From transactions to intelligence

Unlocking the next generation of loyalty and customer engagement

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Executive summary

Customer expectations continue shifting toward immediacy, relevance and seamless experiences. At the same time, organizations face growing pressure to modernize customer engagement strategies and improve loyalty effectiveness. As organizations work to deliver real-time, personalized engagement across the commerce ecosystem, payments and loyalty are becoming more closely connected.

The industry broadly agrees on where the market is heading. Real-time engagement, embedded loyalty, AI-driven orchestration and intelligent personalization are becoming strategic priorities across payments and commerce. Yet many organizations are still early in operationalizing these capabilities consistently.

The 2026 Future of Payments & Loyalty Survey, conducted by TechStudio™, an Energize Marketing® company, on behalf of FIS, reveal a market progressing through different stages of engagement maturity. Findings indicate that many organizations are beginning with transaction-level activation and real-time offer strategies while building toward lifecycle orchestration, item-level intelligence and more advanced personalization over time. It's becoming clear that organizations that modernize payments and loyalty incrementally, laying the groundwork for future enhancements, will be better positioned to strengthen customer relationships and create more connected customer experiences.

Customer expectations are reshaping loyalty engagement

Increasingly, consumers expect payment and loyalty experiences that feel immediate, relevant and connected to their behavior in real time. Delayed rewards structures and disconnected engagement experiences are becoming less effective as customers increasingly expect seamless interactions integrated directly into digital payment and commerce journeys.

The research reflects this growing urgency. Nearly 89% of organizations identified real-time value delivery as strategically important within future customer engagement strategies.

As expectations continue evolving, organizations are looking for ways to create more connected engagement experiences capable of reinforcing customer behavior in the moment of action. This includes:

- More dynamic offer activation
- Greater personalization
- Faster engagement response
- Tighter integration between payments and loyalty experiences

For many organizations, modernizing engagement capabilities begins with creating the operational infrastructure needed to support more responsive and real-time customer interactions.

Loyalty is moving closer to the payment experience

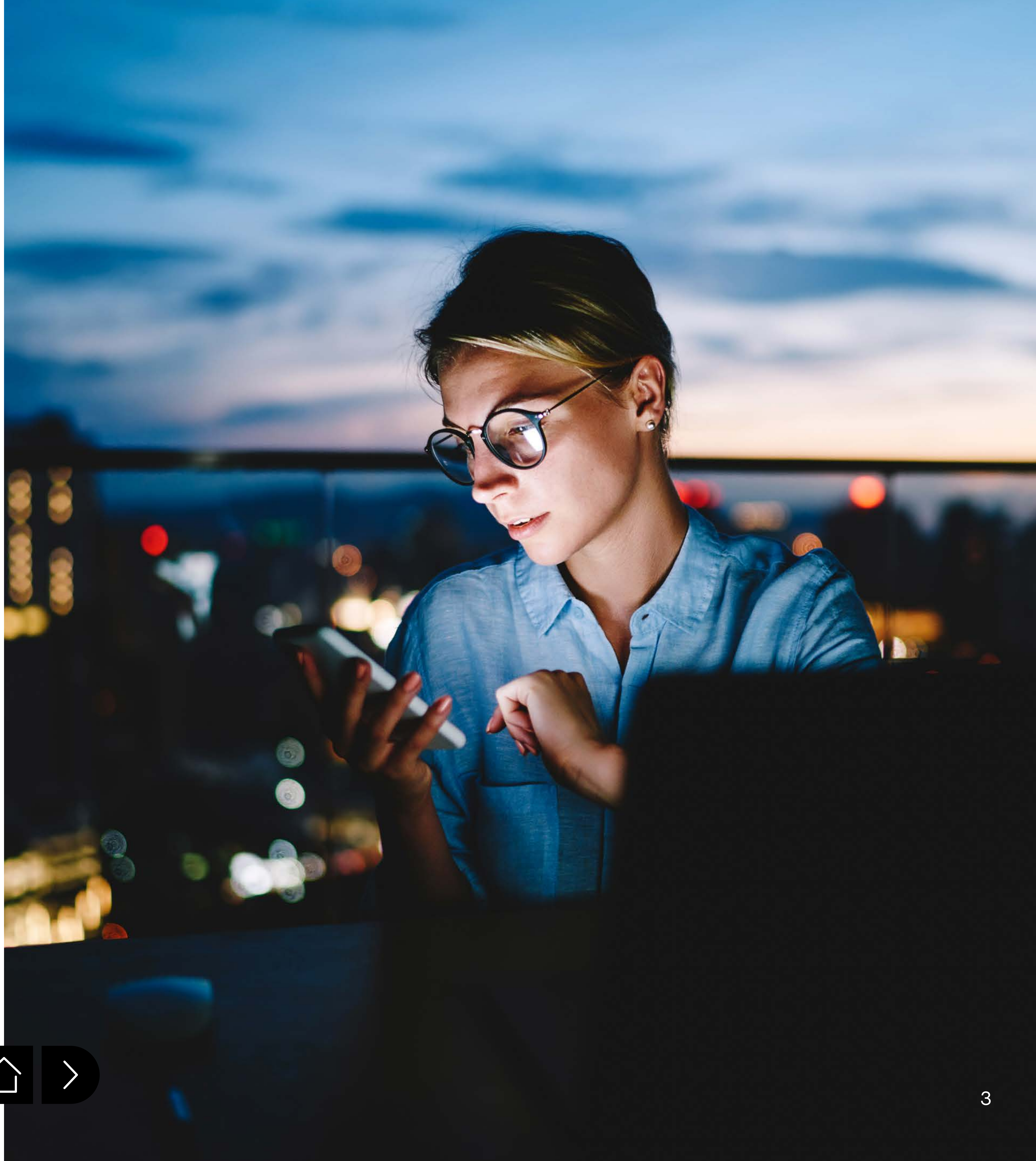
The relationship between payments and loyalty continues to evolve toward more connected engagement models. Historically, loyalty sat outside the payment experience. Standalone rewards programs, delayed points accrual models or disconnected promotional environments were the norm – but that model is changing.

Organizations are recognizing that customer engagement becomes more effective when value delivery is integrated more directly into the payment experience. Embedded loyalty experiences can create more seamless engagement opportunities by connecting offers, incentives and rewards more closely to customer behavior as it occurs. This allows organizations to reinforce customer behavior closer to the moment decisions are made, improving engagement relevance and reducing friction across the customer experience.

Nearly half of organizations surveyed believe embedded loyalty within payments will help define future ecosystem success. This shift is influencing every participant across the ecosystem:

- Financial institutions are looking for new ways to strengthen customer relationships and improve top-of-wallet positioning.
- Merchants are exploring more intelligent engagement models that support retention and customer growth.
- Offer providers want clearer visibility into performance and engagement outcomes.

As these ecosystems become more connected, organizations are beginning to modernize engagement capabilities to support more dynamic and responsive customer experiences over time.



Transaction-level intelligence is becoming foundational

Many organizations are still working to operationalize transaction-level engagement capabilities consistently across customer experiences. While the market advances toward more sophisticated personalization models, transaction-level intelligence increasingly represents a foundational capability for modern loyalty and engagement strategies.

Although organizations broadly recognize the importance of real-time engagement, very few currently report the ability to dynamically activate customer transactions in real time. Transaction-level intelligence helps organizations connect payments, customer activity and engagement more directly to real-time behavior. For many organizations, it represents a practical starting point for modernizing engagement strategies while building toward broader personalization and orchestration capabilities over time.

Particularly for regional and mid-sized institutions, transaction-level activation offers a more operationally achievable path toward incrementally modernizing engagement capabilities.

The greatest loyalty opportunity exists beyond the first purchase

Many loyalty programs still concentrate heavily on acquisition and first-purchase behavior. However, some of the largest engagement opportunities now exist across the broader customer lifecycle.

More than half of organizations surveyed continue focusing incentives primarily around first purchase activity, while only 10% currently use incentives to support retention, 6% for deposits and account funding, and just 2% for bill pay engagement. Activation, repeat usage, recurring payments, retention and account growth all represent opportunities to strengthen long-term customer relationships through more connected engagement strategies.

As loyalty becomes more closely tied to payment activity, organizations are beginning to expand engagement strategies across a broader range of customer interactions and lifecycle moments.

Lifecycle engagement is reshaping loyalty economics

As engagement strategies mature, organizations are reevaluating how loyalty investments contribute to long-term customer value. Many loyalty measurement models still focus heavily on short-term activity metrics such as purchase frequency or campaign response rates. Only one-quarter of organizations currently measure loyalty performance through customer lifetime value frameworks.

As organizations expand engagement strategies across the customer lifecycle, measurement approaches will need to reflect broader relationship outcomes including retention, recurring engagement, and long-term customer growth. This shift is encouraging organizations to evaluate loyalty less as a campaign function and more as a long-term relationship growth strategy. Organizations that align loyalty strategies more closely to relationship value may be better positioned to improve retention and long-term engagement efficiency.

Item-level intelligence expands personalization opportunities

As organizations mature transaction-level engagement capabilities, many are beginning to explore how item-level intelligence can support increasingly precise and contextual customer experiences.

Transaction-level visibility provides important insight into where customers engage. Item-level intelligence introduces a deeper layer of visibility into what customers purchase, how purchasing behaviors evolve, and how organizations can respond more intelligently to those behaviors over time.

The research indicates growing interest in these capabilities across the market. Nearly two-thirds of organizations identified item-level intelligence as an important future differentiator within payments and loyalty ecosystems.

Item-level intelligence can support:

- More precise personalization
- Greater contextual relevance
- Improved offer optimization
- Stronger measurement visibility
- More intelligent ecosystem coordination

Item-level intelligence can align incentives that today sit in disconnected systems, turning a single offer into shared value across the ecosystem. As these capabilities mature, that visibility compounds across the ecosystem: consumers can receive offers tied to the products they buy rather than generic promotions; issuers can strengthen cardholder relationships and top-of-wallet positioning; merchants can drive trips and basket growth; and brands and offer funders can gain the closed-loop, SKU-level proof of impact that has long been hardest to measure.

For many organizations, item-level intelligence represents the next stage of engagement maturity built upon the operational foundation established through transaction-level engagement and real-time activation capabilities. Many organizations are evaluating operational considerations related to integration complexity, data accessibility and implementation priorities.

AI is becoming the coordination layer for engagement

AI is evolving from an analytical tool into a broader coordination layer across customer engagement ecosystems. As ecosystems become more connected, AI can help organizations coordinate payments, loyalty, offers and personalization more intelligently across the customer lifecycle.

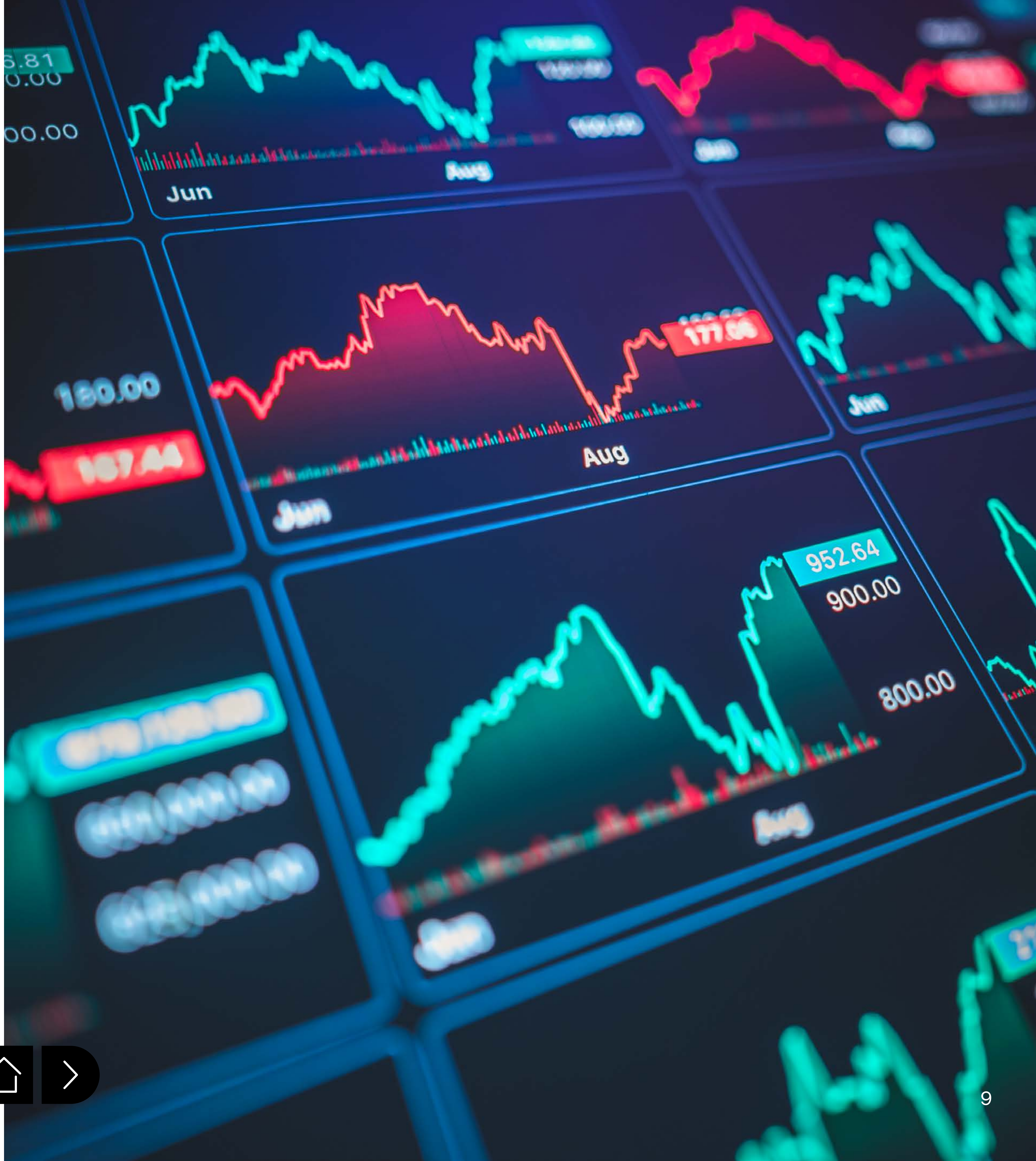
While many organizations use AI primarily for segmentation, reporting and campaign optimization, the market is moving toward more dynamic applications capable of supporting real-time engagement coordination and personalization at scale. Operational maturity remains early across much of the market, but more organizations are recognizing AI's growing role within future engagement orchestration.

The intelligent commerce maturity journey

The transition toward intelligent commerce is evolving as a phased operational maturity journey rather than a single transformation initiative. For many organizations, the progression follows a path that includes:

- Transaction-level activation
- Real-time engagement
- Lifecycle orchestration
- Item-level intelligence
- More connected and intelligent commerce ecosystems

Organizations do not need to operationalize every capability simultaneously. Many are prioritizing foundational engagement capabilities first while building operational flexibility for more advanced orchestration over time.



Building toward intelligent commerce

As organizations continue modernizing engagement strategies, many are prioritizing operational flexibility, phased execution and measurable business value over large-scale transformation initiatives. The research points to five strategic priorities that are shaping modernization efforts across the market.

1. Expanding engagement across the lifecycle:

Organizations are beginning to explore opportunities beyond acquisition-focused engagement strategies by supporting retention, deposits, recurring usage and broader relationship growth.

2. Modernizing engagement incrementally:

Many organizations are starting with foundational transaction-level engagement capabilities that can expand over time into broader orchestration and personalization strategies.

3. Building real-time engagement capabilities:

Real-time responsiveness is becoming more important to supporting more connected and contextual customer experiences.

4. Maturing personalization progressively:

Organizations are exploring how transaction-level and item-level intelligence can support more relevant and adaptive engagement strategies over time.

5. Strengthening operational coordination:

As ecosystems become more connected, organizations require engagement infrastructure capable of supporting orchestration across payments, loyalty, customer data and AI-driven optimization.

Organizations that build these capabilities incrementally will be better positioned to strengthen customer relationships and support long-term engagement evolution.

Architecting intelligent engagement with FIS

The convergence of payments, loyalty, customer engagement and intelligent orchestration is reshaping how organizations create value across the commerce ecosystem. As customer expectations continue evolving, organizations require engagement infrastructure capable of supporting more responsive, intelligent and personalized customer experiences across the lifecycle.

FIS® Smart Basket helps organizations modernize engagement capabilities by supporting more connected transaction-level and item-level customer experiences across the lifecycle. Smart Basket supports:

- Real-time engagement activation
- Embedded loyalty experiences
- Transaction-level and item-level intelligence
- AI-driven personalization and orchestration
- Lifecycle engagement opportunities
- Connected customer experiences across the payments ecosystem

With FIS, organizations can begin with foundational transaction-level offer activation capabilities that pave the way for broader intelligent commerce strategies over time. This phased approach allows organizations to modernize engagement incrementally while supporting future personalization and orchestration goals as operational maturity evolves.

About FIS

FIS is a financial technology company providing solutions to financial institutions, businesses and developers. We unlock financial technology that underpins the world's financial system.

Our people are dedicated to advancing the way the world pays, banks and invests by helping our clients confidently run, grow and protect their businesses. Our expertise comes from decades of experience helping financial institutions and businesses adapt to meet the needs of their customers by harnessing the power that comes when reliability meets innovation in financial technology.

The 2026 Future of Payments & Loyalty Survey was conducted by TechStudio™, an Energize Marketing® company, on behalf of FIS. The study surveyed 300 U.S.-based payments, banking, loyalty and commerce leaders responsible for payments strategy, loyalty innovation, customer engagement and digital transformation initiatives.

Advancing the way the world pays, banks and invests™

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Our technology powers the global economy across the money lifecycle.

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Unlock seamless integration and human-centric digital experiences while ensuring efficiency, stability, and compliance as your business grows.

Money in motion

Unlock liquidity and flow of funds by synchronizing transactions, payment systems, and financial networks without compromising speed or security.

Money at work

Unlock a cohesive financial ecosystem and insights for strategic decisions to expand operations while optimizing performance.

About FIS

FIS is a financial technology company providing solutions to financial institutions and businesses. We unlock financial technology to the world across the money lifecycle underpinning the world's financial system. Our people are dedicated to advancing the way the world pays, banks and invests, by helping our clients to confidently run, grow, and protect their businesses. Our expertise comes from decades of experience helping financial institutions and businesses of all sizes adapt to meet the needs of their customers by harnessing where reliability meets innovation in financial technology. Headquartered in Jacksonville, Florida, FIS is a member of the Fortune 500® and the Standard & Poor's 500® Index. To learn more, visit FISglobal.com. Follow FIS on LinkedIn, Facebook and X.

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