

Prepaid card transaction value to exceed \$4.1tn globally by 2026

A new study from Juniper Research has found that the value of transactions made over prepaid cards will exceed \$4.1tn globally in 2026; up from \$2.3 tn in 2021 - a substantial growth of 75%.



Source: [Fxabay](#)

By 2026, prepaid card transaction value will be just over 50% higher than that forecast for contactless payment transactions; illustrating the importance of this market.

The growth in prepaid cards will be driven by the ongoing replacement of cash, as economies move increasingly towards digital payments.

The research identified prepaid cards as being critical to ensuring that the unbanked are included in the rush for digital payments. The research recommends that vendors focus on building robust distribution platforms that can cope with issuing cards at scale and at low cost, or they will lose out to better equipped vendors.

Driving significant fee revenue

The new research, [Prepaid Cards: Trends, Vendor Strategies & Market Forecasts 2022-2026](#), found that the growth of the prepaid market will present a significant revenue opportunity for prepaid card platforms, with fee revenue reaching over \$32 bn globally in 2026, from \$22 billion in 2021. The report recommends that focusing on critical capabilities, such as restricted authorisation, which enables issuers to specify where funds can be spent, will pay dividends in the longer term.

Research author, Nick Maynard explained: "Tools such as restricted authorisation and digital issuance will enable prepaid cards to benefit from the evolution of traditional gift cards into full-blown prepaid cards, driving significant revenue."

US is largest prepaid market

The research found that while the US will account for over 43% of global transaction values in 2026, there are other significant opportunities emerging. China is seeing increasing prepaid use, and as international tourism recovers, prepaid cards for travel money can benefit. The report also highlighted emerging markets as a key area of interest and recommended that platforms form partnerships now in order to best exploit future opportunities.

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