

Zelle's growth tear continues with \$1 trillion in volume

Article

The news: Zelle's transaction value surpassed \$1 trillion in 2024, a 27% YoY jump, per a press release.

The [platform](#) said 151 million enrolled users (both consumers and small businesses) sent 3.6 billion transactions. The milestone is "the most money ever sent by a person-to-person payments service in a single year."

Growth factors:

- Zelle volume got a boost from **small businesses, which sent or received \$283 billion in payments**, a 32% YoY increase.
- Use cases like paying rent and holiday gifting also accelerated growth in Q4.
- And 95% of the more than 2,220 financial institutions (FIs) on the Zelle network are community banks and credit unions, helping the service grow in more rural areas that might otherwise have been served by digital competitors.

The competition: Zelle's volume is growing faster than that of its main rivals. **Venmo's volume, for example, grew 17% YoY during its [FY 2024](#).**

Zelle also remains the largest of all P2P apps. It's expected to account for **[54.6% of total mobile P2P transaction value in 2025](#)**, compared to Venmo's 20.5% and Cash App's 10.6%, per our forecast. Its size makes its growth even more impressive given its peers have a longer runway to grow their volume.

What's holding it back? It wasn't all bright for Zelle in 2024. The **Consumer Financial Protection Bureau (CFPB) [sued Zelle-owner Early Warning Services \(EWS\) and three of its consortium banks](#)**, claiming they failed to protect Zelle users from fraud.

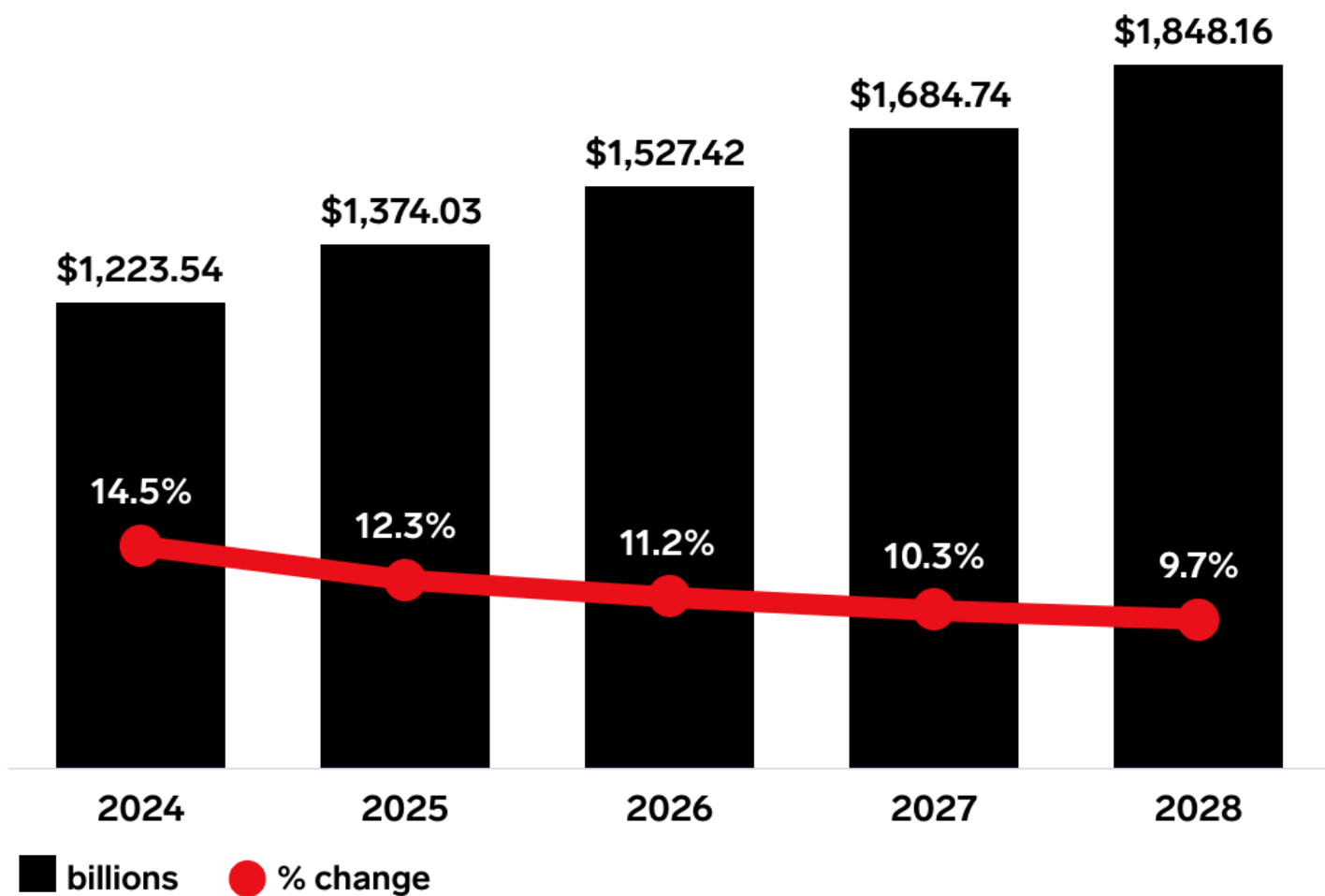
- The suit may not go anywhere given **[all CFPB operations have been halted](#)**, but it shines a light on Zelle's continual fraud (whether overstated or not).
- Zelle has said that only 0.05% of Zelle transactions are fraudulent. It also added more fraud awareness campaigns in 2024, saying it provided 73 million consumers with information on the risks of fraud and scams.

Our take: Zelle continues to outpace its peers. Its bank relationships are a major competitive advantage for its growth, helping it reach a massive network of consumers and businesses.

While Zelle's fraud concerns could lead to longer-term reputational issues that dampen growth, efforts like its consumer education campaigns could help mitigate the issue.

Mobile P2P Payments Transaction Value

US, 2024-2028



Note: includes ad spending on tablets; includes classified, display (banners, rich media, video, and other), email, lead generation, messaging-based advertising, and search advertising; net ad revenues after companies pay traffic acquisition costs (TAC) to partner sites

Source: EMARKETER Forecast, March 2024