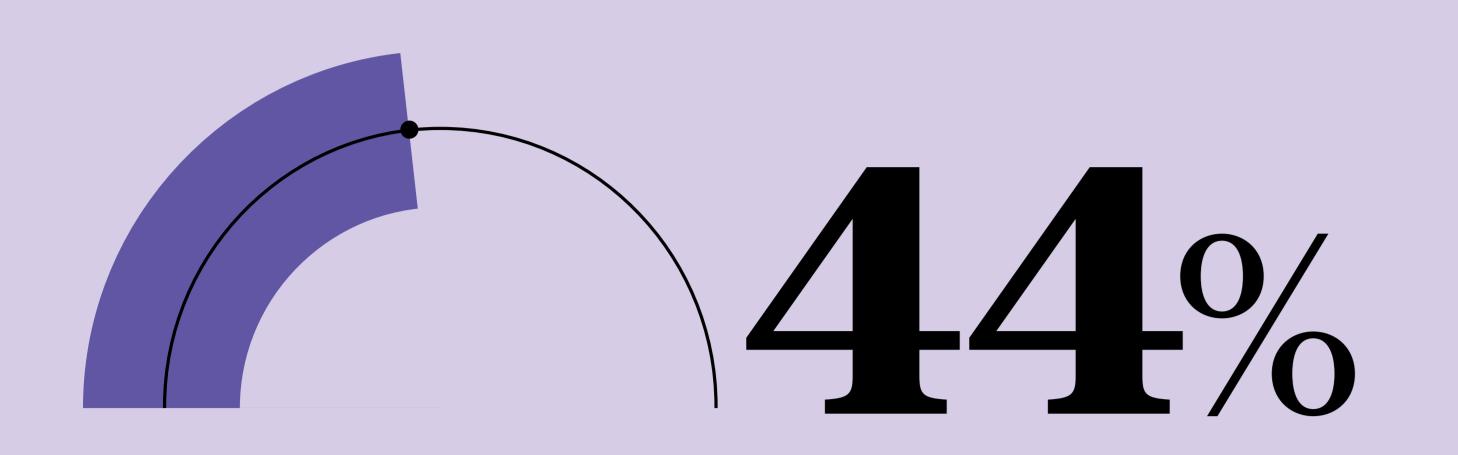
# REALISING OPEN **BANKING'S POTENTIAL**

Open Banking has long been hailed as one of the major trends shaping the future of banking. Adoption rates have been sluggish at best, but it looks as though things have begun to change over the last two years. So is 2020 the year Open Banking comes into its own? Or is there still a way to go before this revolutionary model is fully embraced?

#### IN 2018, WILLINGNESS FOR ADOPTION OF OPEN **BANKING WAS LOW**



ALTHOUGH CONSUMERS AND BUSINESSES WERE SLOW TO EMBRACE IT, EUROPEAN BANKS BELIEVED THAT THOSE AMONG THEM WHO **EXPLOITED OPEN BANKING BY 2020 MIGHT GENERATE...** 

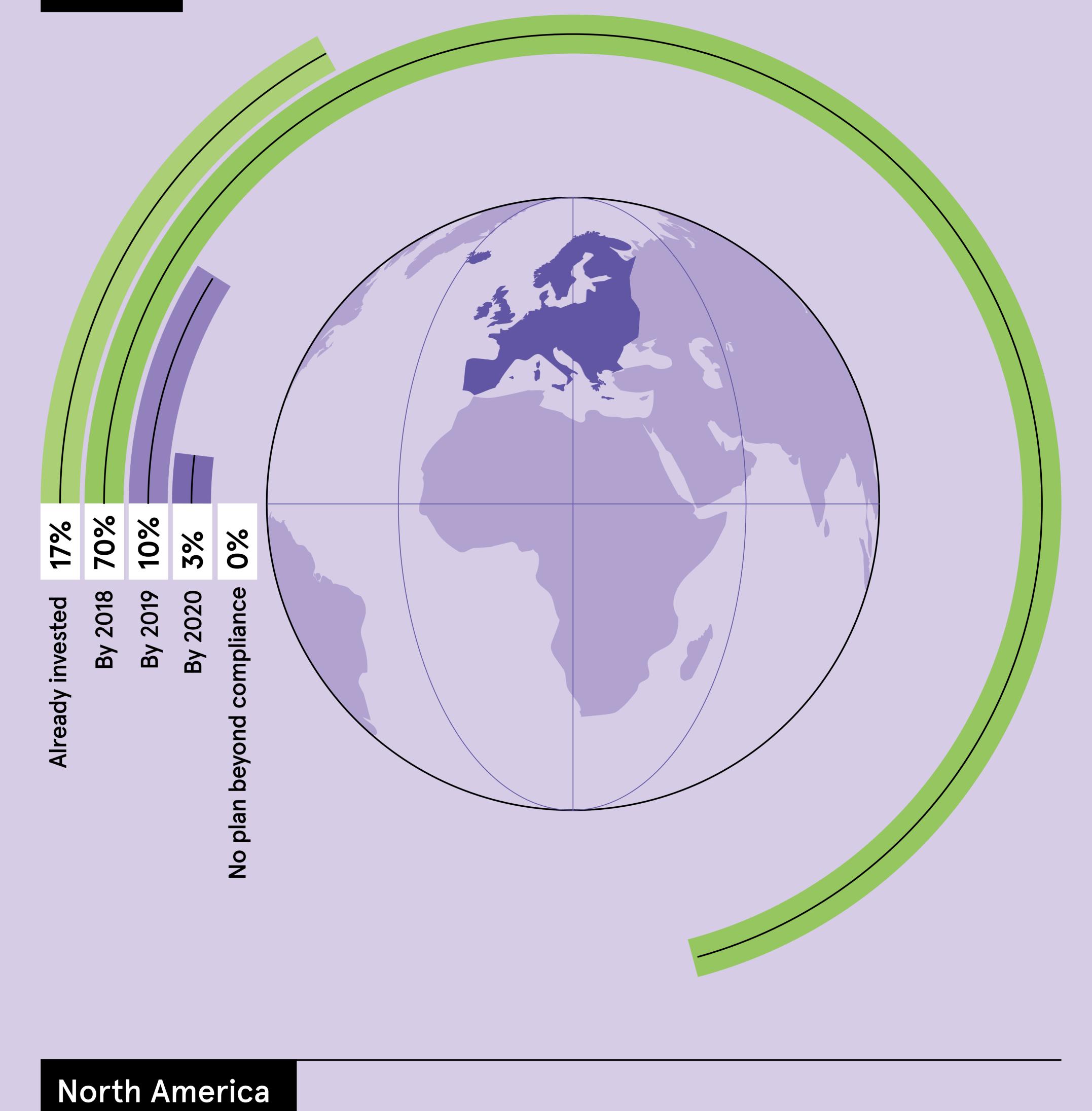


FORWARD-THINKING BANKS STARTED INVESTING EARLY

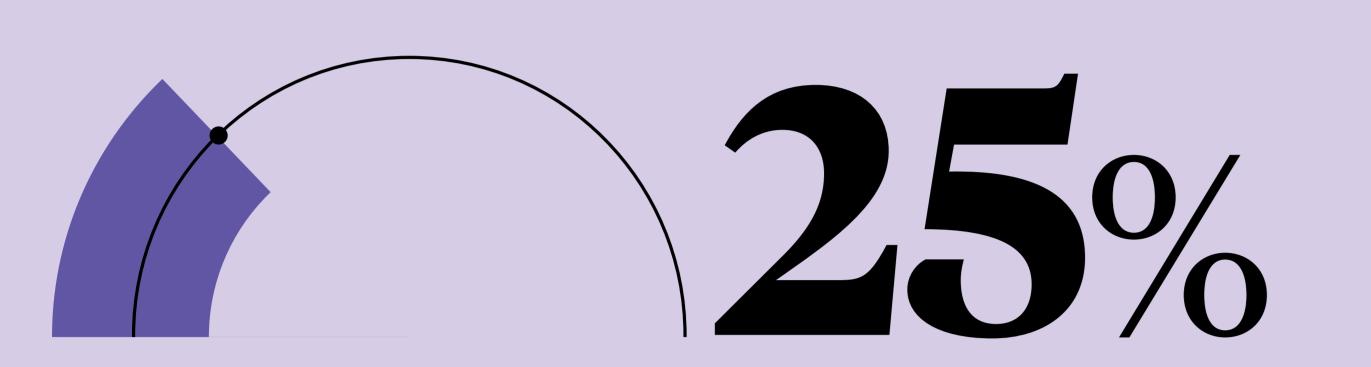
When banks stated they planned to make their major investments in Open Banking initiatives.



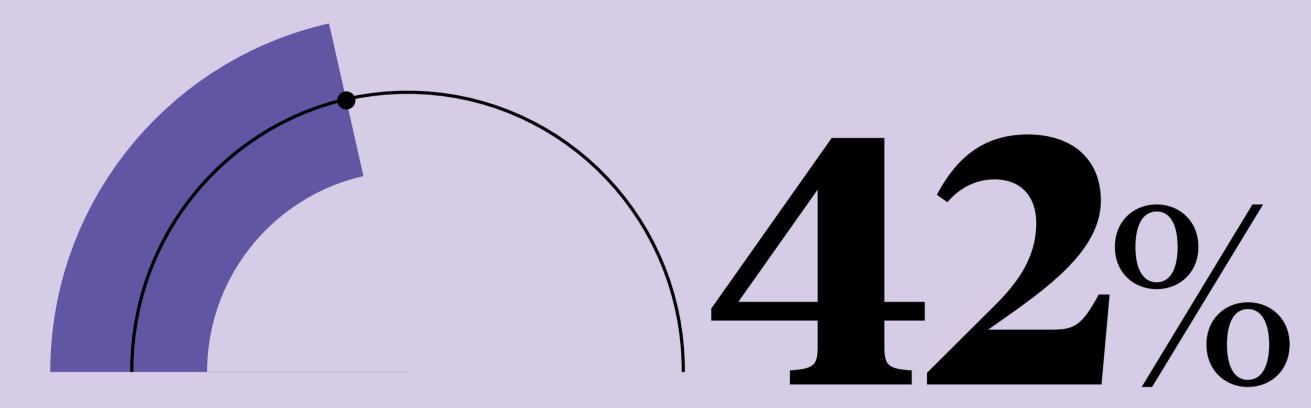
20%



of SMEs won't pay for any Open Banking service



will not share data with other financial providers under any circumstance

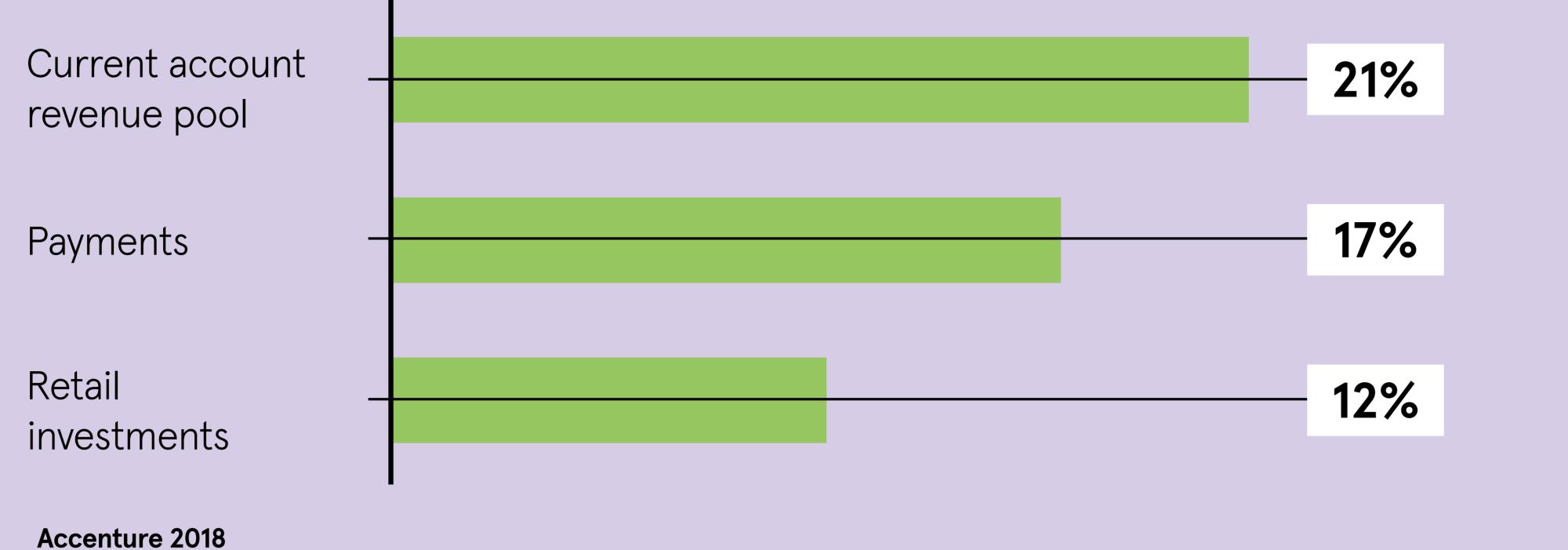


would not switch provider for any Open Banking service or product

KPMG 2018

#### UK CONSUMERS STILL NOT FULLY ON BOARD IN 2019

Consumer sentiment (measured by analysing discussion posts sourced from Twitter, Weibo, WeChat, forums and blogs) showed that consumers still weren't ready to embrace open banking.



### **BUT HOW ARE BANKS MEASURING OPEN BANKING** SUCCESS IN 2020?

-%

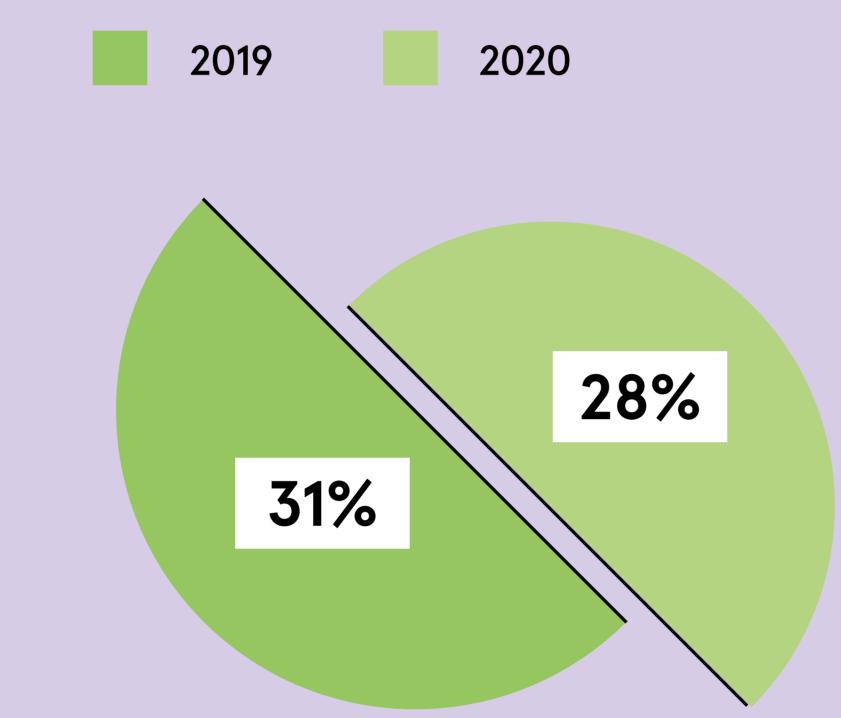
Revenue growth from new

pool

Financial institutions rated the top Key Performance Indicators for their investments in Open Banking.

#### **AND SOME BANKS ARE ALREADY REAPING THE** REWARDS

Global banks were asked what the impact of Open Banking has been on their organisation in the last 12 months.



Has allowed us to improve customer service

34%

Has allowed us to deliver

new services

28%

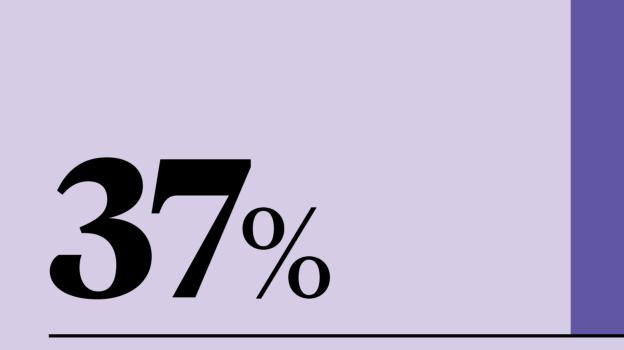
#### UK

30%	58%	12%
Global		
28%	62%	-10%
Positive percentage	Neutral percentage	Negative percentage
EY 2019		

## **R9%**

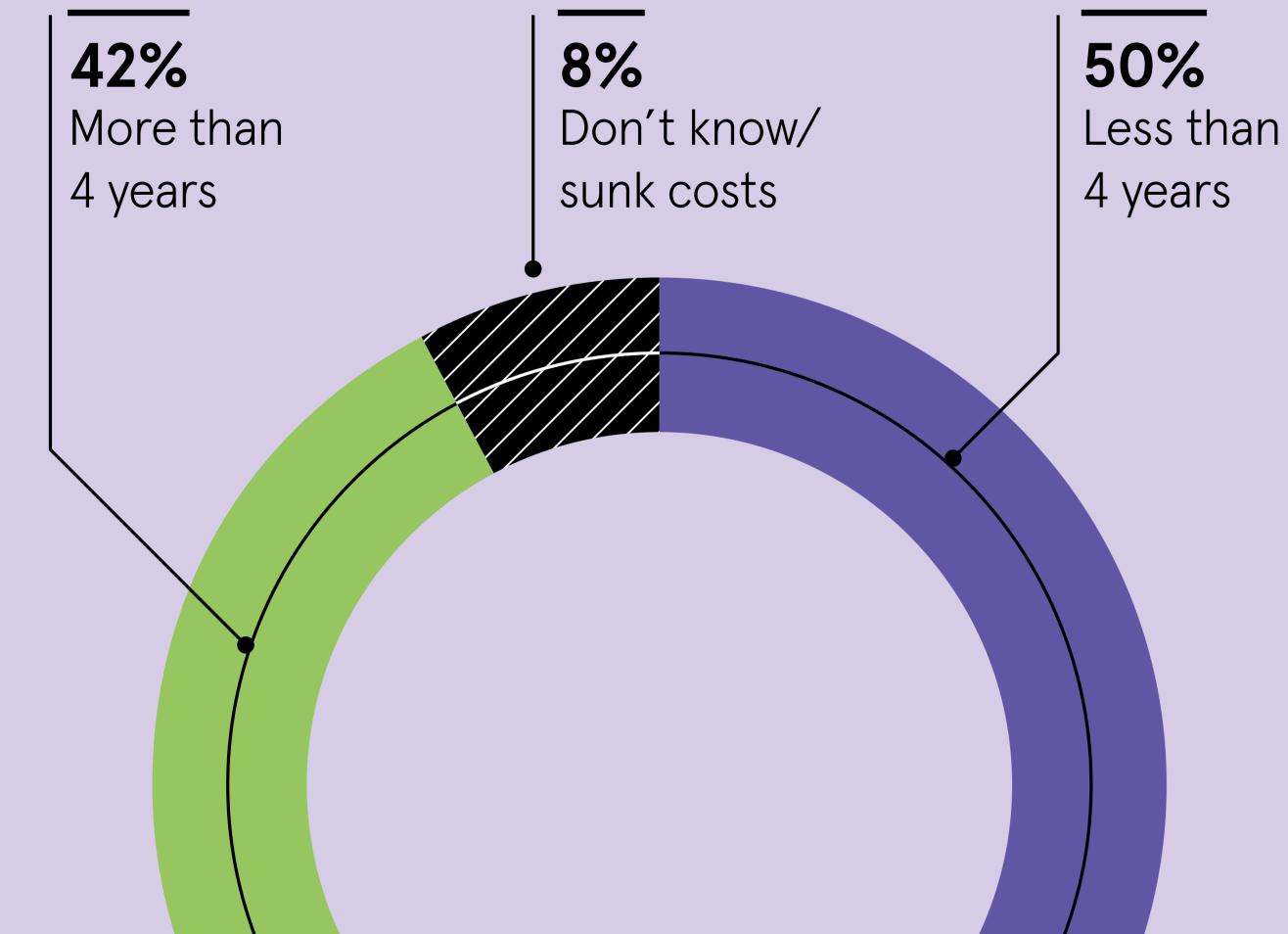
customers

Revenue growth from new financial service or products



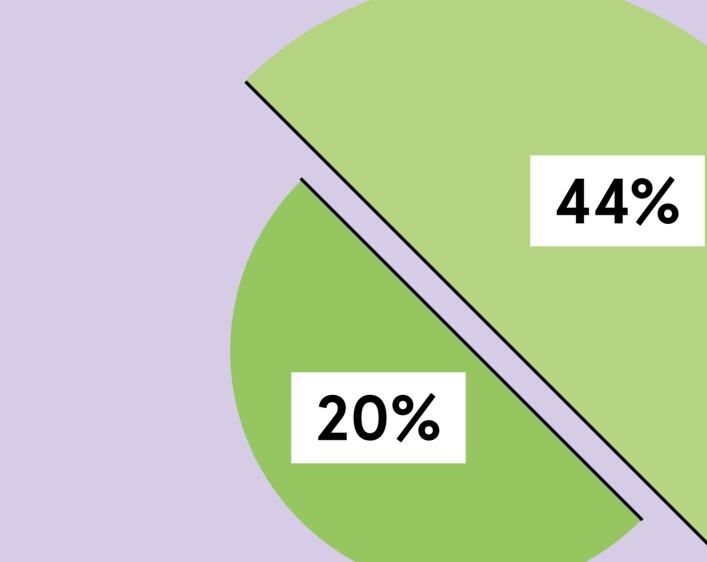
#### **BANKS EXPECT TO SEE A RETURN ON THAT INVESTMENT SOONER RATHER THAN LATER**

Half of financial institutions are optimistic about the payback period of their Open Banking investments.

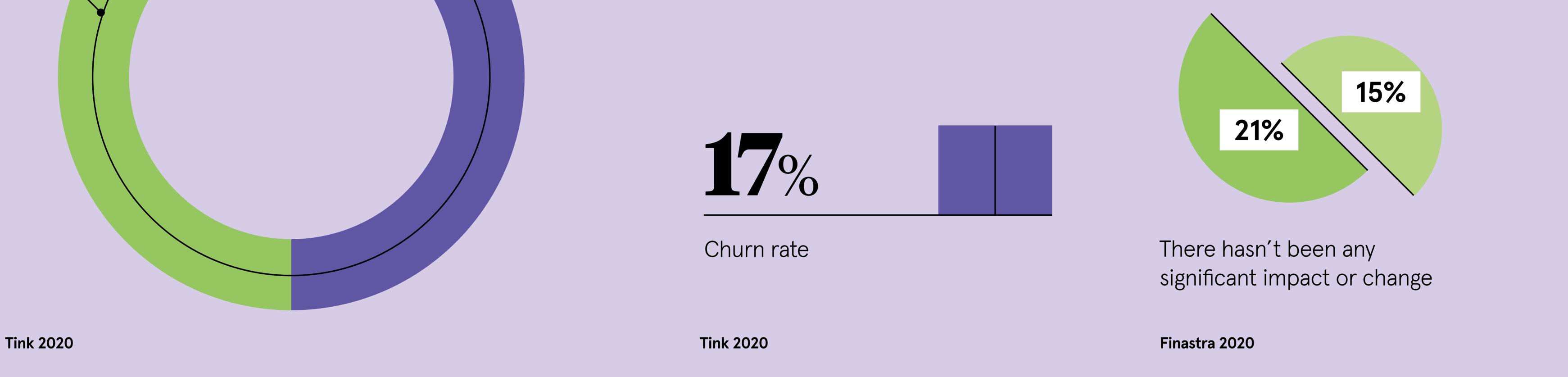


Revenue growth from new developer services or APIs



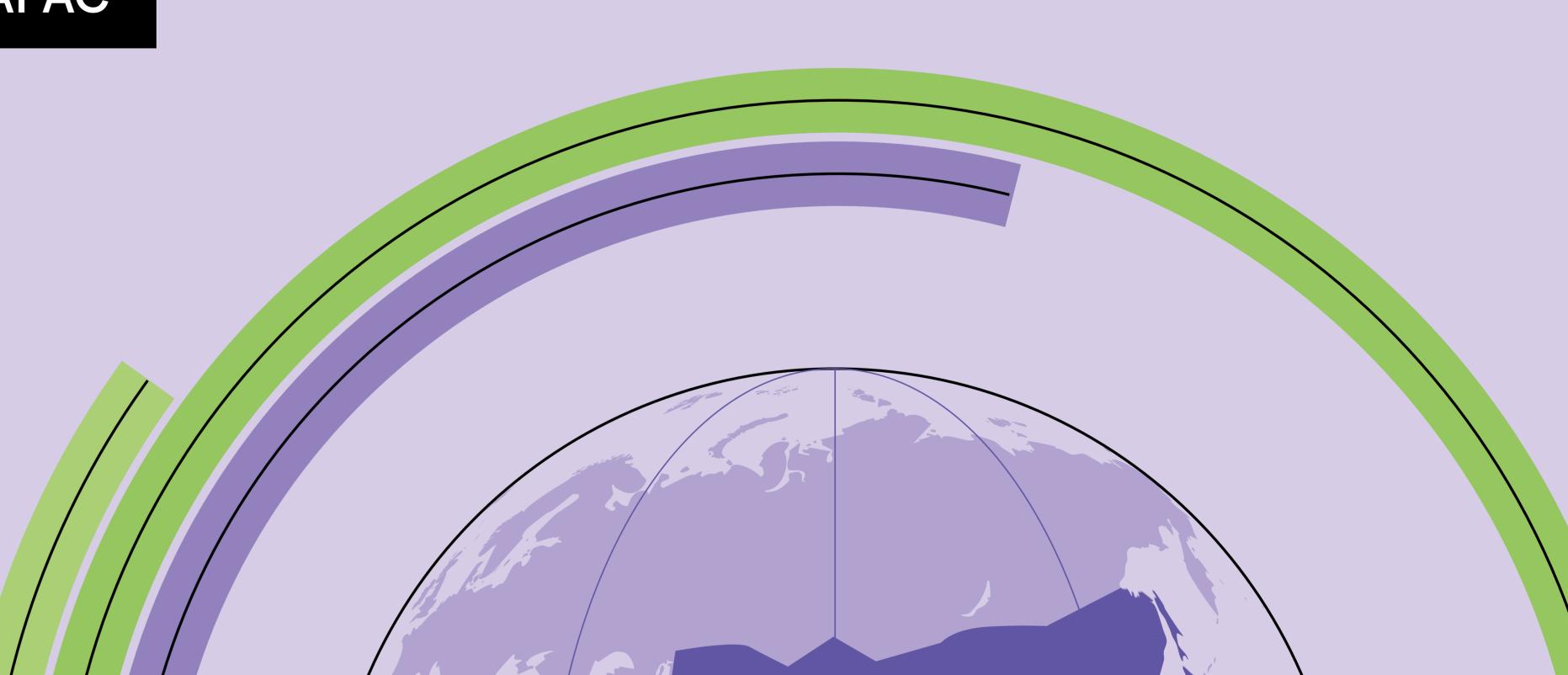


We are still in the early stages of adoption so difficult to establish



23%   63%   9%   9%   0%		
Already invested By 2018 By 2019 By 2020 By 2020		





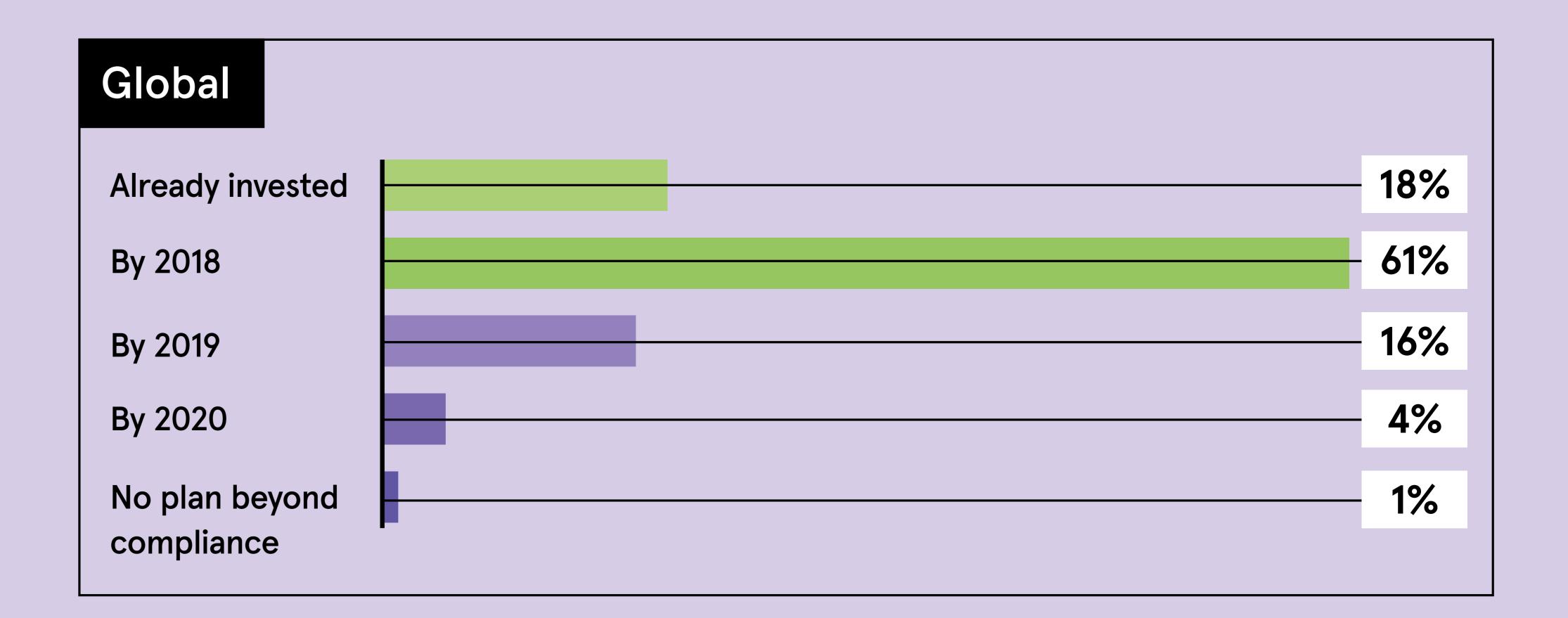
#### IN 2020, SPENDING ON OPEN BANKING INITIATIVES HAS REACHED NEW HEIGHTS

63 per cent of financial executives say their organisation's Open Banking spending has increased since 2019.

45%	7%	31%	17%
More than 100 million euros	50 millio million e	1 million to 49.9 million euros on to 99.9	Less than 1 million euros

Tink 2020





Accenture 2018

**KAUNIEUK**