



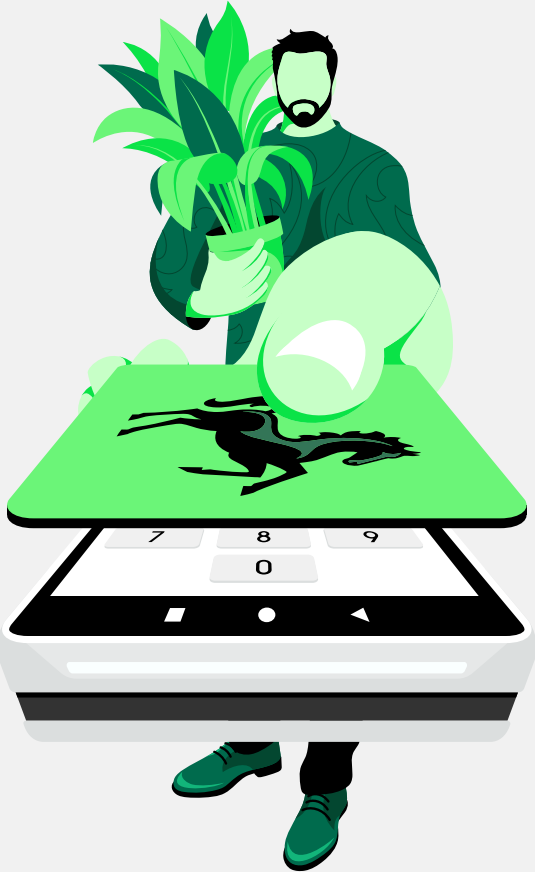
# More Than Checkout

The Role of Payments in Retail in 2026



LLOYDS

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# Welcome

## Retail moves fast. Customer expectations move faster still.

Today, paying is no longer a single moment at the end of a transaction. It is woven through the entire retail experience. Customers expect payments to be **instant, intuitive and dependable**, whether they are at a fixed till, using a handheld device or completing a purchase elsewhere on the shop floor. When payments work seamlessly, they fade into the background. When they don't, everything else is felt more sharply.

For retailers, that makes payments far more than a way to complete a sale. Payments influence how smoothly stores operate, how flexibly colleagues can work, and how confidently businesses manage cash flow, reporting and control throughout the trading day. They shape staff productivity, customer flow and the ability to trade effectively in moments that matter.

At Lloyds, we see this every day through our work with retailers of all sizes, across sectors and channels. From everyday banking and funding to the payment solutions provided by **Lloyds**, we support retailers across their whole business. That perspective gives us a clear view of how the role of payments is changing - and why it matters more than ever.

To understand how retailers themselves see this evolution, we surveyed retail decision-makers across the UK. Their responses show that payments now support far more than the checkout experience alone. They affect convenience in the moment, determine how efficiently teams can work, and play a growing role in keeping control of the processes behind every sale.

This report explores where the role of payments is most visible today: in speed and convenience; in reliability and resilience; in flexible checkout models; in the need for choice and predictability; and in the expanding role payments play across retail operations.

Because as retail looks forward, payments are no longer simply about taking money. They are about **supporting customers, enabling colleagues and strengthening the day-to-day operations that keep retail moving.**

David Thomasson  
Managing Director  
Business Transaction Banking  
Lloyds



# On the shop floor

As UK retailers move through 2026, priorities are becoming clearer, even as trading conditions remain challenging. Cost pressures continue to dominate, customer expectations are evolving rapidly, and stores must keep service running smoothly throughout the trading day. Despite this, confidence remains strong: 85% of retailers say they feel confident in their ability to plan for the year ahead, while 91% identify adapting to changing customer shopping behaviour as a top or important strategic priority.

However, staying on the front foot takes more than good intentions. On the shop floor, the pressure is real. Queues grow quickly at peak times, teams are often stretched, and customers notice immediately when payments are slower than expected or when their preferred payment method is not available. Behind the scenes, the admin and systems work required to manage payments also builds up quickly.

Retailers told us that payments now reach further into the business than before. They shape how service is delivered in the moment, how staff spend their time and how easily businesses can see what is happening once a sale goes through. For many retailers, it has moved from a back-office consideration to a front-line one.

The five themes in this report reflect that shift. Together, they show what retailers need from payments today and where the opportunity lies for businesses ready to move with them.

**01**

**Speed and convenience set the standard**

Customers now expect the whole retail journey to feel fast and easy, from delivery and service through to checkout.

**02**

**How reliability shapes the customer journey**

As payment systems become central to trading, retailers need infrastructure that holds up under pressure and payment providers that respond when it matters.

**03**

**Checkout is now hybrid**

Fixed tills remain important, but mobile and flexible payment options are expanding where and how transactions happen in store.

**04**

**Choice and clarity shape confidence**

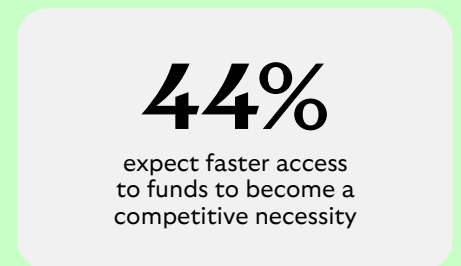
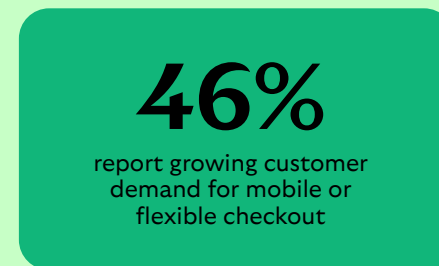
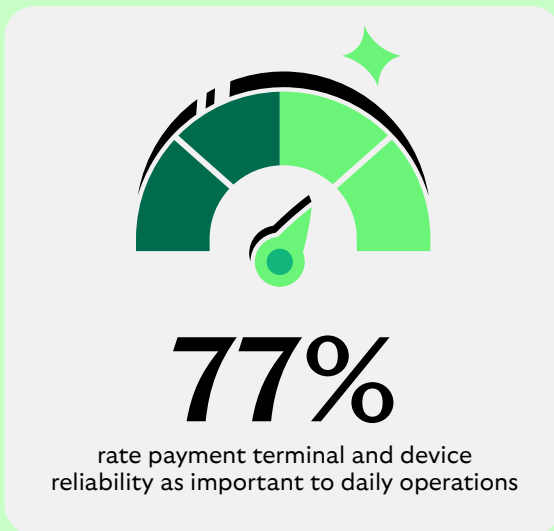
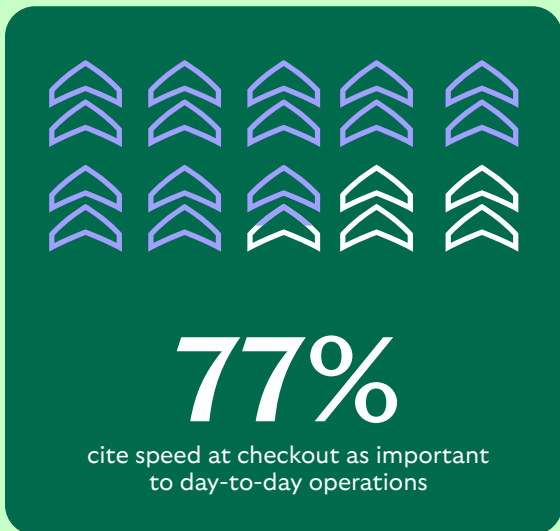
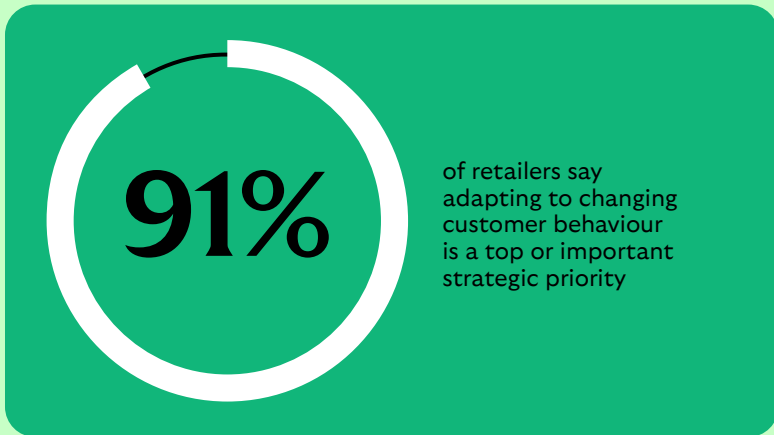
Payment choice and cost predictability are now operational priorities, influencing both customer satisfaction and business planning.

**05**

**Payments at the centre of retail operations**

Payments now affect far more than the checkout, shaping customer experience, staff efficiency, cash flow and long-term business decisions.

# Retail at a glance



# **1. Speed and convenience set the standard**

# Speed as part of the modern retail rhythm

Speed is becoming harder to overlook in retail. When queues build or payments take longer than expected, the impact is immediate. Stores slow down, pressure rises and customers sense the friction. In peak trading moments, even small delays change how smoothly a store runs and how easily customers move through it.

Retailers feel that pressure every day. Three quarters cite speed at checkout as important to operations, and expectations around delivery, in-store service and returns all sit tightly together. Speed shows up at every stage of the shopping journey, not just at the final transaction, making it one of the clearest markers of how well a retail operation is performing.

“ Customers now expect faster service and quick responses. ”

Retailer view

“ Consumers now anticipate shorter wait times and quicker responses. ”

Retailer view

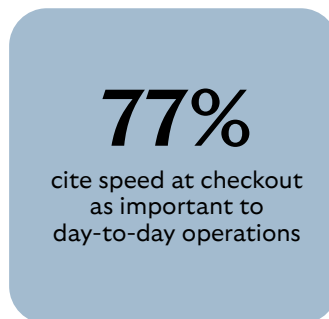
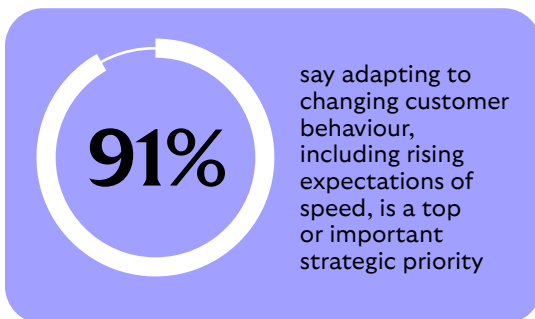


**For smaller retailers:**

Speed helps reduce queue-driven lost sales, ease pressure on leaner teams and support day-to-day trading.

**For mid-sized retailers:**

Speed helps maintain consistency across sites and channels; protect customer experience and support performance at scale.



“What we are seeing across our customer base is that speed is no longer a differentiator; it is the expectation. Whether that is transaction speed, system reliability or seamless channel connectivity, every second impacts both customer experience and revenue. Retailers with modern EPOS and integrated payment solutions are winning. They are winning by removing friction across their customers’ journey; operating faster, smarter and more simply.”

**Kurtis Bruney,**  
VP of Global Strategic Partnerships, Epos Now



# Ease matters at every stage

**Speed is not the only thing customers judge. Convenience, how easy the journey feels from start to finish, carries just as much weight. Fulfilment, service, price, checkout ease and simplicity now sit closely together in shaping the customer experience. Shoppers do not distinguish between stages of the journey; they notice whether the entire experience feels effortless.**

That is why payment acceptance plays such a central role day-to-day. Eight in 10 retailers say accepting all major cards and digital wallets is operationally important. Familiar, flexible options let customers pay how they prefer and keep stores moving without disruption.

At the same time, service expectations are rising. Customers want less effort, quicker responses and the ability to pay wherever it is most convenient, at the counter, in-aisle or through a mobile checkout supported by staff.

“Convenience is more important to consumers than brand loyalty.”

**Retailer view**

“Customers want experiences that feel effortless rather than transactional.”

**Retailer view**



**80%**

say accepting all major cards and digital wallets is operationally important

**46%**

report stronger demand for mobile or flexible checkout

**42%**

highlight growing expectations to pay anywhere in store

**39%**

point to assisted selling as the biggest use case for mobile payments

“Customers expect the whole journey to feel easy: quick transactions, simple collection and a smooth experience end-to-end. That relies on fast, reliable systems behind the scenes. When everything works, it is invisible; when it does not, friction appears instantly. Our job at WRS is to help retailers deliver that seamless experience, working closely with partners like Lloyds.”

**Jamie White,**  
Head of Business Development, WRS

## **2. How reliability shapes the customer journey**



# Reliable systems keep retail moving

Retailers now expect far more from payment providers than they did two years ago. As payment systems become central to daily trading, the priority has shifted from chasing new features to ensuring complete reliability. Retailers need systems that stay fast, stable and resilient when stores are at their busiest.

Operational stability is becoming a clearer measure of performance. Terminal uptime, accurate reporting and dependable access to funds all influence how smoothly stores operate. Retailers need payment systems that work without interruption and reliable support should issues arise.

“Buyers now expect 24/7 customer support availability.”

Retailer view

“Being responsive outside of regular business hours gets more and more important.”

Retailer view



84%

say their expectations of payment providers are higher than two years ago



79%

rate payment terminal and device reliability as important to daily operations

77%

highlight integrated reporting and reconciliation as important day-to-day

76%

see access to funds and settlement timing as important to daily operations



# How system performance impacts the whole store

When payment systems hold up, stores run more smoothly. When they do not, the impact spreads fast. Retailers do not experience one isolated problem; customer queues build, staff efficiency drops and cash flow visibility weakens at the same time. That interconnected impact is why operational reliability has quietly become one of the most important things retailers look for in a payment partner.

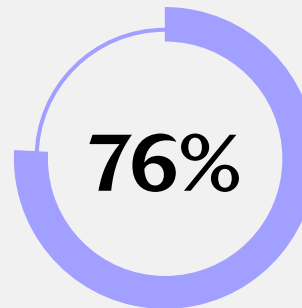
Retailers want systems they can rely on when stores are busy. That means payments that keep working, reporting that is easy to follow and support that is there when problems need resolving quickly.

“Consumers want problems promptly resolved, not just acknowledged.”

Retailer view

“Immediate problem resolution is increasingly important.”

Retailer view



see access to funds and settlement timing as important to daily operations

31%

say better reporting and integration with systems would influence provider choice

33%

say faster checkout and queue reduction would most influence their choice of payment provider

### For smaller retailers:

Reliability helps smaller retailers keep trading when staff, time and cash flow are tight. Downtime is not just disruptive; it can mean lost revenue straight away.

### For mid-sized retailers:

Reliability helps larger retailers maintain performance across multiple sites, channels and teams. At that scale, stable payment systems are an operational requirement.



“UK retail is entering a phase where autonomy, always-on service and frictionless customer journeys are becoming the baseline expectation. Reliability is no longer a technical metric but a foundational element that shapes the trust consumers place in a brand. As retailers redesign their operating models for 2026 and beyond, the invisible infrastructure powering these moments becomes as critical as the experience itself.”

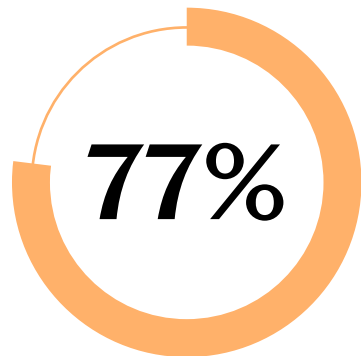
**Paul Adams,**  
SVP Head of Merchant Product EMEA, Fiserv

# **3. Checkout is now hybrid**

# Checkout happens wherever it is most convenient

Checkout is becoming more flexible. While fixed tills continue to play an important role, retailers are increasingly adopting mobile and in-aisle payment options where they improve the customer experience - particularly during peak trading periods or when staff are supporting customers directly.

Retailers are adapting payment to how stores operate day-to-day. Sometimes the till is still the natural end point. In others, taking payment while you are with the customer keeps things moving, cuts queues and helps turn those interactions into quicker sales.



see accepting payments anywhere in store as important to operations

39%

cite assisted selling on the shop floor as the biggest use case for mobile payments

34%

say mobile payments could help reduce queues during busy periods

“Experiences that are mobile-friendly are now required.”  
Retailer view

“The retailers winning today are the ones who have understood that every friction point is a lost customer. The industry has transformed digital, loyalty, personalisation and fulfilment, and in doing so has raised the bar for every interaction. Customers now bring those expectations with them in-store. The checkout experience is the final moment to get right, and mobile and flexible payment is how retailers meet that moment and turn a transaction into a reason to come back.”

Dan Schwick,  
Country Manager UKI, Verifone

# Flexibility at the till and beyond

**Customer expectations vary. Some shoppers still expect a traditional till. Others want to pay wherever they are. Retailers are responding by supporting both, with fixed checkout alongside more flexible ways to take payment across the store.**

That shift is practical as much as customer-led. Mobile and flexible checkout helps staff serve customers on the spot, ease pressure during busy periods and support pop-ups, kiosks and seasonal spaces where simple, portable payment systems make trading possible. When payment fits the moment, the whole experience feels smoother, for customers and for the team.

**46%**

report growing customer demand for mobile or flexible checkout

**43%**

say customers still expect fixed tills or traditional checkout points

**42%**

highlight rising expectations to pay anywhere in store

**34%**

say mobile payments would be most useful in pop-up or temporary retail spaces



**For smaller retailers:**

Flexible checkout helps smaller retailers serve customers quickly, support pop-ups or seasonal formats and reduce queues without major hardware investment.

**For mid-sized retailers:**

Flexible checkout helps larger retailers support assisted selling, manage peak trading and improve customer flow across multiple locations.

# **4. Choice and clarity shape confidence**

# Payment choice is now part of the experience

**Customers want to pay their way. Payment choice is now part of the experience: major cards, digital wallets and newer methods are increasingly expected. Trust is shaped by how easily customers can use the options they recognise.**

That expectation is now shaping how retailers run their stores. Eight in 10 say accepting major cards and wallets is essential to daily operations, and many see wider acceptance becoming a competitive priority. Payment choice is also influencing provider selection and how confidently retailers can serve customers.

Predictability matters on the business side too. With more than three quarters of retailers saying access to funds and settlement timing is important to daily operations, cash flow has become part of the payments conversation. Funding models that advance capital against future transactions meet this need directly, giving retailers quicker access to working capital that rises and falls with real trading.

“ Customers expect digital wallets and buy-now-pay-later options. ”

Retailer view



80%

say accepting all major cards and digital wallets is important to daily operations

43%

expect wider payment acceptance options to become a competitive priority

30%

say the ability to accept more customer payment methods would influence their choice of provider

“Payment technology is now a core pillar of modern commerce for merchants. What happens at the point of sale goes far beyond completing a transaction; it directly shapes the customer experience, supports retention and unlocks valuable data insights that inform long-term strategy. When payments are seamlessly integrated,

merchants gain the clarity and control needed to operate with confidence. But when they fall short, the impact is felt across the entire operation. That is why the focus has moved beyond simply processing transactions to enabling smarter, more connected commerce.”

Kevin Carson, SVP Global Partnerships, FreedomPay

# Clear fees, predictable settlement, smoother operations

**Retailers want payment systems they can plan around. Clear fees, settlement they can follow and reporting that is easy to work with all make it easier to manage cash flow and run the business with confidence. Unclear charges and hard-to-track reporting do the opposite.**

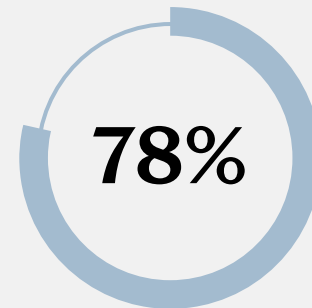
Trust is easier to build when costs and settlement are clear. Customers want payment options that feel familiar. Retailers want costs and settlement that are transparent. Both matter because both influence confidence, at the point of payment and behind the scenes.

“When you provide different payment options for your customers, this gives them comfort when making a purchase.”

**Retailer view**

“Pricing and policy transparency are expected as standard.”

**Retailer view**



highlight cost predictability, including fees and chargebacks, as important to daily operations

**77%**

cite integrated reporting and reconciliation as important to daily operations

**44%**

expect faster access to funds to become a competitive necessity

**For smaller retailers:**

Payment choice and predictable costs help smaller retailers avoid lost sales, reduce friction at checkout and manage cash flow with greater confidence.

**For mid-sized retailers:**

Payment choice supports consistency across stores and channels, while predictable costs make planning and investment easier at scale.

# **5. Payments at the centre of retail operations**

# Payments woven into daily operations

Payments are no longer just the final step in a transaction. They are embedded in how retail businesses operate day-to-day. Retailers link payment performance to customer flow, staffing efficiency, cash flow, supplier relationships and business planning. Data from the survey reinforces that payments sit at the centre of business systems, not at the edge of them.

Integration with existing systems is the single biggest barrier to investing in new technology, cited ahead of cost pressures, skills shortages and competing business priorities. Payments administration and reconciliation rank among the top operational burdens. These are not side issues. They sit in the middle of how stores and teams work every day.

“More customers expect frictionless payments and billing.”

Retailer view



84%

say their expectations of payment providers are higher than two years ago

37%

identify integration with existing systems as the biggest barrier to technology investment

37%

cite payments administration or reconciliation as a major operational burden

“We have already delivered over £70m in funding, with nearly half of customers using it to fuel expansion, showing clear demand for accessible, growth-focused finance. Liberis’ Merchant Cash Advance model complements Lloyds’ retail offering by providing fast, flexible, revenue-based funding that fills critical gaps in the SME lending journey.”

**Rob Fairfield,**  
CEO, Liberis

# When payment performance slips, the whole business feels it

Retailers feel payment performance in more than one part of the business at once. When systems hold up, stores run more smoothly. When they do not, the impact reaches well beyond the till, affecting customer queues, staff efficiency and cash flow visibility at the same time.

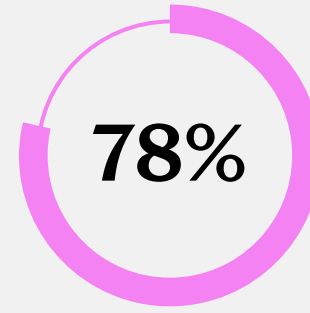
This is exactly why clearer costs and better visibility matter so much. Retailers want payment systems they can follow and plan around. Cost predictability and integrated reporting both rank highly in the survey because they make it easier to manage the day, whether that means keeping trading moving, paying suppliers on time or making longer-term decisions with confidence.

“Customers increasingly expect seamless convenience.”

**Retailer view**

“Frictionless payments and billing.”

**Retailer view**



say cost predictability, including fees and chargebacks, is important to daily operations

77%

say integrated reporting and reconciliation is important to daily operations

76%

say access to funds and settlement timing is important to daily operations



**For smaller retailers:**

Payments need to make day-to-day trading easier, helping with staffing pressure, cash flow visibility and the admin that follows each sale.

**For mid-sized retailers:**

Payments sit closer to the centre of the operation, supporting reporting, reconciliation and consistent performance across stores, systems and teams.

# Where Lloyds is enabling retail growth



## Keeping checkout and cash flow moving

Reducing delays at the point of payment while providing business accounts, overdrafts and lending options that help retailers manage working capital and stay resilient during busy periods.



## Supporting reliable day-to-day trading

Stable systems, dedicated support and dependable banking services that hold up under pressure, from payment acceptance to managing supplier payments, payroll and daily banking activity.



## Making trading more flexible

Fixed, mobile, online and in-store payment options supported by digital banking tools that help retailers operate across multiple sites, seasonal formats or temporary spaces with ease.



## Giving customers the payment options they expect

Support for familiar, trusted payment methods alongside wider banking and deposit services that give retailers clearer visibility over fees, settlement timing and incoming funds.



## Improving visibility behind the scenes

Integrated reporting, reconciliation tools and digital banking dashboards that make it easier to track performance, manage finances and streamline day-to-day admin across the whole business.



## Research Methodology

This report is based on independent research conducted by Censuswide among a sample of 1,000 UK business owners and founders in small and medium-sized businesses with up to 249 employees. Respondents were decision-makers involved in company payment processes and business or IT decision-making across finance, operations and technology functions.

Fieldwork was carried out between 20 February 2026 and 3 March 2026.

Censuswide is a member of the Market Research Society (MRS) and the British Polling Council (BPC), and a signatory of the Global Data Quality Pledge. Censuswide follows the MRS Code of Conduct and ESOMAR principles.

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