FINTECH BPO · PHILIPPINES

Trust, at scale: the executive economics of fintech BPO in the Philippines.

An analysis of unit-economics pressure, KYC/AML and dispute operations, regulated-support benchmarks, and vendor-selection discipline for payments platforms, neobanks, and lenders sourcing in the Philippines.

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ABOUT THIS SERIES

This series exists because outsourcing decisions are usually made with less evidence than any other spend of comparable size. Volume by volume, it publishes the material PITON-Global builds for clients privately — cost mechanics, verified benchmarks, provider-field analysis, and governance patterns — so that executives can pressure-test the business case before a single vendor conversation takes place.

THE PITON-GLOBAL LEADERSHIP TEAM

About the authors

John Maczynski

Chief Executive Officer

John's career divides into two acts with one constant. In the first, he spent thirty-plus years running outsourced operations for household-name US enterprises — payments among them — accountable for the results vendors delivered. In the

Ralf Ellspermann

Chief Strategy Officer

Manila has been Ralf's operating base for more than twenty years — long enough to have built and run the kinds of regulated delivery floors this paper describes, for banks, card processors, insurers, and fintech ventures on three second, he crossed the table to represent buyers full-time. The constant is the standard: every shortlist PITON-Global issues under his leadership is one he would sign a contract from himself, and he stays in the engagement until the program is live and proven.

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continents. He leads the research side of the practice: the provider dossiers, cost curves, and diligence protocols that every PITON-Global engagement draws on, and that give this series its data.

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PITON Global

ABOUT PITON-GLOBAL

A quarter century in the Philippine market has given PITON-Global something no directory or marketplace can replicate: firsthand knowledge of how more than a thousand providers actually perform — who keeps commitments after the sales team leaves the room, whose certifications survive a floor walk, whose attrition numbers are real. The firm, decorated with numerous industry awards over the years, puts that knowledge exclusively at the service of buyers: scoping requirements, gating the field, running competitive RFPs, and staying on the client's side of the table through launch. Tripadvisor, TSYS, Garmin, HealthPartners, Yetipay, Workrise, and Norman Disney & Young are among the companies that have built Philippine teams this way.

SECTION 01

Executive summary

-63%
Fully-loaded cost vs. US onshore, blended program

4.2 hrs
Median KYC review turnaround at vetted providers (vs. ~18)

68%
Dispute/chargeback win rate (vs. ~52% baseline)

5.5×
First-year ROI, reconstructed payments case (Section 6)

Fintech's operating problem is arithmetic: transaction volume compounds, and with it compounds everything volume drags behind it — onboarding reviews, fraud alerts, disputes, support contacts, compliance casework. Revenue per transaction is thin by design; operations cost per transaction is not. Every funding environment since 2022 has delivered the same verdict: unit economics are no longer a growth-stage indulgence but the core investment thesis, and operations is where they are won or lost.

The Philippines is where a disproportionate share of the world's regulated financial-services operations already runs — card processing support, bank back office, collections, and for the past decade the full fintech stack: KYC/AML, fraud and dispute operations, and regulated customer support. The delivery base combines financial-services process discipline inherited from two decades of bank and processor work with the compliance infrastructure (PCI-DSS floors, SOC 2 delivery units, OFAC-aware casework) that fintech risk teams require before a single record moves. Five findings frame this volume:

1. **Operations is the fintech moat nobody pitches.** Two competitors with identical products diverge on cost-to-serve and loss rates. A vetted offshore operation moves both at once — cost per contact down ~63%, dispute recovery and alert throughput up double digits.

2. **KYC turnaround is a revenue metric.** Every hour an applicant waits in a review queue is measurable funnel abandonment. Cutting median review time from ~18 hours to ~4 converts directly into activated accounts — the case in Section 6 quantifies it.

3 **Disputes are won by process, not geography.** Chargeback outcomes turn on evidence assembly, network-rule fluency (Visa CE 3.0, Mastercard), and deadline discipline. Top Philippine dispute teams win 65–70% of representments — 15+ points above typical in-house rates.

4 **Regulators examine the buyer, not the vendor.** CFPB, state regulators, and bank-partner oversight all treat outsourced work as the fintech's own. The compliance perimeter of Section 4 is therefore a sourcing gate, not a post-signature workstream.

5 **Fintech-grade providers are a narrow slice of the market.** Of 1,000+ Philippine BPO operations, PITON-Global's mapping confirms genuine fintech operations depth — live KYC/AML programs, dispute desks, PCI floors — at roughly twenty-five. Finding them is a research problem before it is a procurement problem.

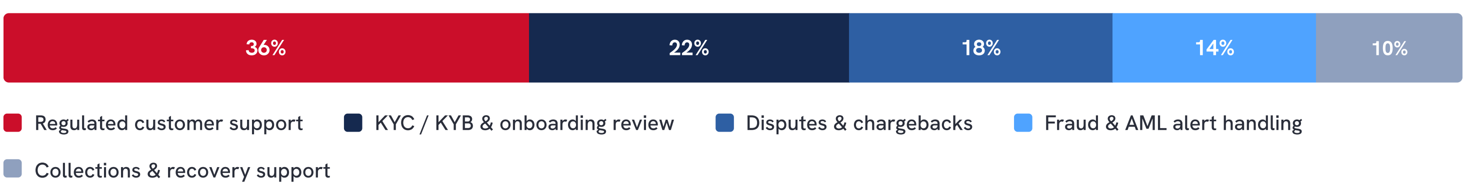
The intended reader is a founder, COO, CFO, or head of risk/CX at a payments platform, neobank, lender, or crypto venture — at the stage where operational headcount is scaling faster than revenue. Sections 2–4 present the evidence; sections 5–7, the method and the proof.

SECTION 02

When growth outruns operations: the fintech work that moves offshore

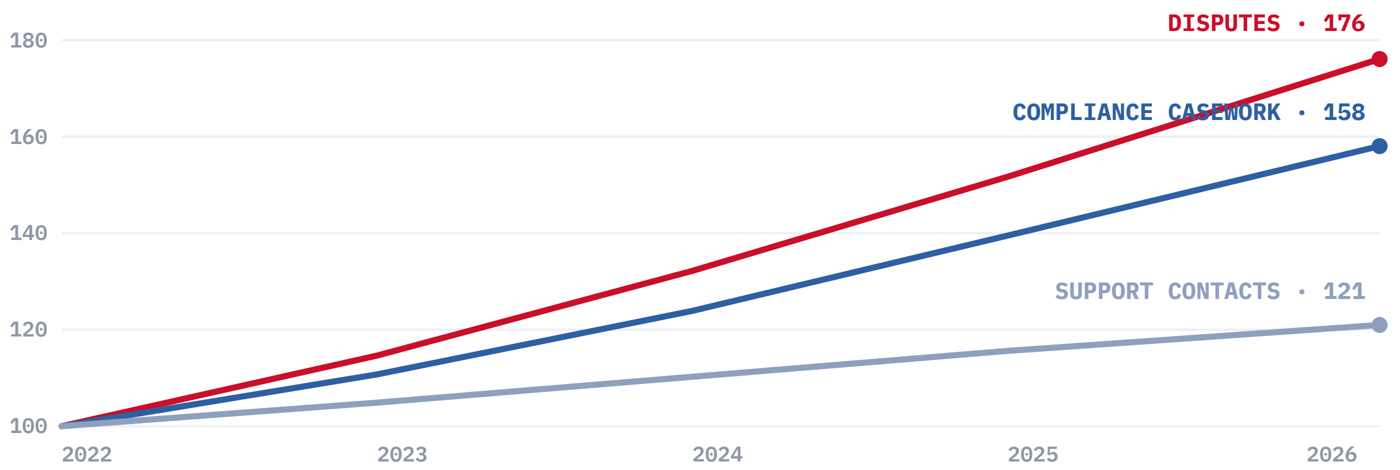
Figure 1 decomposes the outsourced fintech work mix across PITON-Global's engagement base; Figure 2 indexes the volume growth of the two categories that scale worst in-house — disputes and compliance casework — against support contacts.

FIG. 1 — OUTSOURCED FINTECH WORK MIX (SHARE OF VOLUME, ENGAGEMENT BASE 2024–26)



Source: PITON-Global fintech engagement base, 2024–26.

FIG. 2 — OPERATIONS LOAD PER $1M TPV, INDEXED (2022 = 100)



PITON-Global client-side operations data, normalized per $1M total payment volume. Friendly fraud and regulatory expansion drive the top lines.

The two charts explain each other. Support is the largest block but the slowest-growing; the work compounding fastest — disputes and compliance casework — is precisely the work that punishes improvisation, because each unit carries a deadline, an evidentiary standard, and a regulator or card network behind it. In-house teams built for support-style elasticity fail at this quietly and expensively. The offshore case is therefore not headcount substitution but specialization: buying a bench that already handles these volumes, under these rules, for many clients at once.

SECTION 03

Cost and performance: role-band economics and top-tier benchmarks

TABLE 1 — FULLY-LOADED COST PER PRODUCTIVE HOUR BY ROLE BAND (US$, 2026)

US ONSHORE / HR · MANILA VETTED / HR

	US	MANILA	
Regulated customer support representative	$28.40	$10.60	−63%
Dispute / chargeback specialist	$36.50	$13.60	−63%
KYC / AML analyst (alert & case handling)	$38.90	$14.20	−64%
Blended 55-seat payments program	$34.80	$12.90	−63%

Basis: PITON-Global fintech engagement pricing 2025–26; fully loaded and net of shrinkage, as defined in Methodology & notes.

TABLE 2 — FINTECH OPERATING BENCHMARKS, VETTED VS. BASELINE (2025-26)			
METRIC	VETTED TOP TIER	BASELINE	EXECUTIVE READING
KYC review turnaround (median)	**4.2 hrs**	~18 hrs	Funnel conversion, measured in hours
Dispute / representment win rate	**68%**	~52%	Recovered revenue, network standing
AML alert throughput per analyst-day	**+38%**	reference	Backlog risk retired at lower cost
Case QA accuracy (audited)	**98.7%**	~95%	What the bank partner examines
Support CSAT / service level (80/20)	**90 / 87%**	~83 / 73%	Trust is the product; support is trust
Annual attrition, fintech programs	**24–32%**	40–60%	Tenure carries rule fluency

Source: PITON-Global fintech engagement data 2025–26; baseline = client pre-engagement and onshore/commodity-offshore averages.

The benchmark column is produced by the same unglamorous machinery every top-tier operation in this series runs — calibrated QA at roughly twice market density, certification gates before live volume, tenure economics that keep analysts past the fluency threshold — plus one fintech-specific discipline: **rulebook versioning**. Card-network rules, partner-bank policies, and regulatory guidance change quarterly; vetted providers maintain them as controlled documents with tested rollouts, so a Visa compelling-evidence update reaches every dispute desk the week it lands, not the quarter after.

SECTION 04

The regulatory heatmap: PCI, SOC 2, GLBA, BSA/AML, and the offshore perimeter

Fintech outsourcing answers to a lattice of regimes rather than a single rulebook — and each regime lands differently on an offshore program. The heatmap below is the summary PITON-Global builds during requirements definition: which regimes apply to which work types, and what each demands of the provider before go-live.

TABLE 3 — REGIME × WORK TYPE: WHERE EACH REQUIREMENT BITES				
REGIME	SUPPORT	KYC / AML	DISPUTES	COLLECTIONS
PCI-DSS (card data)	● Red	● Amber	● Red	● Amber
SOC 2 Type II (delivery unit)	● Red	● Red	● Red	● Red
GLBA / privacy (NPI)	● Red	● Red	● Amber	● Red
BSA/AML program & OFAC	● Amber	● Red	● Gray	● Amber
Reg E / Reg Z dispute clocks	● Amber	● Gray	● Red	● Gray
FDCPA / state collection law	● Gray	● Gray	● Gray	● Red

● Red = primary requirement, pass/fail in diligence · ● Amber = applies in common configurations · ● Gray = rarely applicable. Composite of PITON-Global fintech diligence protocols, 2024–26.

Three readings matter. First, SOC 2 Type II on the actual delivery unit is red across the board — it is the universal gate, and corporate-level letters do not count. Second, the amber cells are where programs go wrong: a support desk that occasionally handles card numbers is a PCI program whether the SOW says so or not. Third, the buyer's own oversight obligations — bank-partner requirements, CFPB vendor-management expectations — mean the diligence file PITON-Global assembles in Steps 3–5 becomes the client's regulatory evidence, not merely its selection record. Buyers should demand the same from any sourcing process they run.

SECTION 05

Sourcing discipline: the 7-Step Vendor Vetting Framework, applied to fintech

Fintech compresses the framework's funnel harder than any vertical except healthcare: the field collapses at capability screening (genuine KYC/dispute/fraud depth is rare) and again at the compliance audit (Section 4's red cells are non-negotiable). The stages below show a representative mid-market payments search.

1	**Requirements definition** Work types, volumes, systems, data classes, regime map (Section 4), quality targets — fixed before any vendor contact	1,000+ →
2	**Market mapping** Eliminates providers without financial-services delivery units in the required hubs and scale band	~70 →
3	**Capability screening** Live KYC/AML programs, dispute desks with network-rule fluency, fraud operations — evidenced, not asserted	~25 →
4	**Compliance & security audit** The Section 4 heatmap applied cell by cell: PCI floors, SOC 2 on the unit, GLBA safeguards, OFAC-aware casework	~12 →
5	**Operational diligence** QA calibration sessions, attrition cohorts, rulebook-versioning walkthroughs, reference calls with comparable fintechs	6–10 →
6	**Competitive RFP & negotiation** Finalists compete on transparent per-productive-hour terms; credits tied to KYC TAT, win rate, and audited accuracy	2–3 →
7	**Transition & launch governance** PITON-Global stays embedded buyer-side from signature to certified steady state — then hands over	1

As throughout the practice, the framework is **vendor-neutral by construction** — no inventory, no placement quotas, no way to buy a shortlist position — and **right-sizing-led**: for a 20-to-80-seat fintech program it deliberately surfaces specialist mid-sized providers for whom the account is a flagship, carrying the certifications of the majors with the governance access of a boutique. Output: six to ten best-qualified providers within 48–72 hours, free to the buyer, competing through a fully transparent, fair, comprehensive, and highly competitive RFP.

SECTION 06 · ANONYMIZED CASE STUDY

Before and after: a 55-seat payments-platform program, reconstructed

Engagement FT-027 is a US payments platform processing roughly $2.1 billion in annual TPV for e-commerce merchants. Eighteen months of merchant growth had tripled dispute volume, stretched KYB onboarding past 20 hours, and pushed the in-house team of 38 into permanent backlog triage. The board approved offshore sourcing with two conditions: no degradation in bank-partner audit posture, and measurable improvement — not just cost relief — within two quarters. Identifying details are anonymized under NDA.

SELECTION (WEEKS 0–7)

Requirements fixed a 55-seat scope — 28 regulated support, 15 disputes, 12 KYC/KYB — with PCI-scoped floors, SOC 2 Type II delivery, and the client's case-management stack. Mapping yielded 68 claimants; capability screening on live dispute and KYC operations cut the field to 22; the compliance audit left 11. Diligence produced a shortlist of 8; a three-round RFP concluded with a Manila fintech specialist at $12.90 per productive hour, credits tied to KYC TAT, win rate, and audited accuracy.

TRANSITION (WEEKS 8–22)

Three certification-gated waves. The dispute desk transitioned first behind a two-week parallel run scored on the client's own QA rubric; KYC/KYB followed with dual-review on every decision for the first month. The provider's network-rule library and evidence templates replaced the client's ad-hoc process. PITON-Global chaired weekly buyer-side governance through month 6; steady state was certified in month 7 and governance handed over on documented criteria.

FIG. 3 — FT-027 AT MONTH 9: BEFORE → AFTER

KYB ONBOARDING (MEDIAN) ~~20.5 hrs~~ → **4.6 hrs**	DISPUTE WIN RATE ~~51%~~ → **67%**	DISPUTE BACKLOG ~~3,400 cases~~ → **0**
COST PER CASE (BLENDED) ~~$11.90~~ → **$4.40**	AUDITED CASE ACCURACY ~~94.8%~~ → **98.9%**	SUPPORT CSAT ~~81~~ → **90**

Client-side operations data, month 9 versus trailing pre-engagement quarter. Backlog cleared in week 16.

FIRST-YEAR VALUE COMPONENT	YEAR 1	BASIS
Labor & overhead arbitrage	$2.27M	104k productive hrs × ($34.80 – $12.90)
Dispute recovery lift (win rate 51%→67%)	$0.58M	Incremental representments won × average recovered value
Onboarding conversion (KYB 20.5→4.6 hrs)	$0.27M	Reduced funnel abandonment × first-year merchant contribution, discounted
Rework & backlog-triage cost avoided	$0.31M	Accuracy lift + backlog clearance vs. trailing run-rate
Gross value created	**$3.43M**	
Less: engagement & transition costs	($0.62M)	Transition, parallel runs, security validation, governance overlay; advisory fee $0 (provider-paid model)
Net value ÷ cost = first-year ROI	5.5×	$3.43M ÷ $0.62M

Figures rounded; recovery and conversion effects conservatively factored. Method in Methodology & notes.

The pattern repeats across this series with almost boring reliability: arbitrage funded the program (66% of gross value), and selection quality produced the rest — recovered disputes, converted applicants, retired backlog risk. A rate-card process would have delivered the first number and left roughly $1.2 million of the second on the table.

SECTION 07

The executive playbook: governance for the first 180 days

Fintech programs live under two clocks — the regulatory clock (dispute deadlines, SAR timelines, partner-bank reviews) and the growth clock. The governance below keeps both, with the client in command throughout.

DAYS 0–30

Wire the perimeter, then the pipes

Validate PCI scope and SOC 2 coverage on the actual floor. Provision least-privilege access with immutable logging before data flows. Contract per productive hour with credits on KYC TAT, win rate, and audited accuracy — and lock the named roster that won the RFP. Brief the partner bank before go-live, not after.

DAYS 30–90

Certify, parallel-run, then release volume

Run dispute and KYC pods behind parallel runs scored on your own QA rubric; release each wave on certification, never on dates. Chair weekly governance with the deadline dashboard first — every dispute clock and SAR timeline visible. Version the rulebooks from day one and test every network-rule rollout.

DAYS 90–180

Optimize the loss curve, not just the queue

With SLAs stable for 60 days, point governance at yield: dispute-evidence quality reviews, false-positive tuning with the fraud team, AI summarization where casework concentrates, deflection analytics feeding product fixes. Certify steady state; hand over on dated, documented criteria.

THE FIVE FAILURE MODES WE ARE HIRED TO PREVENT

Treating a support vendor as a compliance vendor · accepting corporate certificates for floor-level risk · missing dispute clocks during transition · ramping on dates instead of certification gates · discovering the partner bank's vendor-management requirements at the annual

> review. Every one is prevented in selection and transition — never cured afterward at the same price.

Fintech's promise has always been better economics through better operations. In 2026 the Philippine market offers exactly that — a 63% cost advantage delivered by teams that outperform onshore baselines on the metrics regulators, networks, and bank partners actually examine. The condition is the same one this series repeats in every vertical: the market only pays buyers who select on evidence. Twenty-five genuinely qualified providers hide inside a field of a thousand; disciplined vetting is how they are found, and a fully transparent, competitive RFP is how their best terms are won.

METHODOLOGY & NOTES

How the numbers were built

Operating benchmarks (KYC/KYB turnaround, dispute win rate, alert throughput, audited accuracy, CSAT, service level, attrition) derive from PITON-Global fintech engagements active 2025–26, measured on provider case-management and QA systems and validated in client governance. Baselines combine client pre-engagement data with onshore and commodity-offshore averages.

Cost figures are fully-loaded costs per productive hour by role band — wages, benefits and statutory charges, facilities, technology and security stack (including PCI-scoped infrastructure where applicable), management and QA overhead, attrition-driven recruiting and ramp — net of shrinkage. US baselines reflect Tier-2 metro fintech-operations labor; Manila figures reflect 2025–26 engagement pricing.

The case study (FT-027) is anonymized under NDA; volumes, segment descriptors, and platform details are generalized, figures rounded. Value factors are conservative: dispute lift counts only incremental representments won at observed average recovery; onboarding conversion applies a discount for merchants who would have completed anyway; backlog value counts only measured triage run-rate. ROI = net first-year value ÷ all engagement-related client costs. PITON-Global's advisory fee is provider-paid and appears at $0 in the client cost base; neutrality safeguards are documented at piton-global.com.

Market context draws on IBPAP reporting, card-network rule frameworks, US regulatory guidance (CFPB, FFIEC, GLBA), and PITON-Global's proprietary provider mapping (1,000+ operations; fintech capabilities re-verified June 2026). Estimates and projections are PITON-Global analysis and should be cited as such.

Which fintech BPOs belong on your shortlist?

Thirty minutes with John will tell you. Free to buyers, strictly vendor-neutral — a compliance-gated shortlist within two to three business days.

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