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The Tink buyer's guide to open banking platforms

This checklist lays out the criteria that really matter when picking a tech partner to access the opportunities of open banking. These features make the difference between an okay service that sits in the middle of the market – and one that's truly valued by your customers.

The data

Open banking technology partners offer access to different types of data. Ask if you get access to:

☐ Payment accounts

☐ All accounts

Some partners are simply "gateways" that offer access to the payment account data provided in the banks' PSD2 APIs.

Others offer the full scope of financial data, beyond PSD2. This includes savings, investments, credit cards, mortgages, loans, insurance and more.

Why it matters

Access to payment account data under PSD2 is an important first step, and the marketplace will be flooded with new use cases. But to build the most competitive product or service (and make it personal), you'll have to go beyond PSD2 data and allow customers to see the full picture of their financial life.

The usability

Once you get access to the account data, it can be delivered in two different ways. Ask if the data is:

☐ Raw

☐ Enriched

Some platforms deliver customer account data in its raw form only. This means a lot of random numbers and letters that can make it hard to use.

Others offer data-enrichment services that clean up, normalise and categorise the data so that it can be easily analysed and used.

Why it matters

To unlock the value of the data, you have to enrich it. Raw data is hard to make sense of and thus hard to use. But enriched data (especially to a high standard) can offer valuable insights into customer behaviour and spending patterns – and subsequently allow you to deliver valuable, personalised services.

The services

The open banking platforms – third parties with PSD2 licences – offer two distinct services: account information services (AIS) and payment initiation services (PIS). Ask if the platform offers:

☐ AIS only

☐ AIS and PIS

Aggregation is a core capability and has been the focus of many of the first use cases. If you only want to aggregate data, then AIS alone could be right for you.

If you want to take your services further and offer financial recommendations that are actionable, then a platform with PIS will be essential for you.

Why it matters

Once you start with AIS, it quickly gives rise to new opportunities. So a platform that enables PIS can make your services personal and actionable. Your customers can act on your recommendations, transferring money, paying bills, making payments between accounts – all without leaving your app. PIS is the secret ingredient that leads to more seamless and time-saving services.

The market coverage

Open banking technology partners offer different levels of European market coverage. Ask if they have built a platform that offers:

☐ Local coverage

☐ International coverage

There are providers that offer bank connections and data access in a particular country or region.

Bigger players can connect you to thousands of banks and reams of data across Europe through one API.

Why it matters

If you operate in one country and don't need to offer customers access to data from other countries, then smaller national players might be for you. However, if you have plans to expand or simply want to offer customers access to their data from any bank in Europe, you'll want broader coverage. This usually also means more sophisticated technology, better quality and higher reliability.

The uptime

All platforms will have to access data through the banks' PSD2 APIs – and that means contending with the uptime of those APIs. And it might not be good. But open banking platforms can use a fallback to achieve a higher uptime rate. Ask if their average uptime is:

☐ Below 99%

☐ Above 99%

Platforms using screen-scraping as a fallback generally have poorer uptime (think around 95% or 37 hours of downtime/month). It's a slower and more vulnerable way to collect data because it relies on HTML code that can be easily changed.

Platforms using reverse-engineering as a fallback can achieve uptime rates well above 99%. This is because the data is retrieved using the same API calls a bank itself uses in its mobile banking app.

Why it matters

The accepted industry wisdom is that uptime below 99% is poor. If the bank APIs have poor downtime, then a great fallback mechanism can help bridge that gap in availability. And since any downtime for business-critical services is unacceptable, the average availability for a platform makes a huge difference.

The support

The type of service you get with an open banking platform can vary greatly – from a self-service option all the way to enterprise support. Ask if they offer:

☐ Minimal support

☐ Enterprise-level support

If you're price-sensitive and simply want to access data through an API, then a platform that offers minimal support will work for you (think: 24-hour response times).

If you want enterprise-level service delivery then a full-service platform is for you. This means SLA agreements, on-call support, roadmaps, beta testing, custom deployments and configuration.

Why it matters

It all depends on your business and your ambitions. If you're looking for an important tech provider to deliver mission-critical connectivity, then you'll likely want enterprise-level agreements, delivery, maintenance and services – all of which you can only get with an enterprise-level platform.

The "try it" option

Some platforms offer a developer portal, which allows you to try the tech before you buy it. Ask if they offer:

☐ No developer portal

☐ Developer portal

Some open banking technology platforms don't offer a developer portal. It means you have to commit to the technology before you can understand, prototype and configure your service.

A great developer portal offers access to high-quality APIs, relevant SDKs, documentation that is easy to read and navigate, and have support in place for questions and error-handling.

Why it matters

A lot of banks and fintechs use developer portals to try out the technology before they make a costly and time-consuming commitment. It also gives you an 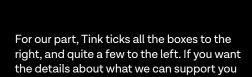indication of how established and successful that tech partner is; companies without a well-worn track record are unlikely to have a developer portal.

Taking the next step

Your answers to each of these criteria will help you assess potential partners – and most importantly – prioritise the most important factors for your organisation.

For our part, Tink ticks all the boxes to the right, and quite a few to the left. If you want the details about what we can support you with, reach out to us.

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