/ CRYPTO EDITION · 2026

2026 Merchant Payments Outlook

Infrastructure Intelligence for High-Risk Operators

Distilled from crypto operators, infrastructure providers, and validated third-party market intelligence.

INTRODUCTION

The 2026 Landscape

For crypto exchanges, merchant account infrastructure is no longer just about uptime and approval rates — it is about safeguarding continuity in an increasingly volatile PSP environment shaped by regulation, AI, and geopolitical corridor shifts.

ISSUER FRICTION ↑

Intensified across UK and EU corridors due to tighter MCC categorisation (notably 6051 and 6540) and expanded BIN-level blocking policies from major issuers.

AI BOT DEPOSITS

AI-powered trading bots are triggering short-burst deposit patterns that mimic fraud signatures, raising false decline rates across major acquirers.

PSP REDUNDANCY

Now the operational baseline for crypto platforms processing over $2M/month. Single-PSP setups are structurally fragile and no longer acceptable.

CARD FUNDING

Remains mission-critical, particularly for fiat-to-crypto ramps and wallet reload flows despite the continued growth of open banking rails.

Merchant infrastructure is now a strategic lever for conversion, retention, and corridor expansion.

SECTION 01

AI, Bots & Behavioural Shifts in Deposit Traffic

Retail-grade bots using programmatic triggers — often from Discord channels or signal groups — have fundamentally altered how deposit flows appear to acquiring banks and risk systems.

PATTERN 01

Volume spikes tightly correlated with market volatility or specific token listing events

PATTERN 02

Repetitive behavioural signatures in deposit sequences that closely resemble scripted fraud

PATTERN 03

Clusters of small-value transactions executed within seconds from distributed wallet sources

RESULT

PSPs are increasingly flagging legitimate deposits as high-risk, compressing approval rates and penalising genuine retail users across major corridors.

OPERATOR TIP

Segment bot-driven flows where possible. Engage acquirers proactively to tune fraud scoring logic to your verified user base's behavioural profile — not generic ecommerce norms.

SECTION 02

The New Face of Issuer Pushback

Crypto platforms using MCCs 6051 and 6540 face measurably increased scrutiny from issuing banks across UK and EU markets.

- Soft declines masking geo-restrictions or BIN-level mismatch with no clear resolution path
- Heightened manual review of stablecoin-funded deposit flows, especially USDC and USDT
- Increased risk buffer thresholds automatically applied to non-EEA issued card traffic
- Tighter SCA enforcement applied to repeat crypto purchases above soft velocity thresholds

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CNP DECLINES ANNUALLY

Card-not-present purchases declined globally each year, the majority attributed to overcautious issuer systems rather than genuine fraud signals.

Source: Ethoca, 2026

Action Plan

- Monitor top-market decline codes monthly, broken down by issuer region
- Rotate merchant descriptors periodically where acquirer terms permit
- Optimise BIN routing logic based on issuing region and device profile data

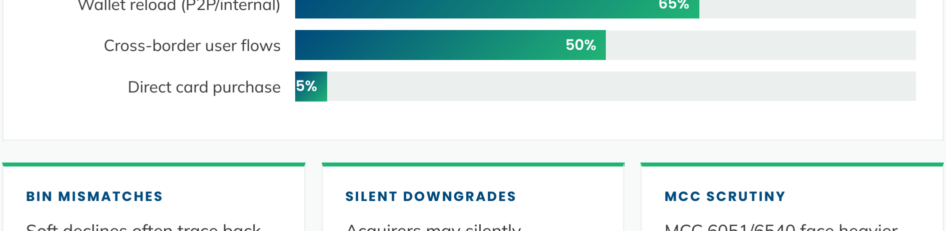
SIDEBAR

Stablecoins: Growing Use, Shrinking Tolerance

USDC and USDT remain central to fiat-to-crypto activity but continue to operate in a regulatory and technical grey zone for card-based merchant infrastructure.

Estimated Stablecoin Share of Exchange Transaction Volume

% OF TOTAL PROCESSED VOLUME · FXC INTELLIGENCE 2026 + INFERRED TRENDS



BIN MISMATCHES

Soft declines often trace back to stablecoin trail visibility within the transaction chain.

SILENT DOWNGRADES

Acquirers may silently downgrade or reject merchants using stablecoin-linked flows without notification.

MCC SCRUTINY

MCC 6051/6540 face heavier review when stablecoin-related descriptors are detected by acquirers.

Proactively map stablecoin risks with acquirer partners and test descriptor-level exposure to ensure stable flow continuity.

SECTION 03

Fallback PSP Architecture

Single-PSP setups are structurally fragile. Leading crypto firms have standardised multi-layer infrastructure capable of absorbing sudden acquirer withdrawals without service disruption.

01 Primary Acquirer + Fallback Acquirer — CORE

Same MCC classification, alternate descriptor and settlement path. Automatically engaged on primary decline or connectivity failure.

02 Card + APM Overlay — REDUNDANCY

SEPA Instant, UPI, and PISP rails layered alongside card to reduce single-channel dependency and capture open banking conversion.

03 Offshore PSP + Onshore PSP — COMPLIANCE

Crypto-friendly offshore acquirer for global traffic paired with a regulated onshore PSP for EEA/UK corridor compliance requirements.

SUCCESS FACTOR

Real-time intelligent routing to best-performing acquirer per individual transaction

SUCCESS FACTOR

Webhook resilience and automated fallback triggers with zero manual intervention

SUCCESS FACTOR

Geographic BIN alignment matched to the issuing region of each customer card

SECTION 04

Chargebacks in Crypto: Compliance Pressure Over Fraud

Unlike traditional ecommerce, crypto chargebacks are driven primarily by scheme policy and issuer-side decisions — not user fraud.

- Elevated disputes from unmet onboarding expectations and unclear platform categorisation
- Issuer-side reversals of crypto transactions — particularly USDC and USDT funded flows
- Chargebacks triggered by ambiguous merchant descriptors even when transactions are fully legitimate

CHARGEBACK RATIO RANGE

2.5–4.5%

Routinely observed under MCC 6051/6540 even with compliant onboarding.

Operator Strategy

- Tighten descriptor clarity and jurisdictional disclosures at checkout
- Pre-empt high-risk deposit flows with manual KYC intervention triggers
- Log scheme-specific reversal patterns and costs per individual acquirer corridor

SIDEBAR

New Visa Decline Codes Worth Watching

5C

Transaction Not Supported

Increasingly seen across crypto, FX, and gambling verticals. Signals that the issuing bank has hard-blocked the transaction type, MCC category, or payment channel — this is not a temporary decline that can be retried successfully.

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Previous vague decline codes offered no clarity. Merchants could not distinguish permanent policy blocks from temporary risk flags — leading to costly retry loops and unnecessary acquirer fees.

5C

Code 5C provides clear intent — the issuer will not process this transaction type. No path to reversal exists. The only fix is acquirer rotation or BIN-level traffic management.

RESOLUTION PATH

When code 5C is returned, the only effective fix is acquirer rotation and intelligent BIN-level traffic management. No retry will succeed.

REFERENCE: VISA DEVELOPER PORTAL · DEVELOPER.VISA.COM · RESPONSE CODES DOCUMENTATION

SELF-ASSESSMENT

PSP Readiness: 6-Point Crypto Checklist

Audit your current merchant infrastructure against these six criteria. Any "No" represents an active risk vector in 2026's volatile PSP environment.

1 Do you have at least 2 active PSPs for fiat card funding?

Single-PSP dependency creates existential risk during acquirer offboarding events

2 Is your BIN approval rate above 75% in key markets?

Track separately for UK, DE, FR, ES, and US issuer corridors

3 Can your system route transactions in real time?

Real-time routing to best-performing acquirer per transaction is now baseline

4 Are decline codes tracked by PSP, BIN, and device?

Granular decline analytics are essential for continuous approval rate optimisation

5 Is there a manual override path for flagged KYC?

Automated KYC blocks without human escalation create unnecessary conversion loss

6 Are chargebacks being cost-modelled per acquirer?

Per-acquirer chargeback cost visibility is essential for profitable corridor management

FINAL THOUGHT

From Reactive to Resilient

In 2026, successful crypto platforms are not the ones avoiding payment friction — they are the ones who have engineered for it. Merchant infrastructure is now a strategic lever for conversion, retention, and corridor expansion. The platforms that win treat payments as a core product capability, not a back-office function.

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