

Crypto Payment Gateways: **INFRASTRUCTURE, ADOPTION, AND THE MERCHANT ACCEPTANCE GAP**

Cointelegraph Research Report



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Executive Summary

This report finds that crypto payment gateways have made the strongest progress in digital services and cross-border payments, where traditional payment methods remain expensive, slow, or unreliable. The same pattern is visible in high-inflation or high-friction markets such as Nigeria, Vietnam, and parts of Latin America, where the cost of existing payment infrastructure gives merchants and users a stronger reason to adopt crypto despite its remaining limitations.

That progress has not extended evenly across the broader payments market. In mass-market retail and developed-market e-commerce, crypto still accounts for only 0.19% of global transaction value, even though adoption can be much higher among merchants that already accept it.

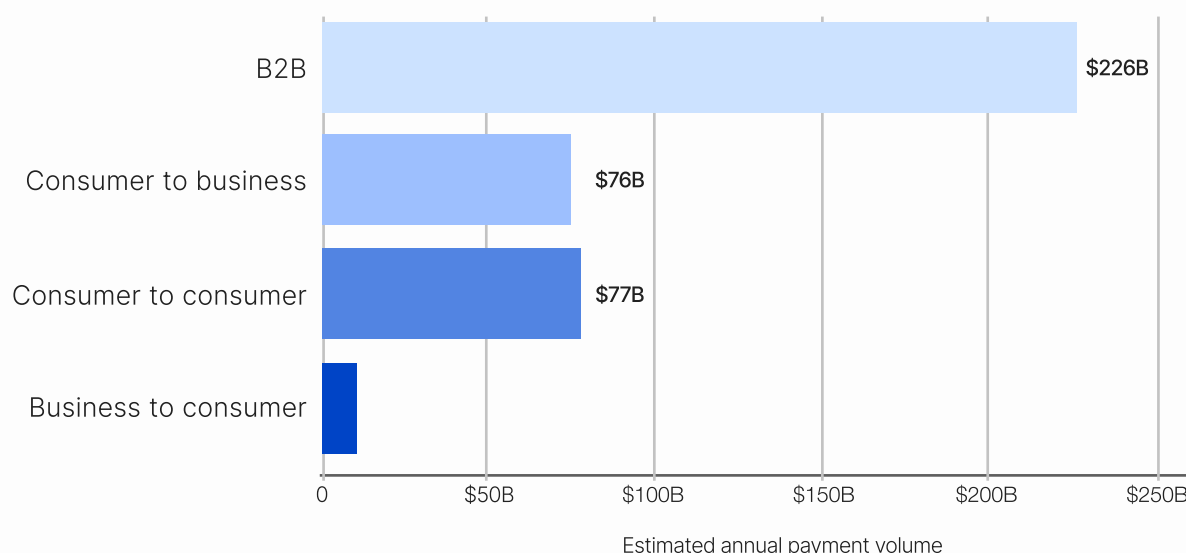
Further adoption depends on six unresolved conditions: tax clarity, stablecoin regulation, fiat off-ramp access, accounting integrations, dispute resolution standards, and merchant education. None of the five gateway providers assessed here, including BitPay, PassimPay, Coinbase Business, NOWPayments, and CoinGate, leads across every evaluation criterion. Each has optimized for a different part of the problem.



Introduction

An estimated 741 million people held cryptoassets globally in 2025, yet direct cryptocurrency payments represented only 0.19% of global e-commerce transaction value, and retail-sized transactions accounted for less than 1% of adjusted stablecoin volume. Of the \$390 billion in stablecoin activity that McKinsey and Artemis Analytics classify as genuine payment volume in 2025, the largest share are business-to-business transactions at \$226 billion, while consumer-to-business payments total only \$76 billion.

Figure 1: Estimated Organic Stablecoin Payment Volume By Counterparty Type, 2025



Source: [McKinsey](#)

Together, these figures suggest that ownership alone does not translate into payment adoption. Consumers may be able to pay with crypto, but merchants will not offer it at checkout unless the payment can be accepted, settled and recorded without additional costs or risks that outweigh its commercial value.

Direct onchain acceptance places several operational responsibilities on the merchant. The merchant must generate payment addresses, monitor transaction confirmations, manage network and asset volatility, reconcile blockchain activity with internal accounting records and determine how funds will be converted into the currency used to pay suppliers, employees and taxes.



Crypto transactions are also generally final once confirmed, meaning refunds and disputes must be managed through separate processes rather than through a standardized chargeback system.

Crypto payment gateways were developed to absorb these responsibilities. They sit between the customer, the blockchain and the merchant's existing payment infrastructure. Depending on the provider, a gateway may generate invoices or checkout addresses, lock exchange rates, monitor confirmations, convert incoming assets into stablecoins or fiat, and deliver settlement data through dashboards, plugins or application programming interfaces. This architecture allows a merchant to accept a crypto payment without necessarily managing wallets, holding volatile assets or operating blockchain infrastructure.

However, providing the technical infrastructure to accept crypto does not directly translate to merchant adoption. The merchant acceptance gap is the difference between consumers' interest in holding digital assets and the share of merchants and transaction value for which crypto payments can be accepted, settled, and reconciled on commercially viable terms.

Gateway providers still depend on banking partners, liquidity providers, stablecoin issuers, blockchain networks and regulatory permissions that vary across jurisdictions. Merchants must also consider the full cost of acceptance. These constraints become more important in markets where cards, bank transfers and domestic instant-payment systems already work efficiently.

This report explains the operational flow of a crypto payment gateway, the merchant-side gap it seeks to close, the progress the sector has made and the risks that could determine its next stage of development. It follows the payment process from checkout through blockchain confirmation, asset conversion and merchant settlement. It also compares how leading providers address integration, volatility, asset coverage, fiat off-ramps, regulatory compliance and outbound payment requirements.



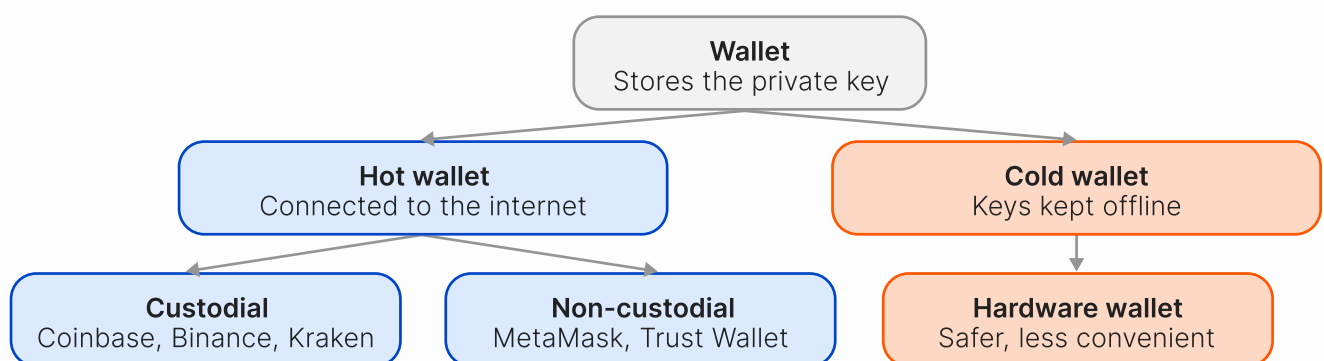
The Architecture of How Crypto Payments Work

Every crypto payment begins in a wallet. A wallet does not store cryptocurrency. It stores the cryptographic private key that proves ownership of funds recorded on the blockchain. When a customer initiates a payment, their wallet signs a transaction with the private key and broadcasts it to the network.

A hot wallet is a crypto wallet connected to the internet. It can be custodial or non-custodial. Custodial hot wallets, such as exchange accounts on Coinbase, Binance, or Kraken, let the platform hold the private keys and sign transactions on the user's behalf. Non-custodial hot wallets, such as MetaMask and Trust Wallet, give users direct control of their private keys while remaining connected to an internet-enabled device.

A cold wallet keeps private keys offline. Hardware wallets are the most common example. They are safer for long-term storage because the keys are not continuously exposed to internet-connected devices, but they are less convenient for everyday payments.

Figure 2: Crypto Wallet Types



Source: Cointelegraph Research

Once a transaction is signed, it is broadcast to the blockchain's peer-to-peer network. It then enters the mempool, where unconfirmed transactions wait to be included in a block. Confirmation speed depends on network congestion, available block space, and the fee attached to the transaction. When demand rises, users compete for limited capacity by paying higher fees, and lower-fee transactions can remain pending for longer.



What Blocks Merchant Adoption & the Solution Gateways Offer

The traditional merchant payment stack has four components: a card processor, an acquiring bank, an FX provider, and a payout provider. The card processor captures each transaction and routes authorization requests through the card network. The acquiring bank holds merchant funds between authorization and settlement. The FX provider converts foreign currency receipts into the merchant's base currency, typically at a marked-up rate relative to the interbank benchmark. The payout provider distributes funds to vendors, affiliates, or contractors downstream. Each component charges for its function, and each introduces latency between sale and settlement.

Cross-border payment costs remain high across both consumer and business markets. As a reference point, the [World Bank](#) measured the average cost of sending a \$200 consumer remittance at 6.49% in Q1 2025. Business payments operate under a different fee structure, but SMEs can still face costs above 5% once bank fees, correspondent charges, and foreign-exchange spreads are included. A payment from a manufacturer in Mexico to a supplier in Vietnam takes one to five business days and passes through multiple intermediary banks. It loses 2-5% of its value to fees.

[Only 12% of European business payments to China](#) settle within two hours. For digital-native merchants with international customer bases, card acceptance adds a second cost layer: interchange fees between 1.5% and 3.5% per transaction, currency conversion spreads, and chargeback administration overhead that compounds across high-volume periods.

Crypto appears to offer a cheaper and faster alternative. Blockchain networks can transfer value across borders without the same chain of correspondent banks. However, lower transfer costs do not automatically produce a usable merchant payment system. Thus, there are a few barriers that explain the gap between that apparent cost advantage and crypto's 0.19% share of global e-commerce transaction value.



Settlement volatility

A merchant who accepts Bitcoin at the point of sale accepts an asset whose value changes continuously between sale and settlement. Non-stablecoin cryptocurrencies have shown month-to-month volatility averaging plus or minus 12% in recent years, and a sharp swing on a high-volume trading day eliminates the fee advantage crypto acceptance was meant to produce. Any non-stablecoin asset accepted at checkout exposes the merchant to price movement across the confirmation window, the settlement window, and any period the asset sits on the merchant's balance sheet before conversion. Volatility also makes refunds harder: a merchant who accepts \$500 in Bitcoin and issues a partial refund two days later faces a different Bitcoin price on both sides of the transaction.

The gateway resolves it by generating a payment address and locking an exchange rate for a defined window, typically ten to fifteen minutes. If the customer pays within that window, the merchant receives the fiat equivalent of the sale price at the locked rate, regardless of where the asset moves afterward. For merchants accepting stablecoins like USDT or USDC, this matters less in the first place, since the asset barely moves during a normal checkout session, so the gateway is not absorbing a spread it never had to lock against.

Wallet infrastructure complexity

Wallet management remains the primary friction point in crypto payment adoption as of 2026. To resolve this, gateways generate a unique deposit address per transaction, monitor confirmation, and notify the merchant via webhook once settlement completes, handling blockchain monitoring, rate locking, fee calculation, and settlement directly. Merchants without developer resources get three no-code paths, payment links, QR codes, and CMS plugins for WooCommerce, Shopify, and Magento, while merchants with developer capacity can build custom flows on the API layer instead.

That same design separates crypto acceptance from crypto exposure: a merchant can accept Bitcoin, Ethereum, or USDT without holding any of it, because the gateway converts to fiat at the moment of transaction. The merchant's bank account receives local currency, the accounting system records a fiat receipt, and beyond checkout, the fact that the customer paid in crypto has no operational effect at all. This makes gateway-mediated acceptance viable for merchants with zero interest in crypto as an asset class.



The absence of dispute resolution

Card networks give merchants and consumers a structured chargeback process. Crypto has no equivalent. A confirmed crypto payment generally cannot be unilaterally reversed; a refund requires a new outbound transaction, not a reversal of the original, and mistakes are costly as a result. A dispute that would take ten days to resolve through a chargeback has no defined resolution path in a direct crypto acceptance model. This is the one barrier the gateway model does not solve.



The True Cost of Accepting Crypto Payments for Merchants

The advertised processing fee does not represent the full cost of accepting crypto. The first additional cost is the blockchain network fee paid to miners or validators. It varies by network and congestion. Bitcoin and Ethereum fees can rise when demand for block space increases, while Solana and Tron generally process transactions at lower cost. Depending on the gateway's pricing model, the customer, merchant, or gateway may absorb this fee.

The second cost is the gateway processing fee. This covers payment detection, confirmation monitoring, merchant tooling, and settlement administration. Rates vary by provider: [NOWPayments](#) lists 0.5% for payments without conversion and 1% for converted or fixed-rate payments, excluding network fees. [CoinGate](#) lists a flat 1% processing fee. [BitPay](#) uses volume tiers of 2%, 1.5%, and 1%, plus \$0.25 per transaction. [PassimPay](#) advertises processing fees starting at 0.5% with a separate 0.2% automatic conversion fee.

The conversion fee is the difference between the market price of the asset and the rate offered to the merchant. Spreads are usually narrower for liquid pairs such as BTC/USDT and ETH/USD, and they widen for assets with limited liquidity. Rate varies by provider and volume.

Domestic and regional payment systems usually carry lower fees than international bank transfers. SEPA transfers, the eurozone's single payments system covering the EU, EEA, Switzerland, and the UK, may be free or subject to a small fixed charge. SWIFT transfers can add transfer, correspondent banking, and foreign-exchange fees. These fixed costs have a greater effect on merchants with low transaction values or frequent withdrawals.



Table 1: Components Of Crypto Payment Cost Beyond The Advertised Processing Fee.

Cost component	Typical range	Who typically bears it	Varies most by
Network fee	Varies by network and congestion	Customer, merchant, or gateway, depending on pricing model	Blockchain (Bitcoin/Ethereum higher, Solana/Tron lower), congestion, number of onchain transfers
Gateway processing fee	0.23% to 2%	Merchant	Provider and volume
Conversion spread (crypto to stablecoin or fiat)	~0.5%, wider for illiquid assets	Merchant	Asset liquidity (BTC/USDT, ETH/USD narrowest)
Fiat off-ramp fee	Free to small fixed charge (SEPA); higher with FX and correspondent fees (SWIFT)	Merchant	Settlement corridor, withdrawal frequency

Source: [Cointelegraph Research](#)

Taken together, crypto payment costs can range from about 0.5% for a high-volume stablecoin merchant using an efficient domestic settlement route to 2% or more for a smaller merchant accepting volatile assets and using international bank transfers.

Consider a US merchant processing \$100,000 in international online card payments each month. Under [Stripe's standard US pricing](#), online card processing costs 2.9% plus \$0.30 per transaction, with an additional 1.5% for international cards and another 1% where currency conversion is required. The percentage-based cost is therefore 4.4% without currency conversion and 5.4% with conversion. On \$100,000 of monthly volume, that equals \$4,400 to \$5,400 before the \$0.30 per-transaction charge. Stripe also charges \$15 when a dispute is received, so chargeback costs would sit on top of this estimate.

For comparison, CoinGate's Standard plan charges a 1% merchant processing fee. On \$100,000 of payment volume, that fee equals \$1,000. CoinGate currently lists SEPA withdrawals as free and does not apply its 1% manual exchange fee to automatic checkout conversions. Network costs and any transaction-specific pricing adjustments still need to be considered, so \$1,000 should be treated as the published processing cost rather than a universal all-in cost.



On the disclosed percentage fees alone, the difference between the two routes is approximately \$3,400 to \$4,400 per \$100,000 of monthly payment volume. The actual savings would be lower once any crypto network, conversion, settlement, or other variable costs are included.

Table 2: All-In Monthly Cost Comparison, \$100,000 In International Payments.

Cost route	Components	Monthly cost based on published percentage fees	Effective rate
Stripe international cards	2.9% processing + 1.5% international card fee	\$4,400 + fixed transaction fees	4.4% + \$0.30 per transaction
Stripe international cards with FX	2.9% processing + 1.5% international card fee + 1% currency conversion	\$5,400 + fixed transaction fees	5.4% + \$0.30 per transaction
CoinGate	1% merchant processing fee	\$1,000 + applicable variable costs	1.0% before applicable variable costs
PassimPay	Processing fee from 0.5% + 0.2% automatic conversion where enabled	\$500–\$700 + network and variable costs	0.5%–0.7% before spreads/fees
Difference in disclosed percentage fees	PassimPay & CoinGate compared with Stripe	\$3,400–\$4,900	3.4–4.9 percentage points

Source: [Cointelegraph Research](#)

This example is not a universal comparison. The result depends on the merchant's card rates, chargeback exposure, accepted assets, withdrawal frequency, and settlement corridor. Crypto payments are most competitive for digital services and cross-border merchants with meaningful volume. They are less compelling for low-value domestic payments already served by cheap and efficient local payment systems.



The Regulatory Environment for Crypto Payment Gateways

Crypto payment gateways operate under rules that govern crypto transfers, asset conversion, stablecoin settlement, anti-money laundering controls, and tax reporting. The applicable obligations depend on the gateway's role. A provider that only supplies non-custodial payment software faces a different regulatory burden from one that receives customer assets, converts them, and settles fiat into merchant bank accounts.

Table 3: Regulatory Frameworks At A Glance

Framework	Jurisdiction	What it governs	Gateway obligation
MiCA	EU	Crypto-asset service provider authorization	Authorization is required once a gateway takes custody, executes conversion, or transfers assets on a client's behalf; a software-only, non-custodial provider may fall outside scope. National transitional registrations ended July 1, 2026 . A gateway now needs direct MiCA authorization, not a legacy exemption. Supporting a stablecoin does not make the gateway its issuer or hand it the issuer's reserve obligations.
EU Transfer of Funds Regulation	EU	Travel Rule data on crypto transfers	Applies to all covered transfers, not just those above €1,000 — that threshold only adds an ownership/control check for self-hosted addresses. A gateway must wire wallet screening and counterparty ID into the payment flow itself, or a valid blockchain transfer can still get delayed, rejected, or suspended on the compliance side.
GENIUS Act	US	Payment stablecoin issuance	Binds the issuer (1:1 reserves, disclosure, redemption), not a gateway that merely accepts and forwards the stablecoin. The gateway still needs its own money-transmitter licensing, KYC, and sanctions screening.
FATF Travel Rule (Recommendation 15/16)	International, implemented nationally	Originator/beneficiary data on virtual-asset transfers	No uniform threshold. As of FATF's seventh targeted update, published July 16, 2026, 83% of surveyed jurisdictions have passed Travel Rule legislation, up from 73% a year earlier, with 11 more implementing. A gateway must determine per-transaction whether the counterparty is regulated or a self-hosted wallet.
DAC8 / OECD CARF	EU and international	Automatic exchange of crypto transaction data	EU data collection started January 1, 2026; first exchanges in 2027. Gateways must capture tax residence, transaction type, and amount per user.

Source: [Cointelegraph Research](#)



Table 4: Operational Effect On The Gateway

Gateway function	Main regulatory requirement	Possible effect on the payment
Receiving crypto	Wallet screening, sanctions controls, transaction monitoring	A payment may be reviewed or rejected despite being valid onchain
Holding customer or merchant funds	Custody authorization, asset protection, governance, capital requirements	The gateway assumes greater regulatory and operational responsibility
Converting crypto into fiat	Exchange or money-transmission authorization	Conversion may only be available in jurisdictions and currencies covered by the provider's licenses
Transferring crypto	Travel Rule and counterparty identification	Missing sender or beneficiary information may delay settlement
Settling fiat	Banking relationships, local payment licenses, compliance controls	Fiat settlement may be delayed or unavailable even after blockchain confirmation
Supporting stablecoins	Stablecoin screening and transfer compliance	Using a regulated stablecoin does not remove the gateway's own compliance obligations
Reporting transactions	Tax residence, transaction classification, recordkeeping	Merchant and customer payment activity may be reported to tax authorities

Source: [Cointelegraph Research](#)

The ideal jurisdiction is not necessarily the one with the lowest licensing burden, but one that allows the gateway to receive crypto, hold assets, execute conversions, transmit funds, settle fiat, serve foreign merchants, and maintain reliable banking relationships. A license covering only one part of this flow does not support a complete gateway operation.



How Gateway Providers Reduce Barriers to Crypto Acceptance

Crypto payment gateway providers have made different architectural choices about which part of the merchant acceptance problem to solve first. No provider solves the full problem at once; each has built a specialized answer to part of it.

Table 5: Regulatory Frameworks At A Glance

Model	Defining feature	Example provider	Core tradeoff
Enterprise compliance	Licensure, KYC depth, AML controls, and jurisdiction coverage; asset support is secondary	BitPay	Compliance depth is the product, but merchants outside its core licensed markets still need to verify fit
Stablecoin-first	Narrows around stablecoins rather than broad crypto acceptance	Coinbase Business	Accounting simplicity and lower volatility exposure, but currently limited to US and Singapore merchants
High-asset-count	Wide crypto support across many assets and chains	NOWPayments	Serves crypto-native customer bases, but reconciliation load rises with every added asset
Multi-tool	Payment links, QR codes, API, conversion, and payout tooling for digital-native SMEs	• PassimPay • CoinGate	Flexible operational tooling, built on breadth rather than compliance depth as the primary sell

Source: [Cointelegraph Research](#)



PassimPay: B2B Crypto Payment Infrastructure for Online Merchants

PassimPay is a B2B crypto payment gateway for online businesses that need crypto payment acceptance, mass payouts, automatic conversion, and settlement tools.

It is built for different levels of technical capacity. Businesses without a website can create an invoice and share a payment link through email, messaging applications, or social media. The customer receives a hosted payment page containing the amount, wallet address, and QR code.

Merchants using established e-commerce systems can connect through CMS plugins. Companies that need greater control can use the API to generate payment addresses, create orders, check transaction status, receive payment notifications, and initiate withdrawals directly from their internal systems.

Business need	How PassimPay handles it
Accept payments	Businesses can receive 74+ cryptocurrencies across 18+ blockchains, including BTC, ETH, USDT, USDC, XRP, SOL, TRX, and BNB
Integrate checkout	PassimPay supports REST API integrations, CMS plugins, hosted invoices, payment links, QR codes, and static wallet addresses
Manage volatility	Incoming cryptocurrencies can be converted automatically into selected stablecoins according to predefined balance and conversion rules
Track transactions	The platform generates payment addresses, monitors transaction status and confirmations, and sends payment notifications to the merchant's system
Withdraw funds	Businesses can withdraw received crypto from their PassimPay account after the required blockchain confirmations. Eligible merchants can also convert crypto into EUR or USD and withdraw fiat to bank accounts, subject to jurisdiction, business model, and verification
Make mass payments	Multisender allows businesses to upload a CSV file and distribute funds to multiple wallet addresses in one workflow



Product snapshot

Supported assets	74+ cryptocurrencies across 18+ blockchains
Processing fee	Starting from 0.5%
Automatic conversion	Available from 0.2%
Integration options	API, CMS plugins, invoices, payment links, QR codes, and static addresses
Payout tools	Individual withdrawals, scheduled transfers, transaction batching, and Multisender
Company-reported activity	More than \$4 billion processed, 750,000 transactions per month, and over 530 merchants

Learn more at [PassimPay](#)



Merchant Decision Framework

1. What share of the merchant's customers can and want to pay in crypto? This report's evidence supports treating stated interest and country-level activity as a demand signal, not as proof of checkout conversion; a merchant should validate demand locally rather than assume a national adoption figure applies to their own customer base.
2. Is the payment flow domestic or cross-border? This report's cost model shows the crypto cost advantage concentrated in cross-border corridors with high incumbent fees, not in domestic markets already served by cheap instant-payment rails.
3. Is the merchant receiving fiat, a stablecoin, or a volatile asset? This determines whether the volatility barrier applies at all, and if it does, whether a rate lock or immediate conversion is available.
4. Which legal entity controls funds at each stage? A merchant assessment should establish which legal entity contracts with the merchant, which entity takes custody of customer funds, which entity performs crypto or fiat conversion, and which licenses cover those activities. The company supplying the checkout software may not be the same company holding crypto, executing conversion, or sending fiat to the merchant's bank, and the regulatory strength of a gateway should be judged across that full settlement chain. A regulated front-end provider can still rely on external exchanges, custodians, or off-ramp partners that introduce separate licensing, counterparty, and geographic risks.
5. What is the all-in cost, not just the advertised processing fee? Network fees, conversion spread, and off-ramp costs compound, and this report's sensitivity analysis shows the advantage over cards narrows or reverses at low transaction values, wide spreads, or high refund rates.
6. What happens when a payment is late, underpaid, or disputed? No standardized chargeback-equivalent exists across this category yet. A merchant in a high-dispute category should assume any resolution path is provider-specific, not industry-standard.



7. Can the transaction be reconciled in the merchant's accounting system? This should be checked against the merchant's specific software, not against the general claim that accounting integration is solved, since native subledger support remains the exception rather than the rule.

8. Does the gateway provider serve the merchant's legal and banking jurisdiction, and how exposed is the merchant during the forwarding window? A merchant assessment should confirm where merchant and customer data are stored, which Travel Rule, sanctions, and tax-reporting requirements apply, and whether fiat settlement depends on an unregulated or undisclosed third party. As the Provider, Custody, and Concentration Risk section discussed, it should further confirm how long funds sit in a provider-controlled address before forwarding, whether merchant funds are segregated from the provider's own operating capital, and what recourse exists if the provider fails during that window.

9. Does the gateway provider support native mass payouts? Merchants that pay contractors, affiliates, employees, or partners in crypto should assess whether outbound payments can be managed within the same platform used for acceptance. Separate products for inbound and outbound flows increase reconciliation work, integration complexity, and account-management overhead. The key question is whether these functions are native to the gateway or require a separate integration, since native payout tools can remove a meaningful operational cost for digital-native SMEs.

10. Can the gateway settle fiat reliably into the merchant's bank account? A merchant assessment should confirm which currencies and jurisdictions the provider supports, how long settlement takes, whether minimum withdrawal thresholds apply, and whether the provider relies on direct banking relationships or third-party conversion partners. Merchants in SEPA markets should generally prioritize providers with direct banking access, while merchants elsewhere should verify local coverage before integrating.



Where the Second Adoption Wave is Already Forming

Crypto payment adoption is strongest where gateways solve a specific failure in the traditional payment stack. These users adopt crypto as a payment or settlement tool rather than primarily as an investment.

Table 6: Adoption By Merchant Segment

Segment	Traditional payment problem	Gateway function	Resulting merchant benefit	Utility-driven user behavior
E-commerce	Card fees, cross-border friction, and limited crypto checkout infrastructure	Adds crypto checkout through hosted pages, plugins, APIs, and stablecoin settlement	Merchants can accept crypto without building wallet or blockchain infrastructure	Customers use crypto directly at checkout rather than converting it to fiat first
Digital services	High card failure rates, delayed settlement, and restricted cross-border purchases	Generates stablecoin invoices, confirms payments onchain, and automates service activation	Faster settlement, fewer failed payments, and lower working-capital pressure	Users pay for software, hosting, VPNs, subscriptions, and education when cards do not work
Freelance and payroll	Intermediary fees, FX spreads, and slow correspondent banking	Distributes stablecoin payouts across borders and connects payments to compliance and payroll systems	Contractors receive more of their earnings and gain faster access to funds	Recipients hold, convert, or spend stablecoins on other cross-border services
Cross-border B2B	Slow bank transfers, limited settlement windows, and expensive currency conversion	Converts, routes, tracks, and reconciles stablecoin payments	Businesses settle invoices faster and reduce payment-processing costs	Firms use crypto because it improves treasury and supplier-payment operations

Source: [Cointelegraph Research](#)



Table 7: Geographic Concentration

Market characteristic	Examples	Why gateways matter
High inflation or currency depreciation	Nigeria, Turkey	Stablecoin settlement provides access to a more stable unit of account
Expensive cross-border payments	Nigeria, Vietnam, wider Latin America	Gateways reduce correspondent banking and FX friction
Large freelance economies	Nigeria, Kenya, Vietnam, the Philippines	Stablecoin payouts connect international income to local users
Weak card acceptance or high failure rates	Parts of Latin America, MENA, and Southeast Asia	Crypto provides an alternative when cards fail or are blocked
Strong mobile use but uneven banking access	India, Pakistan, Vietnam, Nigeria	Mobile wallets and QR payments can reach users outside conventional banking channels
Currency or capital controls	Nigeria, Turkey and other restricted markets	Crypto rails provide an alternative channel for cross-border value transfer

Source: [Cointelegraph Research](#)

The gateway-led adoption path begins when a practical need for payment arises. A user may encounter crypto through payroll, commerce, invoicing, or another service that has integrated a gateway. Instead of choosing crypto for ideological or speculative reasons, the user receives or purchases it because it solves an immediate transaction need.

The gateway then handles the technical work behind that transaction. It provides the payment interface, wallet address, conversion tools, and compliance controls, allowing the user to complete the payment without understanding blockchain infrastructure. Adoption becomes more durable when the received asset remains useful after the initial transaction. If the user can spend it with merchants, pay for subscriptions, send payouts, or use it across other services, there is less reason to convert the entire balance back into fiat.

As the same infrastructure reduces friction across later transactions, repeat usage becomes more likely. Crypto then moves from being a one-time workaround to a recurring payment instrument.



Tax Clarity

A merchant who accepts \$200 in Bitcoin has not received \$200. They've received an asset with a cost basis at receipt, and any later price change creates a taxable gain or loss. The IRS treats stablecoins as property, so even a Bitcoin-to-stablecoin swap is a taxable event. Converting to fiat within the transaction window removes the balance-sheet exposure, not the tax obligation.

The [US House Ways and Means Committee held a hearing](#) on digital asset taxation on June 9, 2026, with seven discussion drafts covering staking timing, de minimis exemptions, and stablecoin treatment. [Senator Lummis has proposed](#) a \$300 per-transaction de minimis threshold, which has not reached the floor. Until it passes, every crypto payment a US merchant accepts is a taxable event that must be tracked and reported, a requirement heavy enough to deter merchants without dedicated accounting resources.

Stablecoin Regulation

Stablecoins made up 82% of crypto payment gateway transactions in 2026, with USDT holding a 33% share. MiCA and the GENIUS Act give gateways the compliance foundation to maintain banking relationships, but each imposes its own reserve and disclosure rules on which stablecoins a gateway can settle in. A gateway operating under both must run two compliance regimes at once. That overhead persists until a single global stablecoin standard replaces the two.

Fiat Off-Ramp Access

Gateways solve volatility and wallet complexity at the merchant-facing layer. They don't solve the banking problem underneath. A single conversion runs through a gateway, a KYC provider, a banking partner, a liquidity source, and a blockchain delivery mechanism, and the same chain runs in reverse for the off-ramp. Banks that classify crypto businesses as high-risk impose withdrawal limits or cut relationships without notice, so gateway operators without stable banking access can't reliably deliver fiat to merchants.

This is a regulatory posture problem, not a technical one. MiCA and the GENIUS Act have reduced the friction where they apply. Off-ramp access stays constrained only in markets where neither framework applies and no domestic regulator has issued equivalent guidance.



Accounting Integrations

Fiat settlement removes balance-sheet exposure, not the reconciliation work. A merchant still has to match the fiat receipt to the original crypto transaction and produce reports their accounting software can read. QuickBooks supports two decimal places; Ethereum can carry 18. QuickBooks also doesn't support direct wallet linking.

Bitwave, Cryptio, and Gilded bridge this gap into QuickBooks, NetSuite, and Xero, but each requires a separate subscription and implementation work. A team with two years of unreconciled multi-chain activity faces weeks of cleanup before its first clean close, and most SMEs don't have the resources for that. No gateway has embedded accounting integration into the payment flow itself. Until one does, adoption stays limited to merchants with dedicated finance teams.

Dispute Resolution Standards

Onchain payments are push-based and final, with no native dispute mechanism, the same finality that eliminated the chargeback fraud e-commerce merchants absorbed globally in 2023. It also eliminates the recourse a customer has when a product never arrives. The [Coinbase and Shopify Commerce Payments Protocol](#) replicates authorize-and-capture with escrow and refunds onchain, but only on Base and only between compatible wallets, a narrow fix for a category-wide problem. No standard exists yet that works across gateways and chains. Until it does, merchants in high-dispute categories will keep crypto acceptance limited to low-dispute transaction types.

Merchant Education

[90% of surveyed merchants](#) would try accepting crypto if it matched card payment ease, per the National Cryptocurrency Association and PayPal's January 2026 survey. Gateways have solved that ease requirement for technical integration. They haven't solved merchant understanding of settlement flow, tax obligations, refund handling, or delayed confirmations.

The merchants adopting crypto now are the ones with a cost incentive large enough to justify the learning curve. A retailer without that cost pressure won't invest in learning crypto operations unless the learning cost drops close to zero. Gateways that treat education as a product investment, not a support afterthought, capture that market first.



Table 8: Six Conditions For Mass-Market Gateway Adoption

Condition	Who resolves it	Current status	What changes when resolved
Tax clarity	US Congress, other national legislatures	Seven discussion drafts in House Ways and Means; Lummis \$300 de minimis proposal has not reached the floor	Small crypto payments stop requiring gain/loss tracking, removing a deterrent for merchants without dedicated accounting resources
Stablecoin regulation	MiCA and GENIUS Act regulators, plus any future cross-jurisdiction standard	Two separate compliance frameworks now in force, each with its own reserve and disclosure rules	A gateway operating across US and EU markets stops running two parallel compliance regimes
Fiat off-ramp access	Banking regulators, in coordination with gateway operators	MiCA and GENIUS Act have reduced friction where they apply; markets without an equivalent framework still see banks treat crypto businesses as high-risk	Gateways gain reliable bank settlement in markets currently constrained by undefined banking posture
Accounting integrations	Gateway product teams, or third parties like Bitwave, Cryptio, Gilded	Integration exists only as a bolt-on third-party subledger, not embedded in the payment flow	Merchants get audit-ready reporting without a separate subscription and multi-week reconciliation cleanup
Dispute resolution standards	Industry-wide coordination across gateways and chains	Coinbase/Shopify Commerce Payments Protocol exists but is limited to Base and compatible wallets	Mass-market merchants in high-dispute categories can accept crypto without absorbing unresolvable disputes
Merchant education	Gateway providers, as a product investment	Technical integration ease has improved; understanding of settlement, tax, and refund handling has not	Mass-market merchants without a strong cost incentive start adopting crypto payments

Source: [Cointelegraph Research](#)



Industry Specific Risks

Platform Incumbents Are Building the Same Rails

Stripe's acquisition of Bridge closed in February 2025 at \$1.1 billion, its largest acquisition to date. Stripe has since launched stablecoin financial accounts in 101 countries, added stablecoin acceptance to Checkout, Payment Links, and Invoicing, and introduced Open Issuance, letting any business launch its own stablecoin in days. A merchant already on Stripe for card processing won't onboard a second vendor once stablecoin acceptance ships as a checkbox in a product they already use. Coinbase Payments' native Shopify integration follows the same pattern. This threatens the business model of other payment gateways.

Custody Is a Counterparty Risk, Not a Detail

Every gateway in this report, except in a merchant's self-hosted setup, briefly holds customer funds between arrival and forwarding to the merchant. During that window, the funds are the provider's liability. If the provider fails, faces regulatory action, or goes insolvent during that window, the merchant's recourse is as an unsecured creditor, the same position as any custodial arrangement, regardless of how the provider brands itself.

The GENIUS Act's custody provisions govern stablecoin issuers, not gateways holding funds mid-conversion, leaving that window covered only by whatever money-transmitter licensing applies in the gateway's jurisdiction, which this report has already shown is inconsistent across markets. A merchant evaluating any gateway should ask how long funds sit in a provider-controlled address before forwarding, whether the provider segregates merchant funds from its own operating capital, and what recourse exists if the provider fails during that window.



Conclusion

Crypto payment gateways have largely solved the technical problem of accepting digital assets. Merchants can now receive crypto, monitor confirmations, convert funds, and settle payments without managing wallets or blockchain infrastructure directly.

The remaining gap is commercial rather than technical. Crypto payments are most useful where traditional systems are expensive, slow, or unreliable, particularly in cross-border commerce, digital services, freelance payments, and markets with weak banking access or unstable currencies. They are less compelling in domestic retail markets already served by cheap instant payments and mature card networks.

Stablecoins will remain the main payment asset because they reduce volatility, but they do not remove the need for reliable fiat off-ramps, accounting integration, tax reporting, compliance controls, and dispute procedures. Merchants should therefore evaluate gateways based on total cost, settlement coverage, custody arrangements, regulatory status, reconciliation tools, and payout capabilities rather than advertised fees or asset count alone.

Competition will also intensify as companies such as Stripe, Shopify, and Coinbase embed stablecoin payments into platforms merchants already use. Standalone gateways will need to differentiate through reliable settlement, stronger compliance, embedded accounting, transparent custody, and better dispute handling.

The merchant acceptance gap will narrow further only when crypto payments become as reliable, auditable, and easy to manage as established payment methods. Gateways have shown that crypto can solve real payment problems, but mass-market adoption will depend on whether they can integrate into ordinary business operations without creating a separate layer of risk and complexity.



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