

# Alacriti

## **Instant Payments:** Myths, Realities, and Opportunities for Credit Unions



## Instant payments continue to generate

both excitement and uncertainty for credit unions. While adoption is accelerating, lingering myths around operational complexity, revenue impact, and fraud risk often stall progress. In the CUBroadcast-hosted webinar *Instant Payments Myths vs. Reality: What Credit Unions Need to Know*, industry experts Mark Majeske, SVP of Faster Payments at Alacriti, and Steve Douglass, Vice President of Business Development at The Clearing House, set the record straight. The session explored key questions facing credit unions today—such as whether Send and Receive must be enabled together, how Request for Payment (RFP) fits into future use cases, and whether real-time payments threaten existing wire revenue—offering practical insights to help institutions separate fact from fiction.



## Myth 1

### *Instant payments are difficult to implement and deploy*

When it comes to adopting instant payments, one of the most persistent myths credit unions face is that implementation is too complex, costly, or disruptive. With so many moving parts in a payments ecosystem—core systems, operational processes, fraud prevention, etc.—leaders often assume that adding a new rail like the RTP® network or the FedNow® Service will require massive effort.

Majeske explained that his experience with more than 100 institutions shows how manageable the process has become: “Instant payments are difficult to implement and deploy. I hear that a lot, but I’ll share with you that of the over 100 [institutions] that I’ve worked with, it has not been the case. I think that it’s about having a good partner. We walk you through core integration, GL setup, operational process changes, and fraud considerations, then we put together a project plan. We work together on it and get you started. So, long story short, it is not a difficult implementation to deploy. And if you find the right partner, it can be very easy.”

Rather than a major disruption, deployment is about structure and planning. From aligning operational workflows to ensuring fraud checks are in place, each step is well-documented, with proven methodologies guiding the process. The perception of difficulty often comes from uncertainty or lack of familiarity, not the actual implementation experience.

Douglass echoed this sentiment, framing the myth as flat-out incorrect: “This is really, really, really simple in my eyes. Once a provider implements a certain number of financial institutions, we allow them to onboard you. And so that’s called express onboarding. That can be done in as little as two weeks.”

This shift toward “express onboarding” reflects how the industry has matured. After hundreds of institutions have gone live, both networks and providers have refined their processes, creating repeatable templates that accelerate timelines. Instead of lengthy, custom projects, financial institutions can leverage these established playbooks to integrate with their existing digital banking systems, minimize disruption, and quickly start offering instant payments.

For credit unions, the takeaway is that implementing instant payments doesn’t need to be a daunting project. By choosing a partner with proven expertise, institutions can bypass the complexity, benefit from pre-built integrations, and focus on member engagement. What was once seen as a multi-year challenge is now a matter of weeks—debunking the myth that deployment is too difficult and reaffirming that the opportunity is within reach.

## Myth ②

### *There is no way to monetize instant payments at our CU*

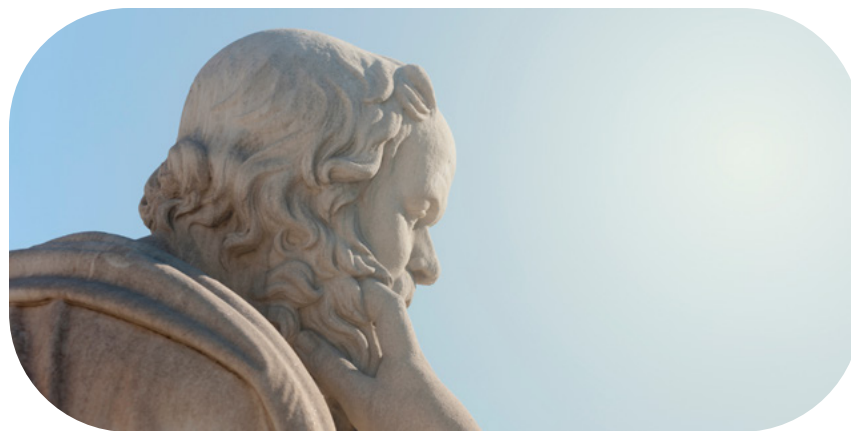
A frequent concern credit unions have when evaluating real-time payments is whether the service can generate revenue or if it will simply be another cost to absorb. The myth that instant payments cannot be monetized often discourages institutions from moving forward. In reality, there are multiple ways to drive value and revenue while meeting members' growing demand for faster money movement. Monetization opportunities not only exist, but are already being leveraged by forward-looking institutions. From business payments to new fee structures, instant payments can create tangible financial benefits when deployed strategically.

Majeske emphasized that the idea of zero monetization potential is simply not accurate. He noted, "There are lots of ways to monetize instant payments. First of all, you have small business payments, and that's a big area where small businesses want to get paid right away. And if you're not offering that, they're going to go to another financial institution that is offering it. That's one way. Secondly, we have one client that doesn't charge for receiving a payment; they charge for sending a payment. And that fee is enough to cover all their costs of running instant payments."

By pointing to both the competitive risk of not offering instant payments and the direct revenue from usage fees, Majeske illustrated that monetization is not hypothetical—it is already happening.

Douglass added another perspective by highlighting how real-time payments naturally expand engagement. He explained, "We're starting to see a lot of interest from the business side of the house, not necessarily just the consumer side. And so there's a lot of interest there and a lot of opportunity to actually drive revenue by offering this to businesses, by offering this to corporates, and then letting them go and offer this to their clients."

For credit unions, the key takeaway is that instant payments are not just a cost center. They represent an opportunity to strengthen relationships with members and businesses, capture new deposits, and introduce pricing models that offset costs. Far from being impossible to monetize, instant payments can become a driver of both revenue and competitive differentiation when credit unions take a strategic approach.





## Myth ③

### *I will elect to Receive Only and can decide on Send later — or not do it at all*

When credit unions first explore instant payments, many consider beginning with a Receive Only strategy. The reasoning is straightforward: start small, reduce operational risk, and defer Send until later, or perhaps not enable it at all. However, this approach could ultimately limit the value of real-time payments and leave institutions behind as member expectations evolve. Credit unions should think carefully about delaying Send functionality. Member demand, competitive pressures, and operational realities make Send an essential component of a long-term instant payments strategy.



“I hear this myth a lot, that you can just do Receive and not do Send. Well, you can, but it’s not the best strategy. And the reason for that is that your clients want to send money, and if you don’t allow them to send money, they will go somewhere else. So if you’re only doing Receive, you’re just not offering the complete service that your clients want,” Majeske shared.

Douglass reinforced this point by framing it around competitive necessity. He said, “I would argue that you need to do both. You need to do Send and Receive. Because if you only do Receive, then you’re kind of limiting yourself. And if you limit yourself, you’re not really providing the full breadth of what this network is supposed to do. And what you’re supposed to do as a financial institution, which is to serve your members.”

While Receive Only may feel like a cautious first step, it risks disappointing members, driving them to other providers, and preventing credit unions from fully realizing the benefits of real-time payments. To remain relevant and competitive, institutions should prepare for both Send and Receive as part of a unified strategy.

## Myth ④

### *My members aren't asking for Instant Payments, so we don't need them*

One of the biggest misconceptions around real-time payments is that if members aren't directly requesting the service, there's no need to prioritize it. At first glance, this logic seems sound—why invest in something no one is explicitly asking for? However, industry experts emphasize that member demand often shows up indirectly, and by the time it becomes explicit, institutions risk being left behind. Member expectations for speed and convenience are already driving behavior, even if they aren't framed as “instant payments.”

“When I hear this one, I always think, yeah, they may not be asking you for instant payments, but they are going to PayPal, they're going to Venmo, they're going to Cash App, they're going to Square. They're using instant payments today; they're just not using them with you. And so if you don't offer it, you're not getting the engagement that you want from your members,” Majeske explained.

Waiting for explicit demand is risky. “The reality is that if you're waiting for your members to ask you, you're probably too late. Because at the end of the day, they're going to go to where those services are available, and they're going to use those. And so if you're not offering them, then you're missing out,” Douglass added.

Members are already seeking out and using instant payments, whether through fintech apps or competing institutions. Credit unions that delay until requests become explicit will not only lose engagement but risk losing relevance. By offering instant payments now, credit unions can meet members where they already are—demanding speed, convenience, and reliability in every financial transaction.



## Myth ⑤

### *I'm not sure how to begin a business case and ROI projection on instant payments*

For many credit unions, one of the biggest hurdles to adopting real-time payments is uncertainty about how to build a business case. Leaders may understand that members want faster, more convenient money movement, but quantifying the return on investment can feel overwhelming. The misconception is that developing a business case for instant payments is too complex to start. Creating an ROI projection is not only achievable but can be straightforward when approached step by step.



Credit unions can begin by looking at tangible use cases already driving value across the industry. “If you’re looking for a business case, there are plenty of examples out there. For example, gig economy payments, earned wage access, and small business disbursements. These are all things that are happening today with instant payments. And you can look at those and you can begin to build your own case around it,” Majeske shared.

Credit unions don’t have to go it alone—networks and providers offer resources to help institutions calculate ROI. “From an ROI perspective, we’ve put out a number of different white papers, case studies, examples, and things like that, that you can leverage. And so I would say don’t feel like you have to start from scratch, there’s already a lot of work that’s been done in this area,” Douglass explained.

A business case for instant payments doesn’t need to start with a blank sheet of paper. By looking at proven use cases, leveraging industry data, and tapping into existing resources, credit unions can quickly outline the benefits—both financial and strategic—that come with adoption. With the right guidance, ROI projections can be a powerful tool to move modernization plans forward.

## Myth ⑥

### *Adding 24/7 transactions to my CU is a severe fraud risk to our firm*

Fraud is one of the most common concerns credit unions raise when evaluating instant payments. The ability to move money in seconds, around the clock, understandably raises fears that fraudsters will exploit vulnerabilities and increase losses. While the risk is real, industry experts stress that the myth of instant payments being inherently unsafe overlooks both the protections already in place and the fact that fraud management strategies have matured alongside the networks. Fraud should be taken seriously, but it should not be seen as a barrier to adoption.

Majeske pointed out that the fear of overwhelming fraud risk is overstated: “I hear a lot that, well, instant payments, they’re 24/7, so fraud’s going to go through the roof. That’s not the case. Fraud is fraud. You’re going to have fraud whether you’re doing instant payments, whether you’re doing ACH, whether you’re doing wires, whether you’re doing checks—you’re going to have fraud. The key is, how do you manage that fraud?”

Douglass added that the networks and providers have already built safeguards that credit unions can leverage: “We have the tools, we have the mechanisms, we have the processes, and we have the ability to manage that fraud risk. So it’s not a matter of if fraud is going to

happen, it’s how do you control it, how do you manage it, how do you make sure that you’re doing the right things in order to protect your financial institution and your consumers.”

The reality is that instant payments are no more inherently risky than other forms of digital payments. What matters is how institutions prepare—by layering fraud detection tools, monitoring transactions in real time, and educating members. Far from being a reason to avoid instant payments, strengthening fraud defenses alongside deployment allows credit unions to expand their services confidently and securely.





## Myth ⑦

### *My upper management is not enthusiastic about instant payments*

For many credit unions, enthusiasm at the leadership level can make or break modernization projects. Some teams hesitate to pursue instant payments because they perceive a lack of interest or urgency from upper management. However, hesitation often comes from unfamiliarity rather than opposition—and once leaders understand the competitive risks and opportunities, their perspective quickly shifts. Leadership buy-in is increasingly aligning with the adoption of faster payments.



Majeske described how this myth comes up frequently in conversations with credit unions, but it is rarely the full story. He said, “I hear that a lot, that upper management isn’t enthusiastic about instant payments. But when I sit down and talk with them, it’s not that they’re not enthusiastic, it’s that they don’t know. They don’t know what instant payments are, they don’t know the benefits, and they don’t know how to build a business case. Once they understand that, then they get enthusiastic.”

Douglass also added that leadership attitudes are shifting rapidly as adoption accelerates across the industry. “The enthusiasm is there. It’s just a matter of education, it’s a matter of awareness, and it’s a matter of understanding the impact that this is going to have on their institution and their consumers. Once that awareness is there, then the enthusiasm comes with it,” he explained.

Lack of enthusiasm is often a knowledge gap, not a strategic rejection. By focusing on education and showing the clear value instant payments bring—to members, to operations, and to growth—credit unions can turn leadership hesitation into support. As adoption grows across the industry, more management teams are moving from cautious curiosity to active champions of real-time payments.

## Myth ⑧

### *I'm not sure which use cases to create for my member base. Do they really need it?*

One hesitation credit unions often face when evaluating instant payments is uncertainty about member demand. If members aren't directly asking for new use cases, it can be difficult to know where to begin or which applications will resonate most. However, industry experts emphasize that members already rely on real-time payments in their daily lives, and credit unions that delay risk losing engagement to outside providers. Use cases are already shaping expectations and creating opportunities for financial institutions.

"Members are using instant payments today. They're using them through Venmo, PayPal, Cash App, and Square. They're already doing these things. The real question is, do you want them to be doing it with you, or do you want them to be doing it with somebody else?" Majeske said.

The value extends beyond consumer-to-consumer transfers, with significant opportunities for businesses and organizations. "The use cases are endless. It's not just a consumer play, it's a business play, it's a corporate play, it's a small business play. And so it's really about understanding where your members are today and then helping them get to where they need to be," Douglass explained.

The reality is that use cases are not a question of if but when. Members already expect speed and convenience, and they are finding it through fintechs if their credit union does not provide it. By enabling use cases such as peer-to-peer payments, small business receivables, or real-time disbursements, credit unions can keep engagement within their own ecosystem while demonstrating leadership in meeting member needs.

*The myths surrounding instant payments can make adoption seem risky, complex, or unnecessary, but the reality is far different. Credit unions have clear opportunities to simplify implementation, create new revenue streams, strengthen fraud defenses, and meet member expectations with practical, proven strategies. Instant payments are not a distant innovation—they are a present-day necessity that forward-thinking institutions are already leveraging to deepen engagement and maintain competitiveness. By moving past the myths and embracing the reality, credit unions can position themselves to thrive.*



To learn more about how credit unions can separate fact from fiction and build a strategy for instant payments, watch the full webinar, [Instant Payments Myths vs. Reality: What Credit Unions Need to Know.](#)

Alacriti's centralized payment platform, [Orbipay Payments Hub](#), provides innovation opportunities and the ability to make smart routing decisions at the financial institution to meet their individual needs. Financial institutions can take full ownership of their payments and control their evolution with ACH, Wire, TCH's RTP® network, Visa Direct, and the FedNow® Service, all on one cloud-based platform. To speak with an Alacriti payments expert, please [contact us](#) at (908) 791-2916 or [info@alacriti.com](mailto:info@alacriti.com).

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