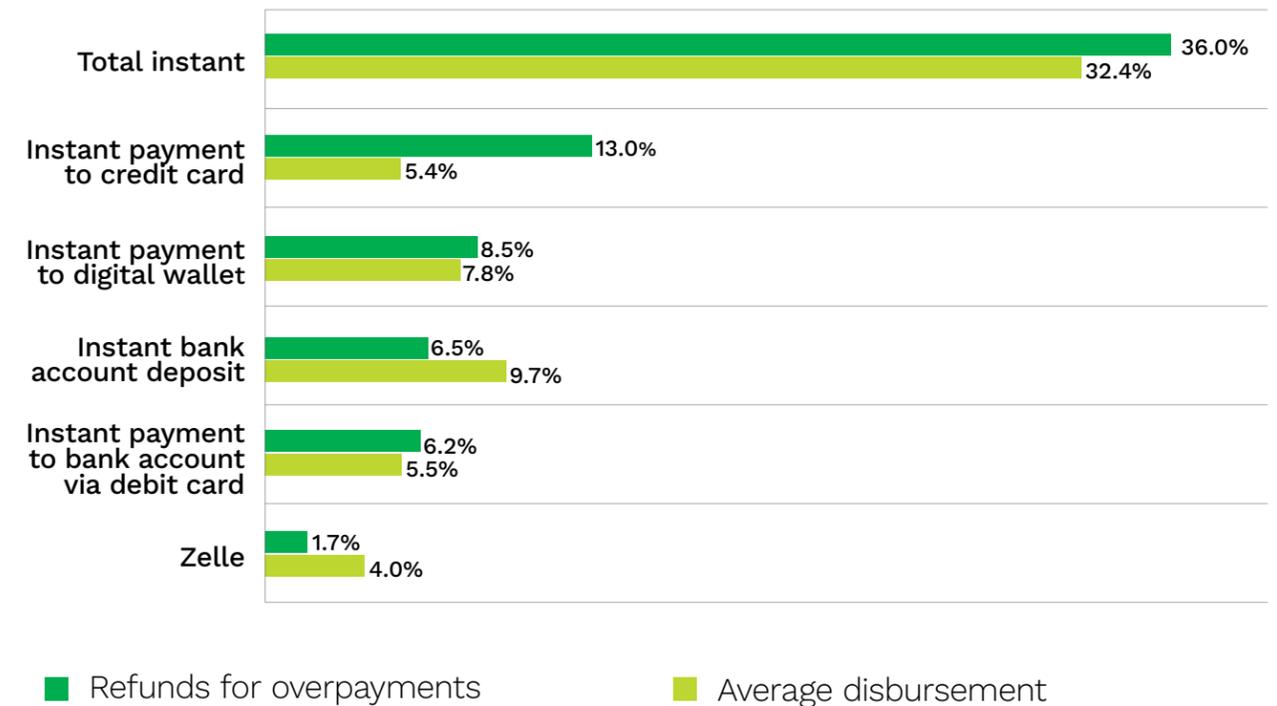
While most senders currently do not use instant methods to send overpayment disbursements, the number doing so is on the rise. Among consumers who received disbursements for overpayments, 36% used instant payments as their main method to receive them. This represents a 16% increase since last quarter.

In fact, consumers are 11% more likely to say they use instant payments to receive overpayment refunds than they are for the average disbursement. Consumers are also more than twice as likely to receive instant refunds to their credit cards than they are for the average disbursement, at 13% and 5.4%, respectively. In contrast, consumers are less likely to receive refunds instantly to their bank accounts or via Zelle than they are for the average disbursement. This suggests that overpayments may be more likely to be refunded via the original payment method.

FIGURE 1

### Consumers' use of instant payment methods

Share of consumers who used select instant methods as the most typical way they received disbursements



Source: PYMNTS Intelligence

Generation Instant: How Instant Payments Help Consumers Receive Overpayment Disbursements Faster, June 2024

N = 2,237: Complete responses, fielded Dec. 28, 2023 – Jan. 22, 2024



## While 4 in 5 consumers would opt to receive overpayment refunds instantly, the majority have no choice in payment method.

Consumers are slightly more likely to choose instant methods to receive overpayment refunds than the average disbursement. We find that 79% of consumers would choose instant methods to receive overpayment refunds if given the opportunity. Moreover, this share has increased 17% from September 2023 to January 2024, indicating a growing interest in instant for overpayment disbursements.

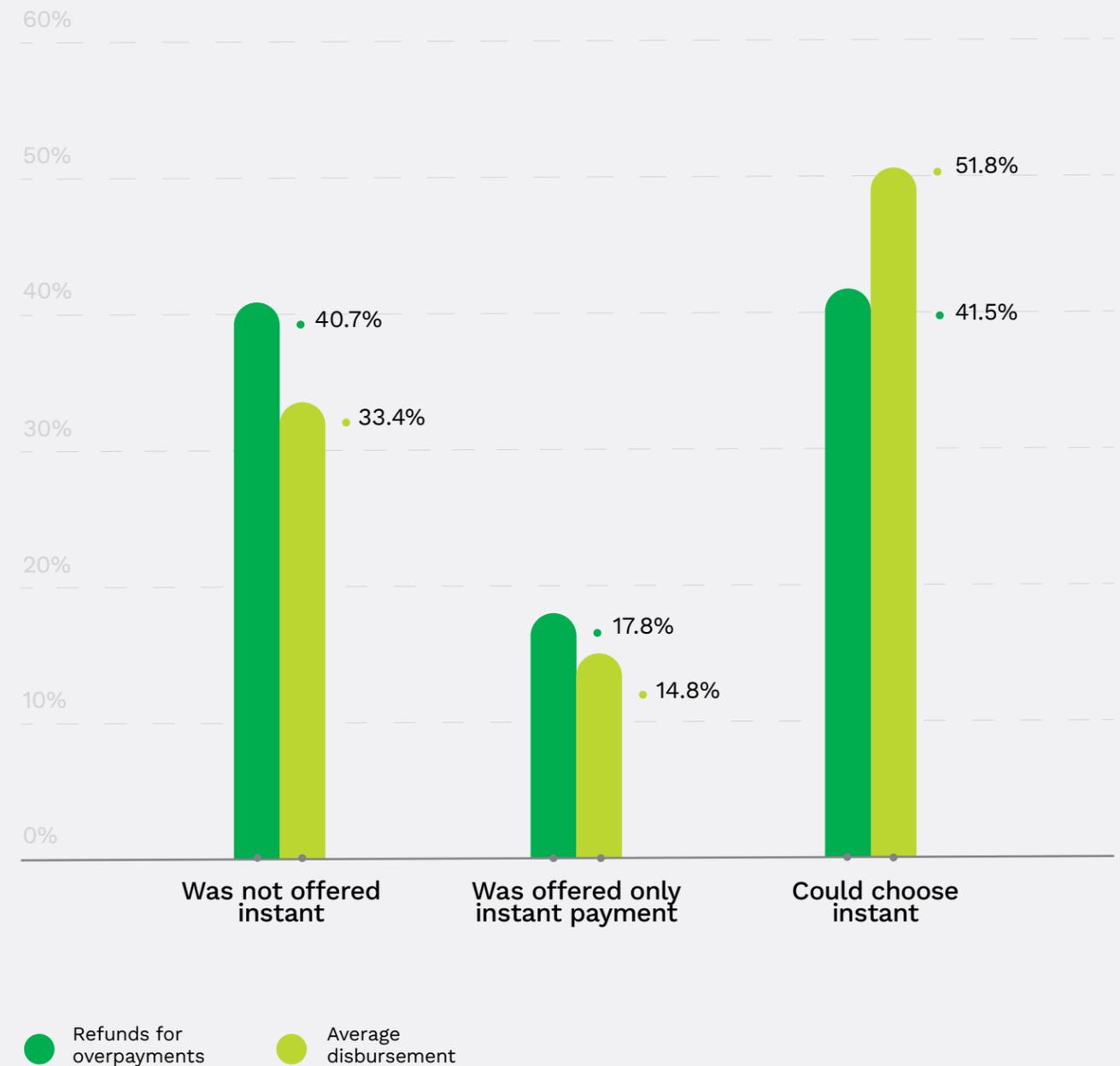
At the same time, however, overpayment refund receivers are 22% less likely than the average consumer to have the opportunity to receive funds instantly. While 52% of consumers receiving all types of disbursements could choose instant pay, just 42% of receivers of overpayment refunds were offered the option.

In fact, 33% of consumers receiving all types of disbursements could not receive payments instantly, and this rises to 41% for overpayment payments. Although they have less opportunity to use instant payment methods, overpayment refund receivers are slightly more likely to have instant as their only option than the average disbursement receiver.

**FIGURE 2**

### Availability of instant payments

Share of consumers who were offered instant methods from senders



Source: PYMNTS Intelligence

Generation Instant: How Instant Payments Help Consumers Receive Overpayment Disbursements Faster, June 2024

N = 2,237: Complete responses, fielded Dec. 28, 2023 – Jan. 22, 2024

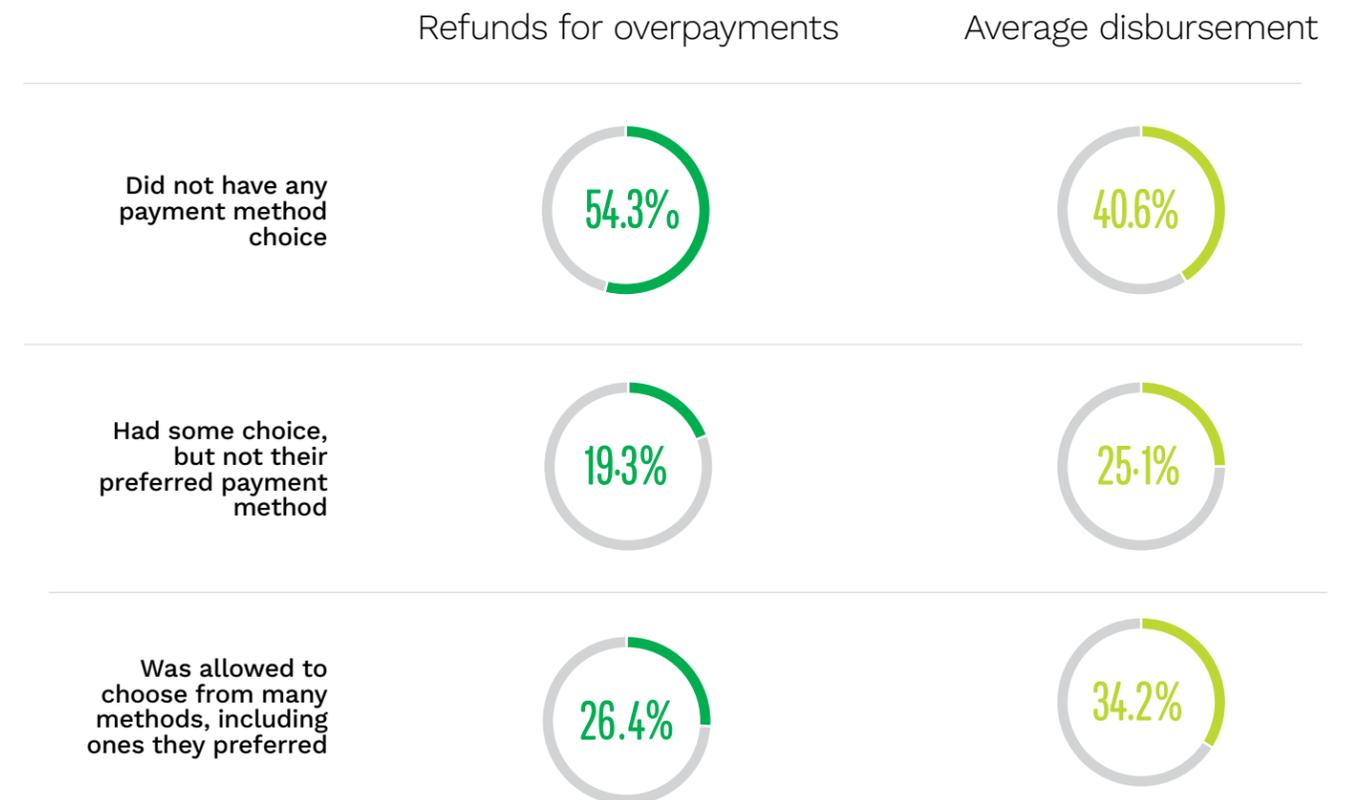
Consumers are given less choice in how they receive refund disbursements compared to all disbursement types. In fact, 54% of overpayment disbursement receivers were not able to choose their payment method, and 19% had some choice but were not offered their preferred method. These findings suggest that consumer satisfaction would likely grow if they had more agency in how their refund payments were made.

With less access to instant payments than the average consumer but greater desire to receive payments immediately, adding instant payment options would help remedy this deficit. Merchants and other senders could benefit from offering instant as an option, increasing customer satisfaction and retention while attracting new customers who prefer instant methods when receiving overpayment refunds.

**FIGURE 3**

**Payment choices offered**

Share of consumers who had select payment method choices the last time they received disbursements



Source: PYMNTS Intelligence  
 Generation Instant: How Instant Payments Help Consumers Receive Overpayment Disbursements Faster, June 2024  
 N = 2,237: Complete responses, fielded Dec. 28, 2023 – Jan. 22, 2024



## A sense of urgency translates to consumers' increased willingness to pay a fee to instantly receive refunds.

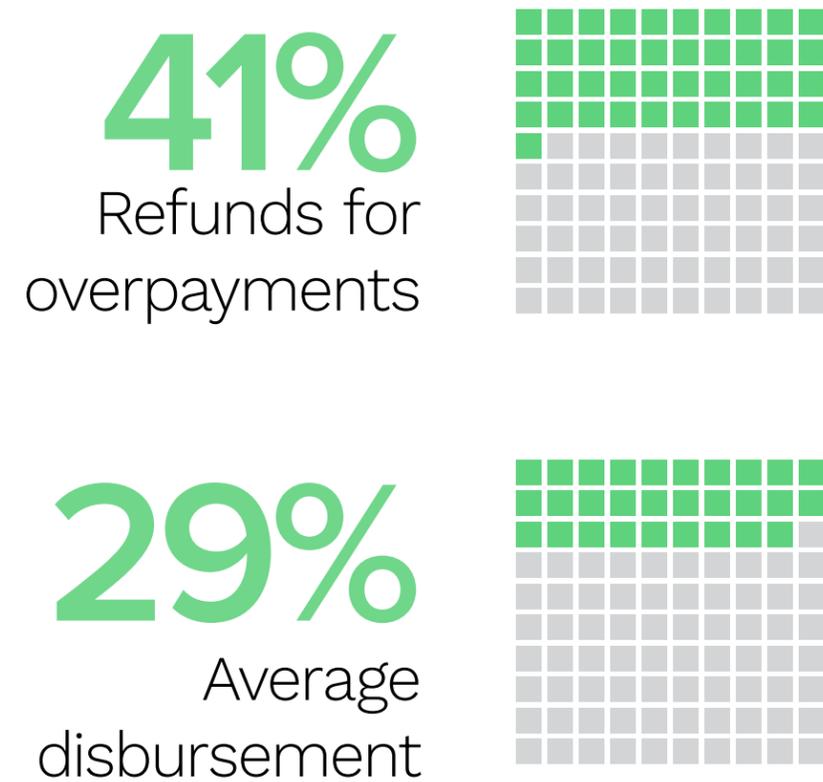
Consumers are 39% more willing to pay a fee to receive a refund disbursement compared to the average disbursement. Forty-one percent of consumers who received refund-related disbursements were very or extremely willing to pay a fee, compared to 29% of consumers across all disbursement types. When they pay, they are more likely to prefer paying a percentage fee than the average receiver. Moreover, 32% of consumers prefer to pay percentage fees for repayments, compared to only 25% among consumers across all disbursement types.

One reason consumers receiving overpayment disbursements may prefer percentage fees is that these disbursements tend to be smaller in value, making percentage fees cheaper than fixed rate fees. However, consumers receiving overpayment disbursements are also more willing to pay more to receive funds instantly, even if the fee is fixed. For instance, consumers receiving refunds are willing to pay \$2.88 in fixed fees compared to \$2.50 among consumers receiving all types of disbursements. This highlights how important receiving overpayment disbursements as quickly as possible is for some consumers, especially if they consider refunds as money they previously had in their accounts.

FIGURE 4

### Willingness to pay for instant

Share of consumers who would be very or extremely likely to pay a fee to receive disbursements instantly



Source: PYMNTS Intelligence

Generation Instant: How Instant Payments Help Consumers Receive Overpayment Disbursements Faster, June 2024

N = 2,237: Complete responses, fielded Dec. 28, 2023 – Jan. 22, 2024

## CONCLUSION

**W**aiting for an overpayment refund can be challenging, especially for consumers on tight budgets. Although the share of consumers receiving these disbursements is small, as is the average payout amount, instant payment options are popular among these consumers. Even though overpayment disbursement receivers increasingly prefer instant payouts and are more willing than the average consumer to pay for it, they are given the option less frequently than consumers receiving all disbursements. Budget-conscious consumers want to receive their refunds instantly and may blame the delay on the merchant or other senders, impacting customer satisfaction. Merchants and other senders looking to retain current customers and attract new ones should consider providing an instant overpayment disbursement option as way to gain an advantage in today's competitive market.

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## METHODOLOGY

**G**eneration Instant: How Instant Payments Help Consumers Receive Overpayment Disbursements Faster, a PYMNTS Intelligence and Ingo Payments collaboration, is based on a census-balanced survey of 3,898 U.S. consumers conducted between Dec. 28, 2023, and Jan. 22, 2024, examining consumers' growing interest in and satisfaction with instant payment methods when receiving disbursements from government and nongovernment entities. Our sample was balanced to match the U.S. adult population in a set of key demographic variables: 51% of respondents identified as female, 32% had a college degree, 38% earned more than \$100,000 annually and 29% were millennials.

# ABOUT

## PYMNTS INTELLIGENCE

**PYMNTS Intelligence** is a leading global data and analytics platform that uses proprietary data and methods to provide actionable insights on what's now and what's next in payments, commerce and the digital economy. Its team of data scientists include leading economists, econometricians, survey experts, financial analysts and marketing scientists with deep experience in the application of data to the issues that define the future of the digital transformation of the global economy. This multilingual team has conducted original data collection and analysis in more than three dozen global markets for some of the world's leading publicly traded and privately held firms.

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## INGO Payments

**Ingo Payments** is the money mobility company. Founded in 2001, it provides technology platforms and expert risk management to FinTechs, banks and businesses that enable safe and instant money movement, from any source to any destination. Ingo's solutions power deposits and transfers for inbound and outbound money flows, cross-platform P2P and digital payouts, with network reach to more than 4.5 billion bank accounts, cards, digital wallets and cash-out locations. This transformation of traditional payments helps businesses reduce cost and delays while dramatically improving the consumer experience. Headquartered in Alpharetta, Georgia, Ingo employs more than 200 professionals and serves some of the largest brands in North America.

We are interested in your feedback on this report. If you have questions or comments, or if you would like to subscribe to this report, please email us at [feedback@pymnts.com](mailto:feedback@pymnts.com).

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