PAYBAC Basic Principles of Good End User Experience

Introduction

During Cycle 2, the PAYBAC working group considered some of the elements that constitute a good end-user experience with pay-by-account payments in different use cases. This is important because the successful adoption of any payment solution depends upon that solution addressing users' needs in the easiest way possible. To learn more about the importance of the end-user experience on 23 September 2025 the Central Bank, at the request of PAYBAC, hosted an industry showcase bringing together payment solution providers from Ireland and across Europe. Some lessons from that showcase and the discussions with PAYBAC inform the points below.

Elements of good end-user experience

In all cases, both for the payer as the user and the payee in its role as user, onboarding of the payment solution, whether as an app, or any other form factor should be as straightforward as possible. The success of any payment solution depends mostly on payers adopting it, while merchants, most of the time, will endeavour to allow payers to pay with whatever solution they would prefer. However, what are the key elements of the end-user experience that might promote the adoption of any particular payment solution?

For the payer, in all use cases the payments solution should preferably be free to use. While this applies to all use cases, other aspects differ depending on the use case.

Peer-to-Peer (P2P) solutions are best when the solution can use a proxy service (e.g. mobile phone numbers from the user's contact list on their mobile device) but should also provide confirmation of payment in a timely manner.

For e-commerce, the solution should first be seamlessly integrated into the merchant's website, or platform from which it is trading. Therefore, payment options should be clearly visible, steps to reach the payer's preferred option should be minimised as much as possible, and for pay-by-account payments, the payer's bank should be reachable with a simple click. This first requires the payer's bank to be listed amongst the payment methods available.

Ideally, a good pay-by-account solution should have similar functionality to card payments, in particular, a chargeback option in case of non-delivery of goods or services, double payments, or a simple change of mind, when that is allowed. A good solution should also provide the convenience that "card on file" and direct debit afford to consumers. A robust framework should include specific fraud protections, formal dispute resolution, and clear liability models for unauthorised transactions, while authentication of payments should be as straightforward as possible. In this regard, the possibility of including an option allowing recurring variable payments to take place on the basis of a single authorisation should be explored.

To ensure the success of any solution, every party should faithfully discharge the roles assigned to it. In particular, merchants using the service must, when onboarding the service, agree to promote the integrity and acceptance of the system, apply clear rules for refunds, dispute resolution and data privacy. To ensure this, regular audits and compliance checks should be incorporated to protect both consumers and merchants. In addition, accessibility and inclusion should be consciously incorporated into any new solution. The service should be reliable and resilient. Use of proxies and other measures to avoid customers entering payment credentials, such as tokenisation of payment details, would help to minimise fraud risk and reduce checkout friction.

For payments at the point of sale (POS), the interaction with terminals should be as straightforward as with cards. There are different possibilities in this space. Near-field communication (NFC) functionality, which is used for card payments, can also work for pay-by-account payments, once the account details of the payer can be stored in the digital wallet. If that is not the case, quick response (QR) codes can be used to request information from the payer and initiate the payment. The chief distinguishing factor of the POS use case is the time taken to pay. Particularly, when a queue of customers is waiting at a till, this time should be as quick as possible. This will be determined by two aspects, the customer's authentication step (which should be simple), and the merchant's confirmation of payment (which should come instantaneously if possible).

As the success of any payment solution depends on payers using them, the cost of providing them often falls on merchants. Therefore, cost is a key consideration for merchants, and for them a pay-by-account solution that is cheaper than cards would be attractive. They would also like to have at least, but preferably more, information about purchases to be included with payment information, to aid reconciliation, and also marketing and stock management. They would also like the moneys coming into them to be bundled, if possible. While cost and efficiency are important for all payment solutions in all use cases, wide acceptability is also required so that payers always have the option to pay as they would like. Nevertheless, the characteristics of a good user experience depend on the use case, and a good solution should cater for the needs of both payers and payees.

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Taking the above into account, PAYBAC believes that the following basic principles should be considered by payments solution providers in Ireland, to support their efforts to produce a product that delivers a good end user experience:

	Peer-to-Peer	Physical Point-of-Sale	E-Commerce
Proxy Alias (e.g. mobile phone number)	☑		
Instant	☑	☑	☑
Free for Customer	☑	☑	☑
Speedy Checkout		☑	☑
Seamless Authentication and Confirmation	☑	☑	☑
Cheap for Merchants		☑	☑
Efficient Reconciliation Process for Merchants		☑	☑
Chargeback Procedures for Customers		☑	☑
Fully Integrated on Merchant Website			☑
Fully Integrated on Terminal		☑	
Payment Method Should be Easily Identifiable		☑	☑

Seamless Website Navigation (Minimal Clicks)			☑
Variable Recurring Payments		☑	☑