



DLT-BASED TOKENS



MARKET UPDATE

RESEARCH

TOKENIZATION MARKET DATA

19.5% CAGR for Global Tokenization Market (2020-2025)

4.8 billion USD – market worth by 2025
(from 1.9 billion USD in 2020)



By tokenization technique, **API based segment** to grow at highest rate

Tokenization API helps customers reduce the risk of storing critical information on local servers. Customers request new payments with the help of POST/order services of Gateway API.



By segment, **Large Enterprises** to hold a larger market size

Large organizations are adopting tokenization solutions due to increasing fraudulent activities, as well as processing high-risk tx and cost-cutting. They are the early adopters.



By segment, **SMEs** to grow at the highest CAGR during the period

Despite early adoption being driven by enterprises, SMEs are set to grow faster with greater accessibility of solutions.



By region, **APAC** (Asia Pacific) to grow at the highest CAGR

APAC economies are witnessing high growth in increased payment innovation, specifically in eCommerce. Asian consumers drive demand for secure digital infrastructure.

(1) **Core long-term driver:** increased alignment of customers toward contactless payments due to the COVID-19 outbreak

(2) **Other drivers:**

- a growing demand towards cloud-based tokenization solutions and services;
- increasing need to stay compliant with regulations;
- growing need to ensure continuous customer experience and ecosystem growth;
- retail and eCommerce segments have the greatest opportunities and CAG

(3) **Core restraint:** lack of knowledge and understanding about tokens and ambiguity between encryption and tokenization among end users