

The New Payments Guide to Drive Revenue Growth, CX and Operational Agility

for Digital Commerce Businesses



White Paper

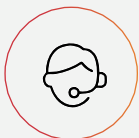


Payments Are a Revenue Growth Lever - Not Just Infrastructure

For too long, payments have been treated as backend plumbing. An afterthought. A silent function assumed to “just work.” But for today’s digital commerce, that’s no longer enough.

Whether you’re a high-volume platform processing millions of transactions a month, or a fast-growing digital commerce business scaling customer acquisition, payments now sit at the intersection of revenue, experience, and retention.

Why This Matters Now



You're spending to acquire new customers.



You're optimizing your product for conversion.



You're investing in retention and lifetime value.

And yet, a failed payment can break that entire chain - a lost transaction, a frustrated customer, and a drop in trust that’s hard to recover.

This isn’t just about technical failures. It's about growth momentum slipping through the cracks - one failed OTP or unavailable payment method at a time.

In a world where checkout is the last click before revenue, payments aren’t plumbing anymore - they’re performance infrastructure.

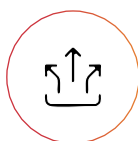
A Shift in Mindset: From Utility to Strategic Growth Lever

In the past, payments were managed by engineering and finance teams, viewed largely as a cost center or regulatory necessity. The fewer issues, the better - but success was defined by uptime, not impact.

Today, forward-looking product, finance, and growth teams see payments differently:



As a conversion driver, not just a processor.



As a retention lever, not just a technical flow.



As a strategic tool to enable faster GTM, better CX, and higher margins.

This shift is not only critical for large-scale platforms - it is especially important for growth-stage businesses that:



Are experimenting with new customer segments and markets.



Face high variability in payment success due to diverse gateways and methods.



Depend on smooth first-time experiences to drive retention and lifetime value.

Even a 3 – 10% improvement in prepaid success can significantly impact net revenue and customer satisfaction in early-stage growth.

What This Playbook Covers

This white paper is a Revenue Growth Playbook for digital commerce and platform businesses navigating scale.

You'll learn



How failed payments quietly erode revenue - and how to fix it.



The Payments Success Flywheel that compounds growth via CX.



What Payment Orchestration is and how it unlocks agility, visibility, and cost savings.



Case studies from real-world businesses that improved success, reduced costs, and scaled faster with smarter payment infrastructure.



How to evaluate your payment maturity and build a business case for modernization.

Whether you're doing ₹10 Cr/month or ₹100 Cr/month, this is your blueprint to treating payments like the growth engine they were always meant to be.

The Economics of Payments in High-Volume & High-Growth Platforms

Payments: From Cost Center to Growth Driver

For years, payments were treated as backend infrastructure - a necessary utility rather than a strategic asset. But in today's high-growth and high-volume digital commerce environment, this perception is rapidly changing.

Whether you're running a scaled ecommerce platform with millions of monthly transactions or a fast-growing D2C brand expanding into new categories and regions, payments directly influence three levers of business growth:



Top-line revenue



Customer experience & retention



Operational efficiency

A failed transaction is not just a lost sale - it's often a lost customer, wasted marketing spend, and a dent in brand trust. Conversely, a seamless payment experience increases conversion, boosts prepaid order share, and strengthens LTV (lifetime value).

Small Gains, Big Impact: Why Success Rates Matter

Let's quantify the impact. Consider the following:

Metric	Scaled Brand (₹500 Cr GMV)	Growth Brand (₹100 Cr GMV)
Monthly GMV	₹40 Cr	₹8 Cr
Baseline Success Rate	85%	82%
Uplift from Orchestration	+3% to +7%	+5% to +10%
Additional Revenue (3% uplift)	₹1.2 Cr/month*	₹40 Lakh/month*
Additional Revenue (7% uplift)	₹2.8 Cr/month*	₹93 Lakh/month*

For a growth-stage brand acquiring new customers, this difference often determines the efficiency of paid acquisition, the likelihood of repeat purchases, and CAC payback.

For mature platforms, it could mean ₹15–30 Cr of recovered revenue annually - without changing anything in product or marketing.

The Hidden Costs of Failure

Beyond revenue loss, payment inefficiencies introduce invisible drag across the organization:



Marketing Waste:

High drop-offs at checkout render campaigns less effective.



Product Gaps:

Even the best UX is undermined by failed or slow payments.



Support Overload:

Payment complaints often make up 15–25% of inbound tickets.



Finance Complexity:

Reconciliation issues add manual effort and delay reporting.

These ripple effects compound over time. What looks like a “few failed transactions” quickly becomes a bottleneck across functions.

MDR: The Silent Margin Eater

Merchant Discount Rate (MDR) is one of the largest direct costs in online commerce. Most brands treat it as fixed - but with the right orchestration you can.



Route high-value transactions through lower-cost PSPs



Reduce reliance on expensive methods or redundant fallbacks



Negotiate better MDR slabs with better routing and success rate visibility

Savings of 10–20 bps on MDR can translate into ₹1 Cr+ annual cost reduction for many platforms.

Retention Begins at the Final Click

For growth-stage platforms, especially those acquiring their first million users, the payment experience is often the first and most crucial test of trust.

A failed payment during a promotional offer, a delayed confirmation in a time-sensitive

category like gifting or travel, or a clunky EMI checkout for a high-value purchase - each of these erodes confidence and increases churn.

A smooth, adaptive, and intelligent payment layer not only drives conversion, but also, reduces CAC payback period and improves NPS and support efficiency.



A Real-World Snapshot

One of India's leading online gifting platforms struggled with:

- » High failure rates during peak hours
- » Manual routing logic across PSPs
- » Lack of real-time visibility across channels

After deploying mobiquity® One, they achieved:

- » 6% improvement in success rates
- » 90% reduction in PSP-related tickets
- » Zero manual intervention in routing
- » Improved CX across mobile and web

“ We were able to increase prepaid success, reduce PSP ops load, and gain centralized control - all without rewriting our stack. ”

Head of Product, Top Online Gifting Brand

Bottom Line

Whether you're at ₹100 Cr or ₹1000 Cr in GMV, the economics of payments are too significant to ignore.

Payments aren't just infrastructure. They're a lever for revenue growth, a frontline of customer experience, and a source of operational leverage.

Even a 1–2% lift in success rate is no longer a “nice-to-have.” It's a competitive advantage.

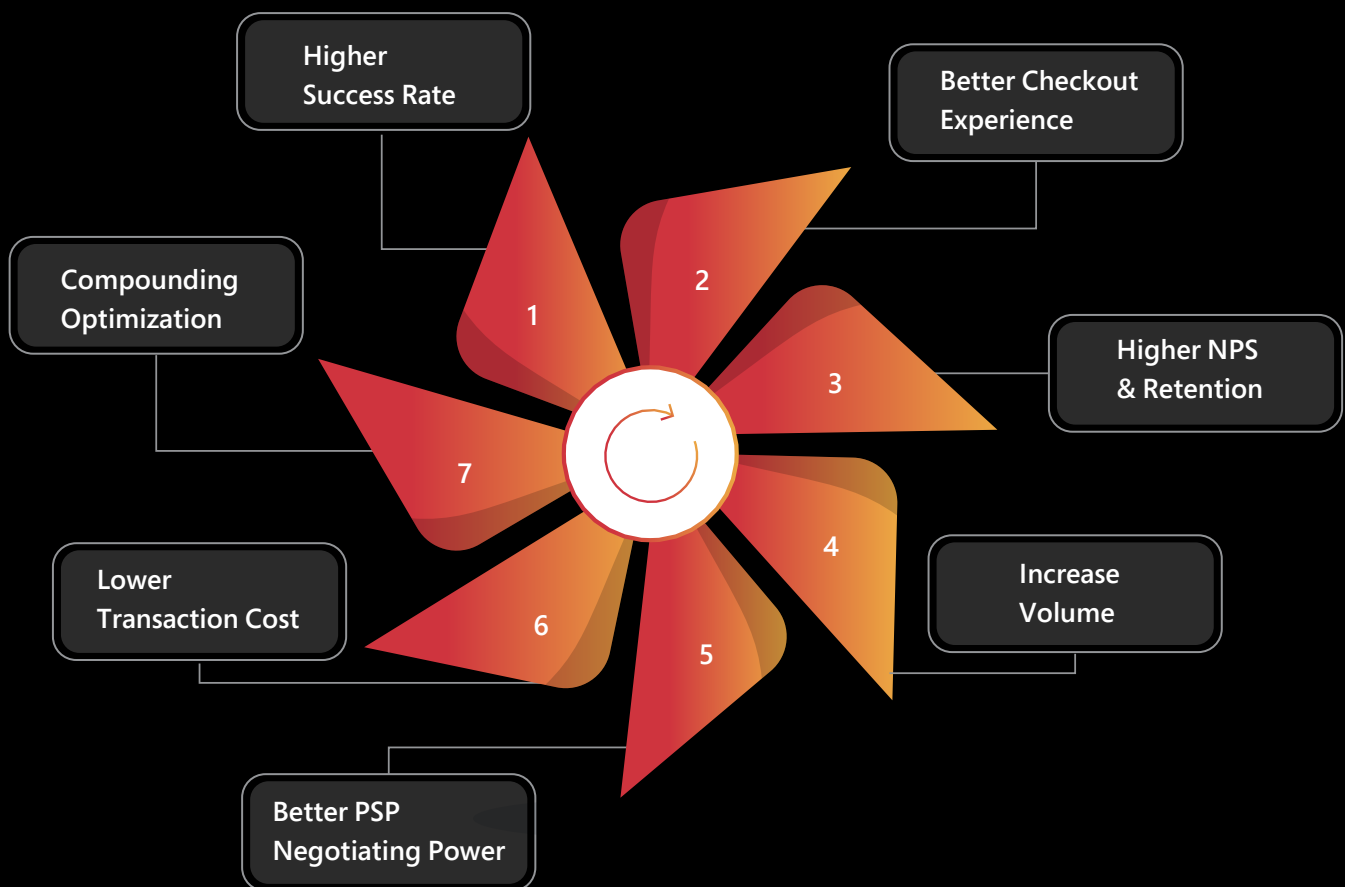
The Payments Success Flywheel: How Great Payments Drive Compounding Growth

In the past, payments were optimized in isolation - a success rate tweak here, a cost reduction there.

But today, forward-looking product, ops, and growth leaders understand that payments have flywheel dynamics. A small gain at one point in the system can trigger a cascade of improvements elsewhere.

Let's introduce the framework we call the Payments Success Flywheel:

When payments succeed more often, everything else in your digital business starts to compound. This flywheel explains how:





**Higher Success Rates =
Better Checkout Experience (CX)**

Everything begins here. By eliminating preventable failures - due to gateway outages, OTP issues, static routing, or missing methods - you increase the percentage of successful transactions. Even a 3–10% improvement can have outsized impact, especially in growth-phase platforms acquiring new users.

Frictionless payments mean smoother customer journeys. Reduced retries, fewer failures, and faster confirmation screens improve the perceived experience - especially for prepaid flows. This is where trust is built or broken.



**Better Checkout Experience (CX) =
Higher NPS & Retention**

A smoother payment flow leads to fewer complaints, fewer support tickets, and happier customers. This translates directly into higher Net Promoter Scores (NPS), better reviews, and most importantly - stronger customer retention



**Higher NPS & Retention =
More Revenue**

When more transactions go through on the first attempt, revenue increases instantly. And with better CX and retention, customer lifetime value (CLTV) rises. For fast-growing businesses, every additional 1% in conversion adds up - especially when margins are tight.



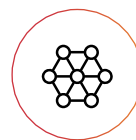
**Increased Volume =
Better PSP Negotiating Power**

With increasing volume, cleaner success data, and visibility into performance across PSPs, you can negotiate better MDR rates, demand service-level guarantees, and avoid being locked into underperforming gateways. You now route based on performance, not inertia.



**Better PSP Negotiation =
Lower Transaction Costs**

Smarter routing means lower MDRs, reduced fallback costs, and fewer retries per transaction. You reduce cost per successful transaction, and minimize overhead for Ops, Tech, and Finance teams dealing with manual failures or reconciliation.



Compounding Optimization

With orchestration in place, your team can continuously test, optimize, and adapt - routing by geography, method, value, or customer type. You unlock a compounding loop of higher success, better CX, and smarter cost control - without code-heavy changes.

Common Payment Challenges -What Stops You From Achieving Compounding Growth

Whether you're scaling rapidly or already processing millions of transactions per month, your payment stack can either become your growth multiplier - or your operational bottleneck. Below are the most common challenges faced by both high-volume platforms and fast-growing digital businesses when it comes to managing payments at scale:

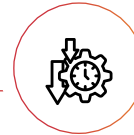


Fragmented PSP Integrations and Tech Sprawl

Most digital platforms start with a single PSP integration. But as business scales, they begin adding more PSPs, methods, and geographies. Over time, this creates:

- » Spaghetti code across multiple PSP SDKs or APIs
- » Lack of a unified interface or abstraction layer
- » High engineering overhead to manage, maintain, or onboard new providers

For fast-growing brands, this slows down GTM velocity. For mature ones, it introduces tech debt and fragility.



High Failure Rates from Static Routing or Downtime

Without smart, real-time routing, platforms often face:

- » Failed transactions due to PSP downtime or degraded latency
- » Lack of fallback paths for time-sensitive transactions
- » Poor retry logic that causes double-charges or poor user experience

Even a 2–5% failure rate can result in crores in lost revenue and thousands of support escalations per month



Payment Provider Lock-In & Limited Negotiation Power

Many businesses stick with the same PSP setup long after scaling. The result?

- » Poor MDR slabs compared to industry benchmarks
- » Inability to dynamically switch providers based on performance or cost
- » No leverage during contract renewals

Without routing independence, you're locked in technically and commercially.

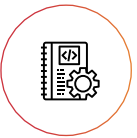


Limited Visibility and Reporting Delays

Without granular observability, teams struggle to answer:

- » Why did a spike in failures happen yesterday?
- » Which PSP is underperforming in a specific geography?
- » How many retries were successful vs. abandoned?

Most platforms rely on delayed, siloed reports from PSPs - making it impossible to optimize in real time.

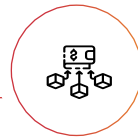


Manual Reconciliation and Ops Burden

Finance and ops teams often waste hours daily on:

- » Downloading PSP reports from portals
- » Matching transaction statuses manually
- » Dealing with mismatches and escalations

This slows down finance closure, increases refund and fraud risk, and eats up valuable team bandwidth.



Scaling Payment Experiences Becomes a Development Bottleneck

Introducing new payment methods, EMI plans, or wallets typically requires:

- » Backend rewrites
- » Risk of regressions
- » Coordination between multiple internal teams

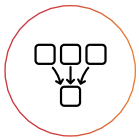
As a result, teams delay experimentation - or worse, never launch high-impact improvements.

Together, these challenges create a slow, rigid, and costly payment environment - the opposite of what modern digital commerce needs to scale.

mobiquity® One was designed to solve exactly these issues. In the next section, we'll explore what a modern Payment Orchestration Platform looks like - and how it unlocks revenue, experience, and agility.

What is Payment Orchestration?

As digital platforms grow in complexity - with multiple PSPs, geographies, payment methods, and compliance requirements - a Payment Orchestration Platform (POP) emerges as a critical enabler for revenue, customer experience, and operational agility.



From Point Integrations to Unified Control

In most traditional setups, payment processing is a series of fragmented PSP integrations hardcoded into the backend. There's no central intelligence, no failover logic, and no unified visibility.

A Payment Orchestration Platform, on the other hand, sits between your application and the underlying PSPs, and provides:

- » A unified abstraction layer across all PSPs and payment methods
- » A decision engine to dynamically route, retry, and optimize transactions
- » Centralized control for compliance, analytics, and security



Core Components of a Payment Orchestration Platform

Let's break down the key building blocks that make orchestration effective:



Dynamic Routing & Smart Retries

Every transaction is routed based on real-time logic - not static configuration. You get,

- » Automatic selection of the best-performing PSP for a given transaction based on latency, success rate, geography, etc.
- » Instant retries on alternate PSPs in case of a soft failure or timeout
- » Reduced false declines without compromising fraud controls

Outcome: Higher first-attempt success rates, better fallback flows, fewer drop-offs.



Payment Method Aggregation

An Orchestration Platform will offer a wide variety of local and global payment methods without managing individual integrations.

- » Credit/debit cards, wallets, UPI, BNPL, EMI, netbanking, etc.
- » Tailored payment options based on user geography, device, cart value, etc.
- » Plug-and-play onboarding of new methods via a single API

Outcome: Better checkout personalization, wider coverage, improved conversion rates.



Observability & Analytics

A good orchestration platform will help you track everything - with granular dashboards and event-level visibility. You can,

- » Monitor PSP performance, latency, drop-off reasons in real time
- » Compare first-attempt vs retry success across providers and methods
- » Slice data by country, time, method, PSP, cart value, etc.
- » Estimate revenue leakage and recovered revenue from routing optimizations

Outcome: Move from reactive escalation to proactive optimization. Empower finance, product, and growth teams.



Tokenization & Security

Built-in support for secure tokenization and PCI compliance.

- » Replace sensitive card data with tokens
- » Manage tokens across PSPs without vendor lock-in

Outcome: Strong security posture, reduced compliance risk, and better interoperability.



Compliance & Regulatory Adaptability

As regulations evolve, your payment stack needs to keep pace. An orchestration platform will help you,

- » Implement logic to handle compliances
- » Region-specific authentication flows (e.g., Aadhaar-based flows)
- » Configure rule-based compliance engines (e.g., geography-based PSP blocking)

Outcome: Stay compliant without rewriting code. Reduce rollout time for regulatory updates.

Why It Matters

A Payment Orchestration Platform is not just a developer convenience or an ops efficiency tool - it's a growth accelerator.

By centralizing decision-making, enabling agility, and unlocking visibility, orchestration helps digital platforms:

- » Improve payment success rates
- » Increase prepaid share and LTV
- » Reduce costs and PSP dependency
- » Scale faster into new markets and methods

In the next section, we'll quantify exactly how much value orchestration can unlock.

The Revenue Impact of Payment Orchestration

Payment orchestration doesn't just fix operational headaches - it directly improves the P&L.

In both high-volume enterprises and fast-growing digital platforms, improving the reliability, efficiency, and intelligence of your payment stack can lead to measurable gains in revenue, margin, customer experience, and scalability.

Let's break down how.



Conversion Uplift = Top-Line Growth

Even small improvements in payment success rates can deliver outsized revenue gains.

- A digital commerce platform doing ₹100 Cr/month in GMV with a 3% failure rate is losing ₹3 Cr/month in failed payments.
- Improving success rate by just 2-3% through smart retries and routing can recover ₹2-3 Cr/month - that's ₹24-36 Cr annually.
- Fast-growing platforms often see 3-10% improvement with orchestration, especially in early phases of PSP expansion.

Using mobiquity® One, one leading gifting brand saw prepaid conversion rates improve by 30%, with 10-15% success uplift on certain payment methods - leading to significant revenue unlocked during peak season traffic.



Cost Optimization = Better Margins

Payment orchestration allows you to intelligently route high-value transactions through low-cost PSPs and avoid lock-ins.

- Reduce effective MDR (Merchant Discount Rate) by 5-15 bps on average
- Reduce cost per successful transaction by 5-10%
- Avoid excess gateway fees from repeated declines and retries
- Cut operational overhead by streamlining dispute management, reconciliation, and exception handling

This cost leverages growth - especially in high-frequency businesses like ecommerce, travel, and subscription platforms.



Faster GTM = Revenue Acceleration

Orchestration makes you more agile when launching new payment methods or expanding to new geographies:

- » Add new PSPs or methods in days instead of weeks
- » Launch support for BNPL, wallets, UPI, or EMI flows quickly
- » Enter new regions with localized payment preferences and compliance handled by the platform

This agility helps product and growth teams test new payment strategies with fewer dev cycles, enabling faster experimentation and iteration.

For scaling platforms, reducing time-to-launch by even 2–3 weeks per feature release can bring in crores in early revenue - especially during seasonal surges or marketing campaigns.



Operational Efficiency = Leaner Teams, Smoother Ops

Without orchestration, payment ops teams often spend hours daily:

- » Monitoring PSP performance
- » Reconciling failed transactions across systems
- » Handling support escalations due to payment failures
- » Creating custom dashboards to track payment issues

Orchestration delivers end-to-end visibility and automation:

- » Reduce payment support tickets by 60–90%
- » Shrink ops bandwidth needed for payments by 30–50%
- » Equip finance and product teams with self-serve dashboards
- » Automate compliance, reporting, and alerting workflows

Teams can reallocate resources from firefighting to growth-driving work - reducing the need for overstaffing and manual oversight.



Improved Lifetime Value (LTV)

For growth-stage companies acquiring new users, a smooth first payment experience is critical for long-term retention and repeat purchases.

- First payment success correlates with 25–40% higher retention
- Fewer payment frictions = fewer support calls = better brand impression
- Better visibility into user preferences = more personalized payment options

Especially in prepaid-driven models (e.g., gifting, online education, D2C), increasing prepaid success improves LTV and CAC payback timelines.

Bringing It Together

With payment orchestration, you're not just reducing friction - you're building a more profitable, scalable, and resilient business model.

Benefit Category	Metric Impact
Revenue	+2–10% uplift from improved payment success
Cost Efficiency	–5–10% reduction in cost per successful txn
GTM Speed	2–4x faster time-to-market for payment updates
Ops Efficiency	60–90% reduction in support tickets, 30–50% reduction in ops effort
Strategic Agility	Easier PSP switch, regulatory adaptation

The Payments Maturity Model

Digital commerce companies rarely start out with fully optimized payments. Instead, they evolve - often through painful trial and error - from basic setups to robust, orchestrated infrastructures.

This Payments Maturity Model offers a clear, progressive framework to benchmark your current state and plan your next leap.

Level 1: Single PSP, Static Routing

"We use one payment gateway, and all transactions go through it."

Characteristics:

- » One PSP integration handles all transactions.
- » No failover or retry logic.
- » No visibility into latency, drop-offs, or method-level performance.

Challenges:

- » High failure risk if PSP experiences downtime.
- » Little flexibility to support user preferences or geographic expansion.
- » PSP lock-in and poor negotiating leverage.

Risks:

- » Every minute of downtime = lost revenue.
- » No control over routing or fallback.
- » Limited support for new methods (UPI, wallets, EMI, etc).

Level 2: Multiple PSPs, Manual Routing

"We added a second/third PSP - but we route manually based on business rules."

Characteristics:

- » Multiple PSPs integrated.
- » Manual rules or hardcoded routing logic (e.g., use PSP A for UPI, PSP B for cards).
- » Basic method coverage and geography expansion.

Challenges:

- » Routing logic lives in backend code - slow to update or experiment.
- » Failures on PSP A are not automatically retried on PSP B.
- » Support/ops teams still handle failures manually.

Benefits:

- » Some redundancy and basic cost negotiation leverage.
- » Slightly improved success rate and user coverage.

Level 3: Payment Orchestration with Smart Routing

“We use a payment orchestration layer that automatically manages retries, routing, and observability.”

Characteristics:

- » Dynamic routing across PSPs based on performance, cost, method.
- » Smart retries for failed payments (e.g., reattempt UPI on another PSP).
- » Central observability across all gateways.

Benefits:

- » 2–5% increase in payment success rate.
- » Faster support resolution through granular failure visibility.
- » Better PSP negotiation and MDR savings.

Example:

- » Platform identifies PSP X is down; instantly reroutes to PSP Y for that method.
- » The weekly dashboard shows which PSP has high latency or failure spikes.

Level 4: Optimized & Intelligent Payments

“Payments are a performance engine. We optimize continuously using data, automation, and AI.”

Characteristics:

- » AI-driven routing decisions based on real-time PSP/method/user data.
- » Automated testing and deployment of new methods, retries, routing rules.
- » Unified data pipelines across product, finance, ops.

Strategic Impact:

- » Payments treated as a revenue and experience lever.
- » Predictive analytics forecast churn, failure risk, and method performance.
- » Low ops load despite high scale and complexity.

Examples:

- » AI predicts increased failure rate on PSP X during weekends -preemptive rerouting.
- » The finance team runs cost-per-successful-transaction reports by geo/method.

Self-Assessment: Where Are You Now?

Here's a quick benchmark checklist:

Capability	Level 1	Level 2	Level 3	Level 4
# of PSPs	1	2-3	3+	3+
Routing	Static	Manual	Dynamic	AI-driven
Retry Logic	None	Manual	Smart automated	Predictive
Observability	None	Basic logs	Full dashboards	Predictive insights
Cost Control	None	Basic negotiation	Multi-PSP leverage	Automated optimization
Payment Ops	High manual load	Ticket-based	Alert-driven	Autonomous
Launch Speed	Weeks	Weeks	Days	Hours
Strategic Role	Infra	Risk mitigation	CX lever	Growth lever



Whether you're at Level 1 or 3, the goal is progress, not perfection. The maturity model helps align Product, Tech, Finance, and Ops teams around a shared vision: turning payments from a bottleneck into a flywheel for growth.

Conclusion & Call to Action

Orchestrating Growth, Not Just Payments

Across this cookbook, we've explored how payment orchestration is no longer a backend technical fix - it's a strategic lever for revenue growth, customer experience, and operational agility.

Whether you're a fast-growing digital commerce brand or a scaled enterprise platform, the message is clear: The success of your payment layer determines the success of your business outcomes.

Every percentage point increase in success rate is not just more revenue - it's:

- | | |
|---|--|
| <ul style="list-style-type: none"> » More customers completing their first transaction. » Better retention and higher LTV. » Stronger negotiating power with PSPs. | <ul style="list-style-type: none"> » Lower support costs. » Faster expansion into new markets and payment methods. |
|---|--|

Platforms that lead the next wave of commerce - from gifting and travel to fintech and healthcare - will be those who treat payments not as plumbing, but as a product.

Take the First Step with mobiquity® One

mobiquity® One is a payment orchestration platform purpose-built for high-growth and high-volume businesses. It helps you:

- | | |
|---|---|
| <ul style="list-style-type: none"> » Boost payment success rates across prepaid methods » Reduce drop-offs with smart retries and routing » Aggregate PSPs and methods with ease | <ul style="list-style-type: none"> » Gain full visibility into payment performance » Ensure compliance, tokenization, and security » Launch fast with minimal integration effort |
|---|---|

From brands like Ferns N Petals, who dramatically improved their conversion rates and checkout reliability - to category leaders simplifying operations and unlocking revenue across geographies - mobiquity® One is becoming the orchestration backbone for digital commerce.

Ready to Orchestrate Growth?

Whether you're looking to improve success rates, reduce MDR overhead, or launch new payment methods within days, it's time to explore what payment orchestration can do for your business.

Talk to us

