

PYMNTS  
INTELLIGENCE

INGO Payments

April 2026

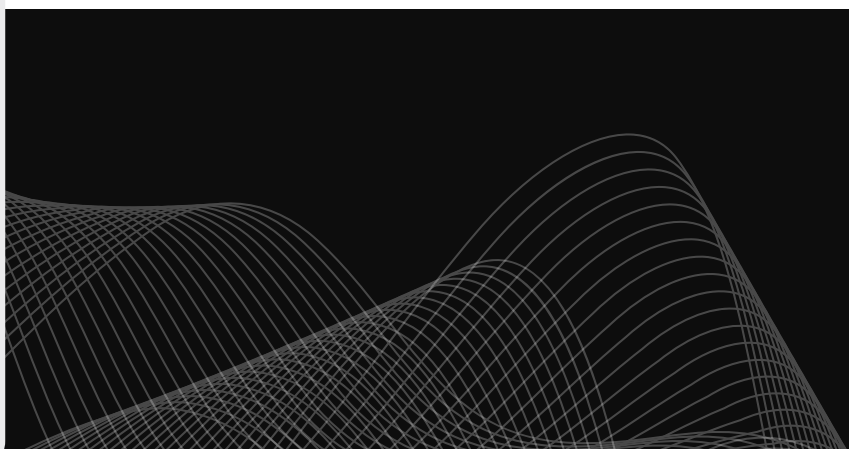
# From Opening to Ongoing: How Modern Payments Unlock Community Banks' Deposit Growth

Money Mobility Tracker® Series

■ Read the previous edition



MARCH 2026  
Money Mobility  
Tracker® Series



Community banks have made progress in digitizing account opening, but many still struggle to turn those accounts into primary banking relationships. This Tracker examines how gaps in payments modernization are limiting deposit growth—and what community banks must do to unlock ongoing account usage.

# What's Inside

## 04 Introduction

The last edition of the Money Mobility Tracker® showed why digitized account opening without instant funding isn't sufficient to win deposit growth. This edition explains why even instant funding isn't, either.

## 06 Community Banks Are Confusing 'Modern' With 'Ready'

Many community banks say they are modernized, but payments capabilities tell a more complicated story.

## 12 The Real Gap: Funded Accounts Are Not Becoming Active Payment Hubs

Opening and funding accounts matter, but payments functionality is what turns them into primary banking relationships.

## 20 Payments Layering Is Emerging as the New Deposit Strategy

To deepen relationships and retain deposits, banks must make funded accounts usable for everyday money movement.

## 24 Activating the Payments Layer to Drive Community-Bank Deposit Growth

Community banks can strengthen deposit growth by aligning payments strategy with everyday account usage.

## 26 About

Information on PYMNTS Intelligence and Ingo Payments

PYMNTS  
INTELLIGENCE

INGO Payments

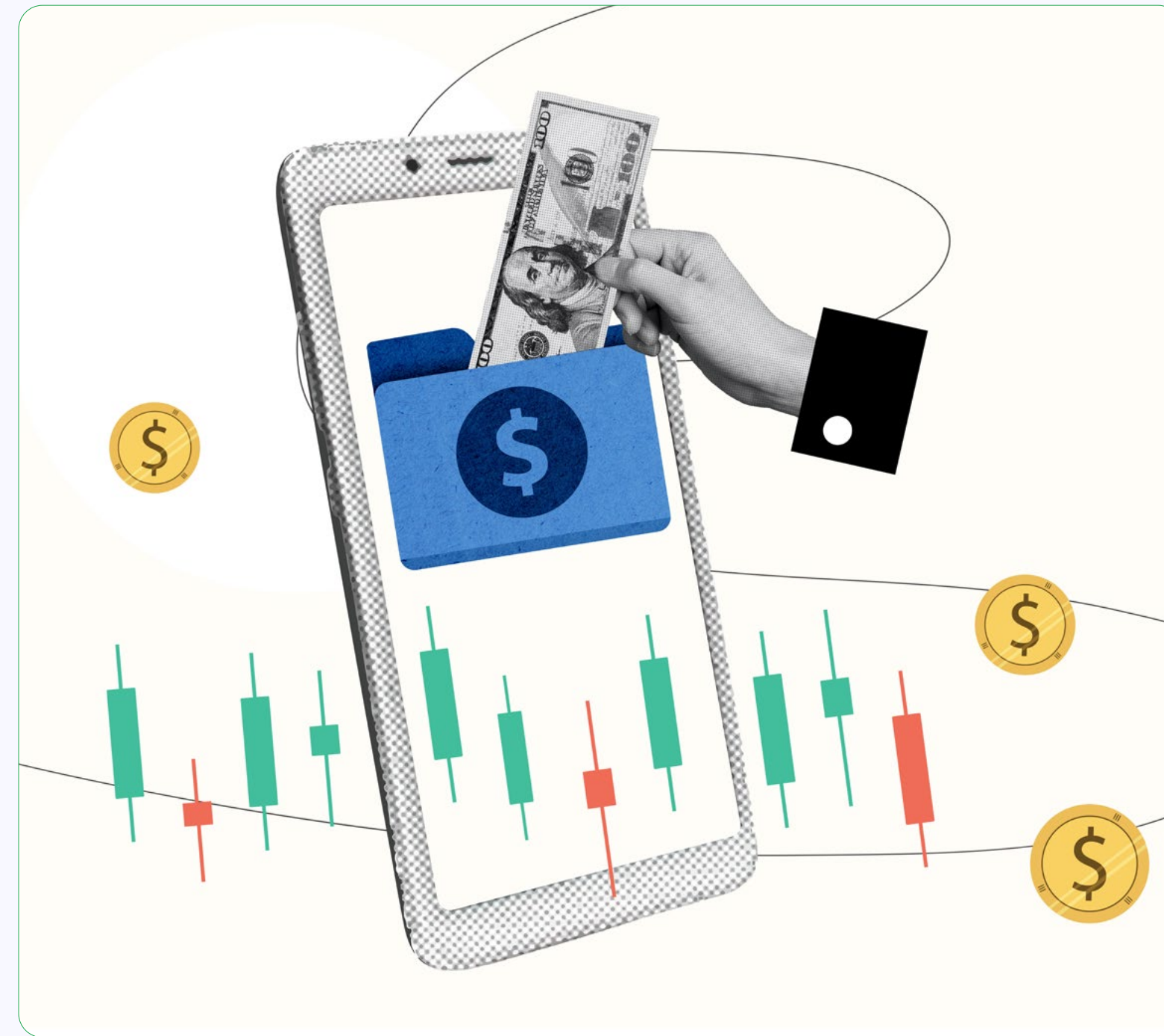
### Acknowledgment

The Money Mobility Tracker® Series is 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.

# Introduction

Community banks have made meaningful progress in [digitizing](#) account opening, but the competitive battleground for deposits is shifting. As shown in the previous edition of the [Money Mobility Tracker®](#), institutions that enable instant funding are better positioned to activate new accounts, with the goal of ultimately converting them into lasting relationships.

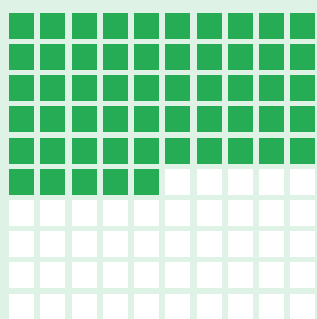
The next challenge is what happens after funding. A funded account does not automatically become a primary account—one that customers rely on as their main repository and source for ongoing payment flows. Increasingly, deposit growth depends on whether customers use that account for everyday financial activity. However, many community banks, while confident in their [modernization efforts](#), lack the payments capabilities needed to support continuous engagement. This gap between perceived readiness and actual payments functionality is emerging as a key constraint on growth after funding. In this environment, payments are not just a feature of the account; they are what determine whether the account achieves primacy with any new customer.



## ‘Modern,’ but Not ‘Ready’

# Community Banks Are Confusing ‘Modern’ With ‘Ready’

Community banks have made real progress in modernizing account opening and core systems, but payments capabilities often lag behind that perception. As real-time money movement becomes central to customer expectations, “modern” increasingly depends on what banks enable, not just what they have upgraded.



# 55%

of community-bank decision-makers say their technology stacks are fully modernized.



## ‘Modern,’ but Not ‘Ready’

---

# Community banks say they’re modernized, but the payments layer tells a different story.

Community banks express strong confidence in their technology infrastructure, but their actual payments capabilities reveal a more nuanced picture. More than half (55%) of community-bank decision-makers describe their technology stacks as [fully modernized](#), and all report confidence in their ability to support future growth.

At the same time, 40% identify investment in real-time payments infrastructure as critical to their growth strategies, suggesting that many institutions recognize the importance of these capabilities but have not yet fully implemented them.

## The payments layer confirms a disconnect between ‘modern’ and ‘ready,’ especially for SMB customers.

Payments adoption data reinforces this gap. Only a minority of community banks currently support sending instant payments via the FedNow® Service’s [real-time rail](#), and many have no near-term plans to implement such capabilities.

This misalignment extends to customer expectations. Research shows that small to mid-sized businesses ([SMBs](#))—an important segment for community banks—still report unmet demand for digital payments capabilities, merchant services and faster financial workflows.

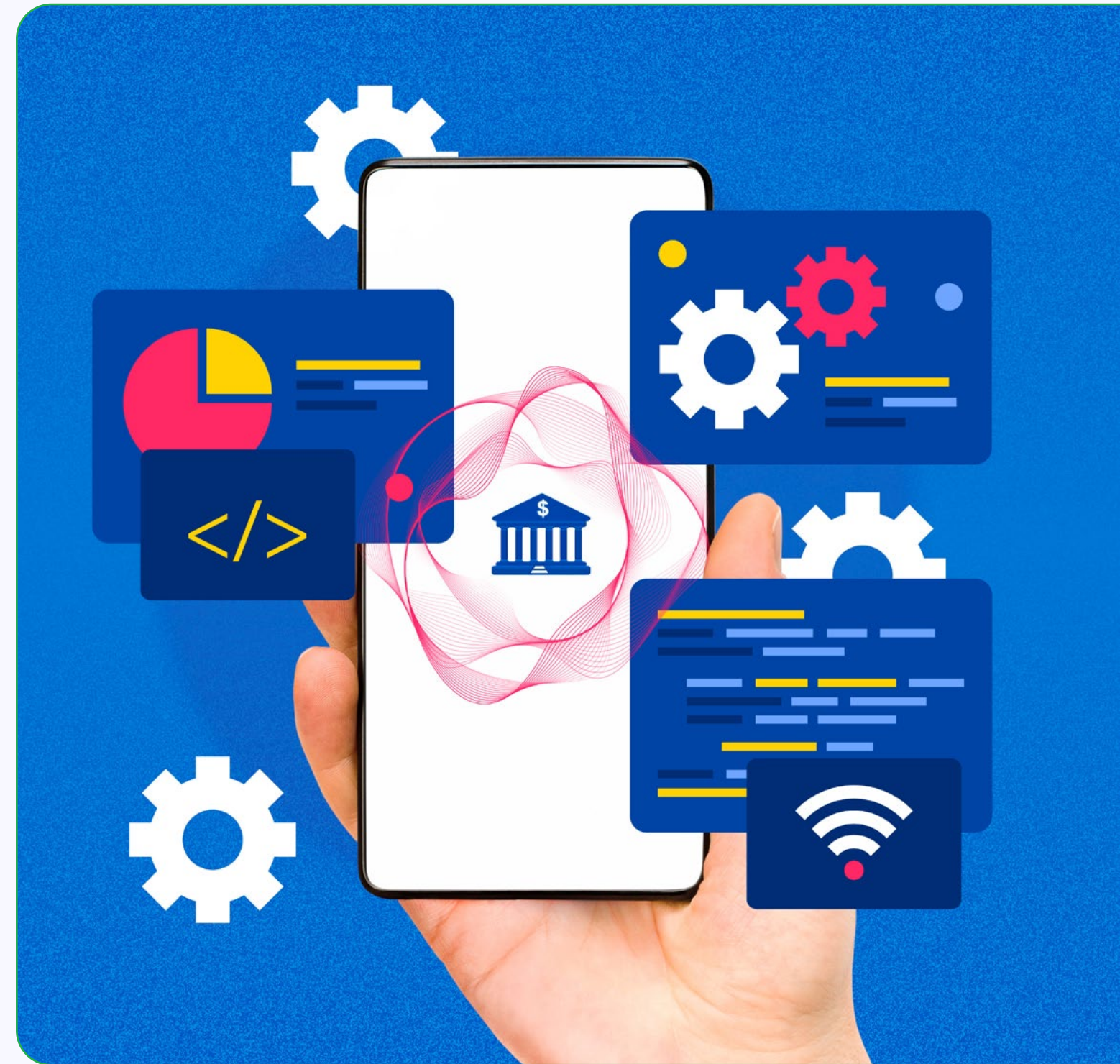
## ‘Modern,’ but Not ‘Ready’

---

# Ultimately, ‘modern’ is as ‘modern’ does.

The implication is clear: “Modernization” is often measured by internal systems rather than by the *capabilities* those systems enable. While many banks report having [upgraded their cores](#) or digital interfaces, fewer have built the [payments layer](#) required to support real-time, multi-rail transaction activity.

As a result, community banks risk overestimating their competitive position. In an environment where customers increasingly expect instant, seamless money movement, the ability to open and even fund accounts is no longer sufficient: These are just the first two steps. The next defining factor is whether those accounts can support the full range of payment experiences customers use every day.

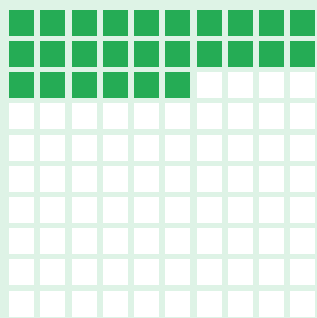


## Funded, but Not Primary

---

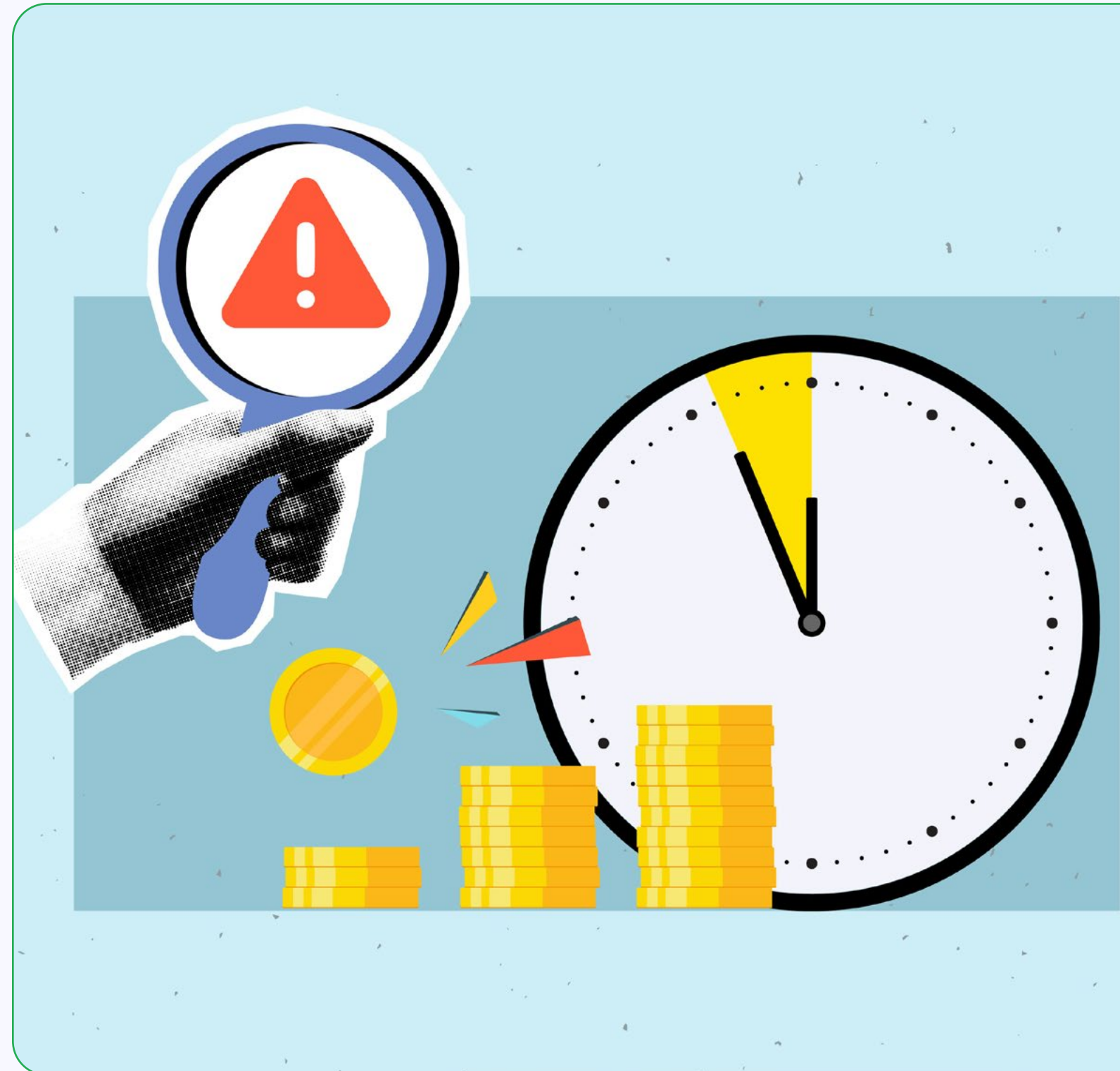
# The Real Gap: Funded Accounts Are Not Becoming Active Payment Hubs

The problem is no longer just activation but utilization. Accounts that are opened and funded still fail to become primary relationships when they lack the payments functionality customers need for everyday financial activity.



# 26%

of community banks cite [fraud as a barrier](#) to implementing faster payment capabilities.



## Funded, but Not Primary

---

# Deposit growth has become the number-one challenge in the banking sector.

The core challenge facing community banks is not simply modernization; it is utilization. Even when accounts are successfully opened and funded, many fail to become active, transaction-driven relationships.

As previous PYMNTS Intelligence research shows, a significant share of newly opened accounts never progress beyond initial activation, remaining underused or becoming [dormant](#) over time. These inactive accounts represent lost opportunities to capture deposits, generate transaction revenue and build long-term customer relationships.

One reason is that legacy payment infrastructure was not designed to support continuous, real-time engagement. Many systems still rely on batch-based processing and fragmented payment capabilities, making it difficult to deliver seamless experiences across use cases such as peer-to-peer (P2P) transfers, bill payments and business disbursements.



## Funded, but Not Primary

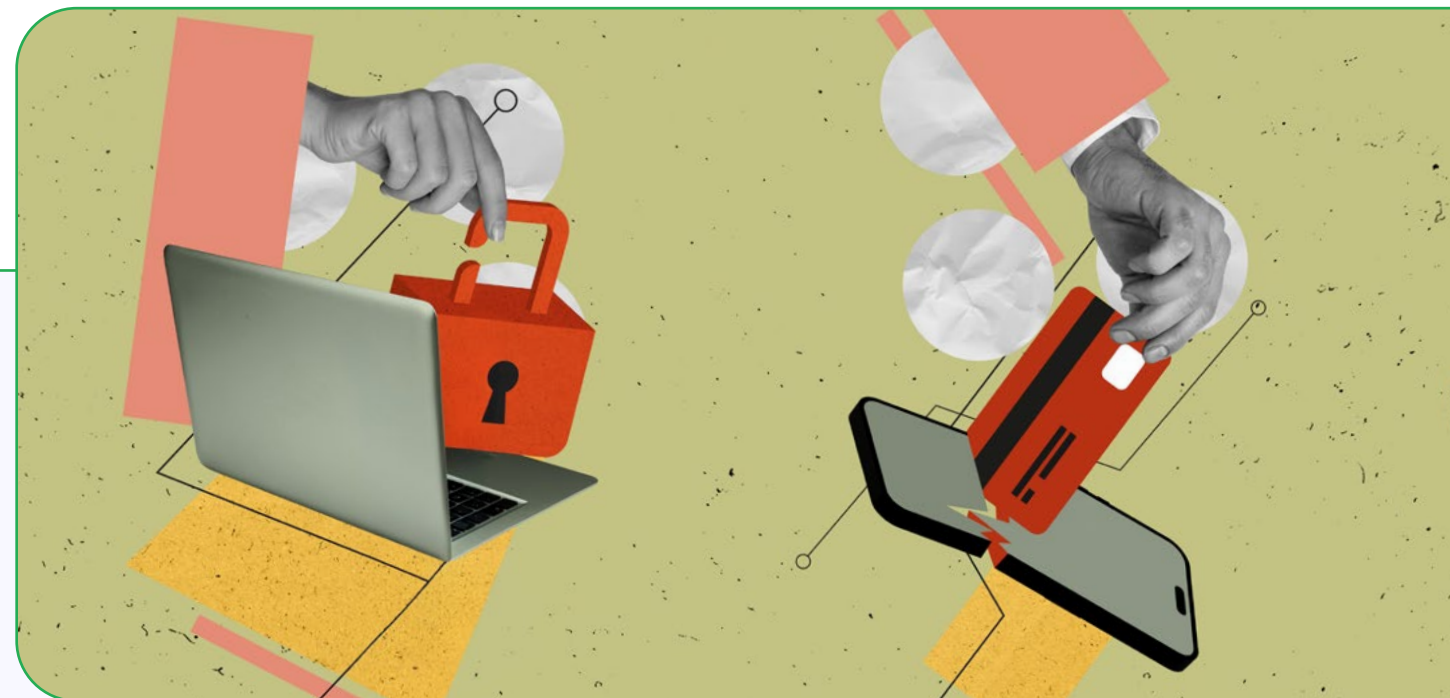
---

# Banks' core providers often fail to provide the payments readiness community banks need.

Core providers, while foundational, can also limit flexibility. Community banks often depend on systems that are costly to modify, slow to integrate and not optimized for the speed and interoperability that modern payments require.

## Fraud concerns are slowing adoption of real-time capabilities.

Even where demand is clear, concerns about fraud and risk management continue to slow adoption. More than one-quarter (26%) of community banks cite fraud as a barrier to implementing faster payment capabilities, highlighting the need for solutions that pair speed with control.



## Funded, but Not Primary

---

# Payments are the key to establishing banking primacy.

These factors create a structural constraint: Even when customers are willing to engage, the account may not support the full range of payment activities they expect. Without integrated capabilities for sending, receiving and managing money in real time, accounts risk becoming secondary rather than primary financial relationships.

In this context, the modernization gap is not just about infrastructure; it is about functionality. Banks that cannot enable consistent, everyday payment usage are less likely to retain deposits or deepen customer engagement, particularly among small businesses with more complex financial needs, where prior research shows [continued gaps](#).

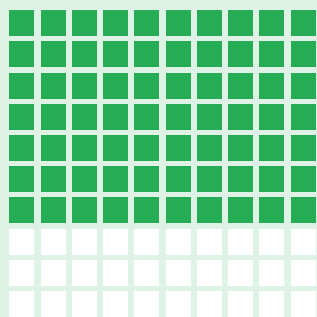


## Payments Unlock Primacy

---

# Payments Layering Is Emerging as the New Deposit Strategy

Deposit growth is becoming less about opening more accounts and more about making funded accounts indispensable. By layering in real-time, multi-rail payment capabilities, community banks can turn dormant relationships into active financial hubs.



# 70%

of small businesses say they prefer or would prefer to bank with community institutions, though only 31% currently do.



## Payments Unlock Primacy

---

# Full payment enablement is now nonnegotiable.

To close the payments gap, community banks must first shift the focus from account opening to instant funding, and then immediately from funding to full payment enablement. The goal is not simply to open and fund accounts but also to make them central to customers' financial lives.

This requires layering multiple payment capabilities onto existing deposit relationships. These include instant payments, P2P transfers, bill pay, business-to-business (B2B) and business-to-consumer (B2C) disbursements, all supported across multiple payment rails.

Research shows that payments capabilities are closely tied to revenue generation and customer retention. For SMB banking in particular, [payments](#) play a central role in deepening relationships and driving account usage. At the same time, there is clear unmet demand. More than 70% of small businesses say they prefer or would prefer to bank with [community institutions](#), though only 31% currently do. This finding indicates an opportunity to capture market share through improved payment offerings.

## Full-service solutions place capabilities within community banks' reach.

Modern payment platforms are making this shift more achievable. Solutions like those of [Ingo Payments](#) support instant account funding, real-time disbursements and multi-rail money movement, allowing banks to expand capabilities without rebuilding core systems. More broadly, [FinTech partnerships](#) can help community banks expand digital capabilities and compete more effectively without taking on the full cost and complexity of building those solutions in-house.

By enabling customers to send, receive and manage funds seamlessly, these platforms help transform deposit accounts into active financial hubs. This, in turn, drives higher transaction volume, increases balance retention and strengthens customer relationships.

For community banks, the path forward is increasingly clear: Payments are no longer a supporting feature; they are the mechanism through which deposit relationships are activated, expanded and sustained.

## Call to Action

---

# Activating the Payments Layer to Drive Community-Bank Deposit Growth

As competition for deposits intensifies, community banks must move beyond account opening and funding to focus on enabling continuous payment activity. Accounts that support real-time, multi-rail transactions are more likely to become primary financial relationships.

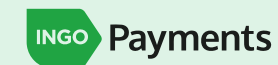
PYMNTS Intelligence recommends that community banks and financial institutions take the following steps:

- **Layer instant payments, P2P and disbursement capabilities onto funded accounts.**
- **Enable both send and receive functionality across multiple payment rails.**



“People don’t switch banks. They just don’t. So when 70% of SMBs prefer a community bank but only 31% are there, that should terrify you—because you’re losing to inertia, not to bigger banks. The customer looked at what your account can do, and it wasn’t enough. Fix your payments. Make your accounts worth moving to. That’s the whole game right now.”

DREW EDWARDS  
CEO



- **Prioritize payment use cases for small-business customers.**
- **Align payments strategy with deposit growth and retention goals.**

By shifting from activation to utilization, community banks can better position themselves to compete for deposits and deepen customer relationships in an increasingly real-time financial ecosystem.

# 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.

### The PYMNTS Intelligence team that produced this Tracker:

John Gaffney  
Chief Content Officer

Alexandra Redmond  
Senior Content Editor  
and Writer

Joe Ehrbar  
Content Editor

Augusto Solari  
Senior Research Analyst

## INGO Payments

Ingo Payments empowers banks, FinTechs and enterprises to deliver modern financial experiences through its payments infrastructure platform. Ingo's bank-grade modern money stack, built with embedded compliance and risk management, enables seamless account funding, transfers, mobile deposits and payout solutions across a wide range of industries and use cases. With a vertically integrated platform, Ingo helps clients minimize third-party risk, reduce operational complexity and lower costs—all while accelerating go-to-market timelines. Headquartered in Alpharetta, Georgia, Ingo employs more than 240 payments experts and serves some of the largest brands in North America. Learn more at [ingomoney.com](https://ingomoney.com).

# Disclaimer

The Money Mobility Tracker® Series may be updated periodically. While reasonable efforts are made to keep the content accurate and up to date, PYMNTS Intelligence MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, REGARDING THE CORRECTNESS, ACCURACY, COMPLETENESS, ADEQUACY, OR RELIABILITY OF OR THE USE OF OR RESULTS THAT MAY BE GENERATED FROM THE USE OF THE INFORMATION OR THAT THE CONTENT WILL SATISFY YOUR REQUIREMENTS OR EXPECTATIONS. THE CONTENT IS PROVIDED "AS IS" AND ON AN "AS AVAILABLE" BASIS. YOU EXPRESSLY AGREE THAT YOUR USE OF THE CONTENT IS AT YOUR SOLE RISK. PYMNTS SHALL HAVE NO LIABILITY FOR ANY INTERRUPTIONS IN THE CONTENT THAT IS PROVIDED AND DISCLAIMS ALL WARRANTIES WITH REGARD TO THE CONTENT, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT AND TITLE. SOME JURISDICTIONS DO NOT ALLOW THE EXCLUSION OF CERTAIN WARRANTIES, AND, IN SUCH CASES, THE STATED EXCLUSIONS DO NOT APPLY. PYMNTS RESERVES THE RIGHT AND SHOULD NOT BE LIABLE SHOULD IT EXERCISE ITS RIGHT TO MODIFY, INTERRUPT, OR DISCONTINUE THE AVAILABILITY OF THE CONTENT OR ANY COMPONENT OF IT WITH OR WITHOUT NOTICE.

PYMNTS Intelligence SHALL NOT BE LIABLE FOR ANY DAMAGES WHATSOEVER, AND, IN PARTICULAR, SHALL NOT BE LIABLE FOR ANY SPECIAL, INDIRECT, CONSEQUENTIAL, OR INCIDENTAL DAMAGES, OR DAMAGES FOR LOST PROFITS, LOSS OF REVENUE, OR LOSS OF USE, ARISING OUT OF OR RELATED TO THE CONTENT, WHETHER SUCH DAMAGES ARISE IN CONTRACT, NEGLIGENCE, TORT, UNDER STATUTE, IN EQUITY, AT LAW, OR OTHERWISE, EVEN IF PYMNTS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

SOME JURISDICTIONS DO NOT ALLOW FOR THE LIMITATION OR EXCLUSION OF LIABILITY FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES, AND IN SUCH CASES SOME OF THE ABOVE LIMITATIONS DO NOT APPLY. THE ABOVE DISCLAIMERS AND LIMITATIONS ARE PROVIDED BY PYMNTS AND ITS PARENTS, AFFILIATED AND RELATED COMPANIES, CONTRACTORS, AND SPONSORS, AND EACH OF ITS RESPECTIVE DIRECTORS, OFFICERS, MEMBERS, EMPLOYEES, AGENTS, CONTENT COMPONENT PROVIDERS, LICENSORS, AND ADVISERS.

Components of the content original to and the compilation produced by PYMNTS Intelligence is the property of PYMNTS and cannot be reproduced without its prior written permission.

The Money Mobility Tracker® Series is a registered trademark of What's Next Media & Analytics, LLC ("PYMNTS Intelligence").