

**Open banking
survey 2020**

The use cases and opportunities driving open banking investments



What you'll find in this report

Finding value in open banking	3
About this survey	4
The open banking opportunity	6
Europe's most popular open banking use cases	8
Streamlining compliance and upping the customer experience	9
OK, but what are the open banking use cases?	10
Poste Italiane: investing in the customer	15
Who's focusing on what	17
Smaller companies looking for speed, larger companies looking for control	18
More competitive industry segments going customer-first	20
Compliance is a big focus across the continent	22
BNP Paribas Fortis: a first mover in open banking	25
Measuring the impact of use cases	27
Customer satisfaction trumps the rest	28
Keeping security and compliance in check	29
Taking the next steps	30
About this research	32
About Tink	35



Finding value in open banking

For many people open banking has become an abstract conversation. This report aims to change that. Financial institutions are making significant investments into their open banking programmes, but it's been unclear where the money is being spent until now.

After surveying 290 European financial executives, we learned that the top three areas of investment for open banking are areas of compliance: digital identity services, know your customer process automation, and transaction monitoring.

However, we're also seeing institutions invest in open banking use cases that make a significant impact on the customer experience: financial management services, onboarding process automation, and multi-banking services are also common areas of investment.

Naturally, focus areas vary by size of organisation, industry segment, and country. KYC process automation, for instance, isn't a big focus for

large enterprises, but it is strategic for smaller organisations. Instead, incumbents focus on digital identity services and onboarding process automation, and they're also looking more at product comparison use cases compared to other organisations.

And when looking at the results by industry segment, executives working at payment service providers are the only ones to point at multi-banking services as the most important investment area.

Going forward, executives should assess the impact of their use cases by evaluating various customer and risk KPIs. Customer satisfaction will be an important way to measure of success, as it is one of the most common open banking metrics. In terms of risk, both security and compliance risk are important metrics to take into account.

Finally, executives should use this report as inspiration for where the financial services industry is heading – opportunities abound, and they're openly available to all.



About this survey

To better understand how the open banking market has shifted since 2019, Tink teamed up with market research firm YouGov for the second year in a row. This time, we wanted to learn more about open banking attitudes, investments and use cases across Europe – so we surveyed 290 financial executives from 12 European countries to hear what they had to say.

This is the third report based on our 2020 survey, zooming in on the use cases that are associated with the open banking movement, highlighting key differences between countries and sub-verticals.





A pressing time

The coronavirus has made an unprecedented impact on the world. In June 2020, the International Monetary Fund's World Economic Outlook forecast projected global economic growth at -4.9% in 2020, 1.9 percentage points below the April forecast.

The adverse impact on low-income households and small and medium-sized businesses is particularly acute. This is an important reason why policymakers, central banks, financial institutions, and technology firms around the world are working to make finances more transparent and more accessible.

The urgency to provide remote and digital services means that more executives are looking into how open banking can play a role in the digital transformation of their organisation, and how different open banking use cases can deliver immediate value to its business and operations by improving customer acquisition and engagement, as well as employee productivity.

Please note that the data in this survey was collected before the coronavirus surged in Europe, so it doesn't account for any potential shifts in business priorities or investment budgets brought on by this crisis.

The attitudes towards open banking captured in this study are very positive – and since open banking is not a cause of the problem but provides a potential solution, we have no reason to believe these attitudes have changed.



The open banking opportunity

The world has changed significantly over the past decade. Information technology (IT) has become more secure, more efficient, and more affordable. So much more that it has become central to all financial operations in pretty much every industry.

This is a great thing because IT in banking has drastically improved the productivity of businesses and the lives of consumers. Internet banking, for example, has given people better access to their transactions and online payments have sparked an e-commerce revolution. And mobile banking, in particular, has significantly lowered the costs of moving money and has given more people access to financial services.

This trend of digitalisation and datafication of financial services started a shift where the monolithic relationships between financial institutions and its customers started to dissolve. Traditionally, financial institutions own the data and the infrastructure.

But even before the European Union enforced the General Data Protection Regulation (GDPR) and the revised Payment Services Directive (PSD2), bank customers were starting to demand that the industry shifts towards a new model.

A new model where the customer would have control over their own data and would have the freedom to choose who to share it with.

This transition – called the open banking movement – has allowed the market to unlock opportunities to improve experiences, increase personalisation, and it's helping customers get access to the best services.



Open banking essentially describes the exchange of data between a financial institution and a third-party provider (TPP) to deliver enhanced capabilities and experiences to the market.



Uncovering the opportunities

Although there's been plenty of debate around PSD2, the sentiment of Europe's financial institutions towards open banking is overwhelmingly positive. Our recent research even reveals that 61% of financial executives feel more positive towards open banking than they did in 2019.

This is extremely encouraging – particularly considering the current climate we find ourselves in. With COVID-19 accelerating the shift toward digital channels, we expect this positivity to continue growing as more financial institutions concentrate on the digital transformation of products and services.

The positive attitude is also reflected in the magnitude of investments going into this space. In fact, the median spend into open banking is roughly €50–100 million. And these budgets are growing significantly. Only 10% of financial institutions have seen their budgets go down over the past 12 months, but 63% have seen their budget go up – most even reporting double-digit growth year-over-year.

Our research also revealed that 46% of financial executives aren't confident that the benefits of open banking are widely understood within their organisations. So it's clear the industry has more work to do.

To reap the full rewards of open banking, it's essential for financial institutions to remain nimble, open-minded and strategic in their approach.

Both consumers and businesses are actively seeking out financial service providers that can help them achieve their financial goals in a way that's relevant and seamless. Executives must navigate the open banking journey by **identifying the open banking use cases that are aligned with their business goals**.

Europe's most popular open banking use cases

To understand which open banking use cases are most important to the business, we asked 290 financial executives at regulated financial institutions where they're putting their money.

And the winners are...



Streamlining compliance and upping the customer experience

While many executives recognise that open banking brings opportunities to improve the customer experience, the results make it clear that financial institutions have the responsibility to comply with the regulations too. So it's no surprise that the top three areas of investment across Europe are digital identity services, KYC* process automation (both at 40.7%), and transaction monitoring (36.6%). In fact, 71.4% of all financial executives are prioritising at least one of these compliance-related use cases.

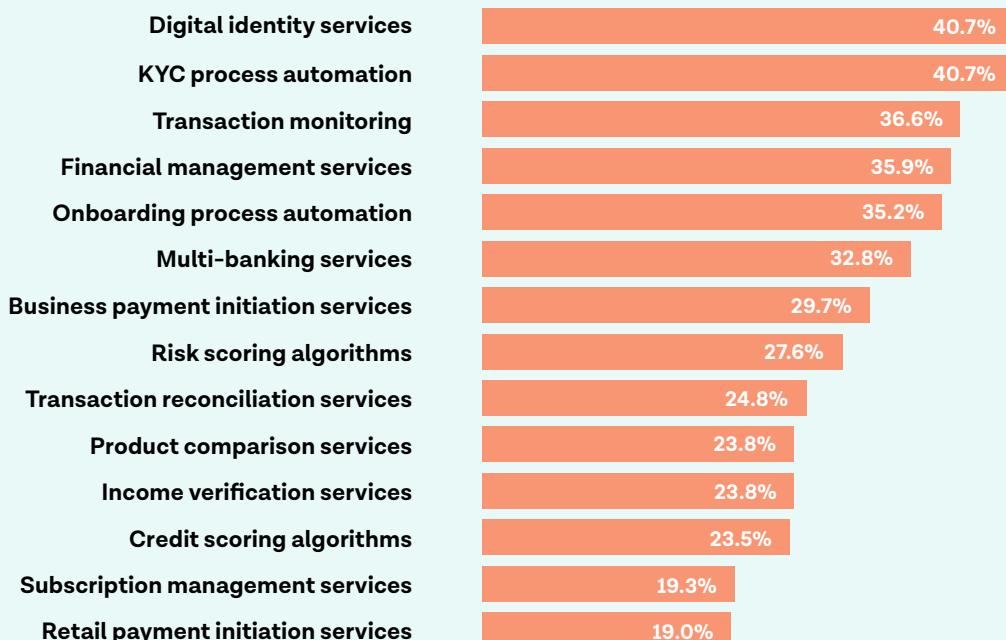
When looking past the top three open banking use cases, we see that financial institutions are going beyond compliance and exploring improvements to the customer experience. Specifically, they're investing in financial management services (35.9%), onboarding process automation (35.2%) and multi-banking applications (32.8%).

This corresponds with the top objectives in relation to open banking, as executives have indicated that they consider the primary opportunity to be the development of digital customer services and generating revenue by attracting new customers.

*"Know Your Customer" – a necessary procedure related to customer due diligence

Open banking use cases

Q. Which of the following open banking use cases is your business investing in? (Please select all that apply.)



OK, but what are the open banking use cases?

The open access to financial data brought on by open banking brings with it many opportunities. The truth is, this data can be used in many ways and to achieve different things.

This research includes the most common and popular use cases being explored by financial institutions. Here's a brief description of what each of them refers to.

Digital identity services

This is a hot topic in the world of open banking, since strong customer authentication is one of the legal requirements set by PSD2 – meaning banks, card issuers, and many other

payment services providers (PSPs) have needed to make significant investments to strengthen their customer authentication methods.

Digital identification is also very important because it lets banks verify who the customer is when a TPP is trying to retrieve financial information on the customer's behalf.

KYC process automation

Increasing automation in the KYC process can enhance and accelerate this necessary procedure by being able to fetch and verify customer information.

Although open banking can't help with the legal requirement to identify customers using a government-issued ID, it can help with others. Like fetching the account holder name from a payment account registered under the person's name, verifying a bank account number or identifying additional accounts associated with the customer.

Transaction monitoring

Transaction monitoring is a requirement for all PSPs that hold funds, execute and process transactions. It's what lets these

PSPs detect unauthorised or fraudulent payment transactions by looking for anomalies in the data.

Open banking can help improve the profile of the customer and further improve the ability to identify abnormal activity when it occurs.

Financial management services

By aggregating financial information from different accounts and banks, open banking can revolutionise money management for consumers and financial planning for businesses.

Consumers get more value out of personal financial management (PFM) apps that can show the full picture of their finances – which is often spread through different accounts. And businesses save time and money by being able to assemble financial information from different banks across various jurisdictions into a single information system in a fast, intuitive, and transparent way – without needing to export and consolidate the data using standardised formats (like MT940).

Onboarding automation

The onboarding process for financial institutions may be considered one of the most important bottlenecks in acquiring new customers. Open banking has the potential to remove many of the hurdles new customers face – like having

to fill in long applications that require them to dig up hard-to-access financial information, or send notarised copies of documents with this information.

Open banking can help users automatically fill these applications by aggregating their data, reducing the hassle and stress. This makes the onboarding experience a lot smoother, or even effortless.

Multi-banking

A single banking or payments interface that would let users manage all of their finances is one of the most sought after capabilities today.

Currently, users have to use separate apps or interfaces to deal with accounts they have at different banks.

A multi-banking solution helps users manage all their accounts and initiate payments in one place, and lets banks and PSPs provide an environment where they can own the entire banking experience.

Business payment initiation services

Payment initiation is one of the most anticipated services that have been introduced by PSD2. Business payment initiation is focused on giving businesses the ability to pay invoices or make transfers in a fast and intuitive manner without needing to pay unnecessary transaction fees.

Risk scoring algorithms

By aggregating account information, various risk scores can be calculated – from credit risk (e.g. binary debt score), to insurance risk, or even health risks (by analysing the spending on gambling or unhealthy habits). Depending on the service at hand, it can accelerate the onboarding for a service process dramatically.

Transaction reconciliation services

One of the most low key use cases for open banking is to enable double entry accounting through the simple reconciliation of payment accounts. Reconciliation can also be used to verify whether an invoice has been paid or not.

Product comparison services

With access to a customer's complete financial footprint, it's possible to estimate the interest rates and service fees that are charged for their financial products (like investment account, mortgage, loan, insurance). Banks can choose to prompt a customer to see if there is an interest in a more affordable solution or alternative offering.

Income verification services

Many financial companies need to be able to verify income in order to assess whether a customer is eligible for a particular service. It's also an important component of the risk assessment. By being able to verify income, salary, and potentially even employer, financial institutions can design services that are better, quicker, and more tailored to the individual.



Credit scoring algorithms

Beyond risk assessments, open banking can be used to enhance credit scoring algorithms. Not just by fetching up-to-date account information, but by allowing a customer to provide access to their full financial situation in order to get access to a loan.

Subscription management services

An emerging use case where a financial institution operates as a concierge and helps the user by renegotiating subscription fees, activating new subscriptions, or cancelling subscriptions on the customer's behalf.

Retail payment initiation services

The payment landscape is booming and retailers are being flooded with new payment options. However, many payment options are considered expensive and payment initiation can provide a more affordable alternative. In addition, payment initiation services have applications for both point-of-sale and online payments.

“This will enable us to better shape and enrich our offering, not only in the financial business.”

Poste Italiane

Investing in
the customer



Who he is: Guido Crozzoli, Chief Information Officer at Poste Italiane.

Why we spoke to him: Guido is creating platforms to help Poste Italiane seize the opportunities of digital transformation, evolving internal platforms and integrating with third-party ecosystems to deliver improved customer experiences.

What he's known for: Relentless focus on the customer and taking best practices from other industries and applying it to logistics, finance, mobile, insurance and payments.

What is Poste's digital strategy?

Today our customers typically use one or more of our offered services, so it's critical for us to transform our systems and operations to see the customer as one individual across all lines of business.

To do this, we believe that Poste needs to transform from a 'group of companies' (logistics, finance, mobile, insurance and payments) to a 'platform company', where we can service our customers with different types of subscriptions from a single interface.

Up to now, we have multiple information systems running for various digital business operations. We want to harmonise this and create a single customer experience.

Where does open banking fit in this strategy?

Poste launched the 'PSD2' project aimed at seizing the opportunities offered by the European Directive and to take a more proactive role enabling Active and Passive PSD2 use cases.

For PSD2 Active, our goal is to enhance the PostePay app with payment initiation capabilities to let users top up the prepaid card by transferring their funds from another bank. We call this me-to-me.

We also want to aggregate other bank accounts into the Poste app to encourage the customer to manage all their finances from a single interface. So, although we know that Poste is not typically the primary bank, we have the ambition to become the preferred customer interface for our service ecosystem.



Where do you expect open banking will be in 3-5 years?

Our goal is to make all of our services accessible via digital channels and open banking APIs, and to continue to innovate the customer offering. PSD2 makes more customers' information available that we can analyse to offer a tailored solution across all Poste business lines, and relevant products from the ecosystem.

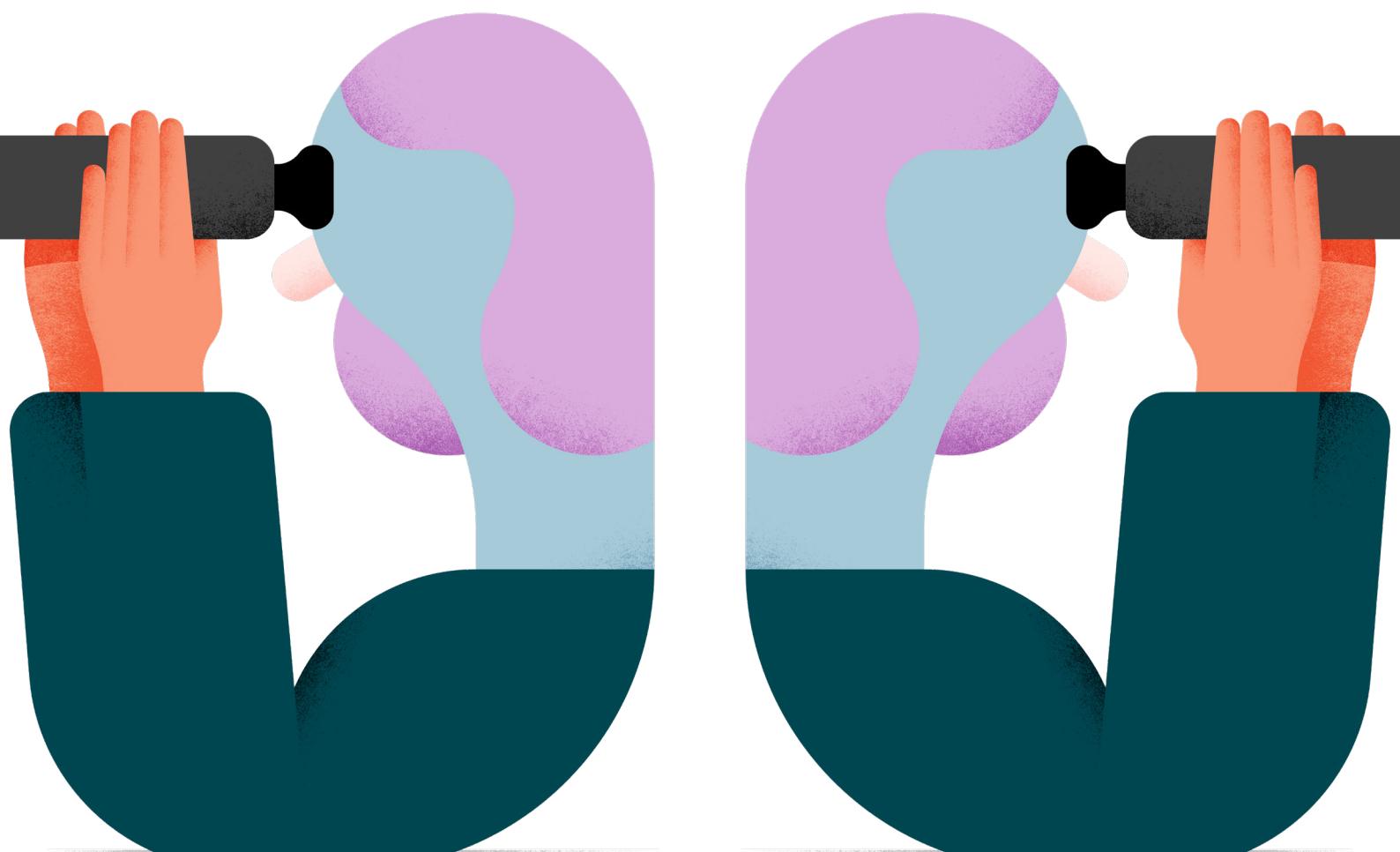
This more complete customer knowledge will enable us to better shape and enrich our offering, not only in the financial business. For example, we're working to integrate new types of services also in the high-speed domestic connectivity field, and more will come.

What's your main challenge as the CIO?

Being the CIO for Poste Italiane means that I am faced with upgrading our information systems while we're transforming our business model. We need to manage two transformations at the same time. It's a double whammy: we have a technology challenge and a digital service challenge. But I'm looking forward to the future.

Who's focusing on what

The motivation to invest in one use case or the other depends on the company's exposure to regulations, as well as the nature of the business. The data shows that the ranking of most important open banking use cases vary by size by country, sub-vertical and size of organisation.

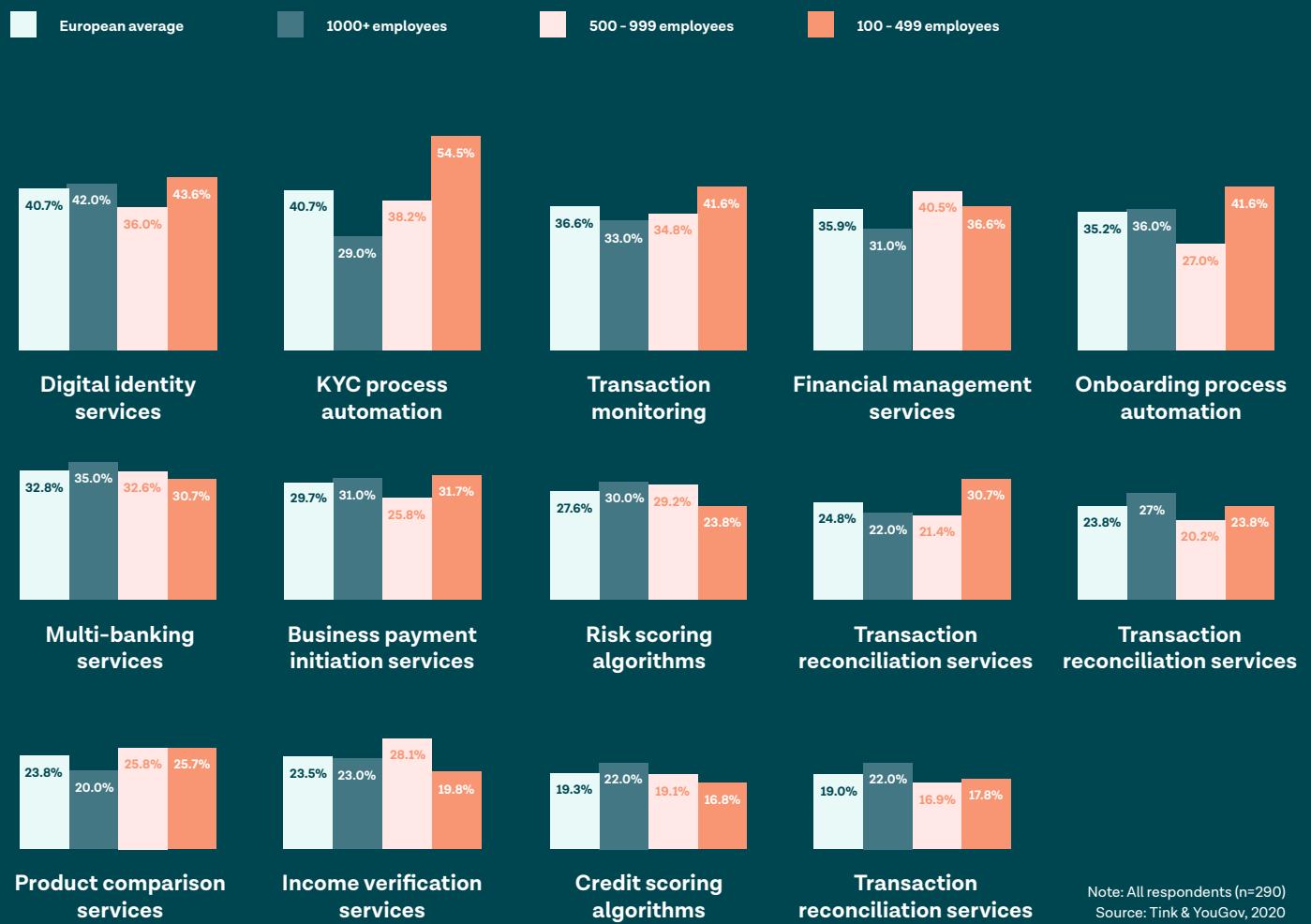


Smaller companies looking for speed, larger companies looking for control

Smaller financial institutions (with 100-499 employees) are more likely to be exploring KYC process automation use cases (at 54%) than other financial institutions, especially compared to the larger institutions (at 29%). Smaller institutions typically have limited resources for compliance operations, which means that use cases that can streamline processes and increase efficiencies are important opportunities.

Open banking use cases by size of organisation

Q. Which of the following open banking use cases is your business investing in? (Please select all that apply.)



Note: All respondents (n=290)
Source: Tink & YouGov, 2020

The investment priorities for mid-sized organisations (with 500-999 employees) are similar to the European trend, although the results show a bigger interest in financial management (40% compared to 36% on average). In addition, using open banking to enhance credit scoring algorithms appears to be higher on the agenda for mid-sized financial institutions (28%) than others (averaging 23%).

Large organisations (with over 1000 employees) are focusing primarily on digital identity services (42%), which could be related to the SCA requirements articulated in PSD2. The top ranking use cases after that are onboarding process automation (36%), multi-banking (35%), and transaction monitoring (33%).

The biggest differences observed between large organisations and the general outlook include a lower emphasis on KYC process automation (29%, compared to the 41% average), and financial management (31% compared to 36%) and a higher interest in product comparison services (27% compared to 24%).



More competitive industry segments going customer-first



Top three open banking use cases by industry segment

Traditional retail bank

Digital identity services 57.4%
Transaction monitoring 42.6%
Onboarding Automation 42.6%

Challenger bank

Onboarding Automation 43.8%
Know Your Customer 31.3%
Digital identity services 25.0%

Of course, it's not just the size of the organisation that matters. The nature of the business also has an impact on priorities, and where the money goes.

When looking at the highest-ranking use cases by industry segment, it becomes evident that the proximity to the customer tells whether a financial institution is investing in digital identity services or not.

Traditional retail banks, wealth management, credit institutions, and card schemes all rank digital identity services as the number one area of investment. Challenger banks and PSPs also see it as an important area of investment, although the top priorities for these industries are different.

In fact, challenger banks and PSPs are the only two segments where a non-compliance related use case is ranked as the top investment area.

Asset management bank

Know Your Customer 50.0%
Financial management 37.5%
Onboarding Automation 37.5%

Wealth management bank

Digital identity services 52.9%
Financial management 47.1%
Transaction monitoring 41.2%

Credit institution

Digital identity services 36.7%
Know Your Customer 36.7%
Product comparison 36.7%

Card scheme or issuer

Digital identity services 44.4%
Onboarding Automation 33.3%
Risk scoring algorithms 22.2%

Mortgage provider

Know Your Customer 45.0%
Transaction monitoring 40.0%
Risk scoring algorithms 40.0%

Payment service provider

Multi-banking services 47.1%
Digital identity services 44.1%
Know Your Customer 41.2%

Investment bank

Know Your Customer 40.7%
Transaction monitoring 38.6%
Financial management 38.9%

Note: All respondents (n=290)
Source: Tink & YouGov, 2020

For challenger banks, onboarding automation is the most important opportunity. This should come as no surprise considering that one of the main differences between challenger and incumbent banks lies in the onboarding experience. These newcomers are (literally) challenging the status quo by raising the bar on customer experience, and one of their biggest draws lies in creating frictionless onboarding so new customers can sign up and get started in minutes.

Interestingly, PSP executives are the only ones to rank multi-banking services as the most important open banking use case. PSPs are seeing an opportunity to broaden their reach by offering a complete payment experience in a single environment. This signals that open banking will incite more competition in the payments segment and that PSPs are looking to take a first-mover advantage.

Compliance is a big focus across the continent

Looking at the top open banking investment areas from a local perspective, nearly all countries have selected compliance related use cases in their top three. However, there are some interesting differences.

Respondents from France and Belgium, for instance, are focusing more on risk scoring than most other countries. These two countries have long been dependent on a handful of market participants that would perform risk analyses on behalf of the bank.

With open banking, financial institutions have the opportunity to move this in-house to increase access, improve the customer experience, and lower costs.

Onboarding process automation is primarily a focus area in Denmark, Portugal and the Netherlands. These countries are seeing the number of challenger banks proliferating, which may be increasing pressure to focus even more on customer acquisition and conversion.

Financial management services is high on the agenda in Italy, Norway, the UK, and Spain. These countries are characterised by significant competition for the digital customer experience. PFM has become table stakes, forcing financial institutions to make significant investments to meet customer expectations.

Top three open banking use cases by country

European average 

Digital identity services 40.7%
Know Your Customer 40.7%
Transaction monitoring 36.6%

Belgium 

Digital identity services 42.9%
Risk scoring algorithms 42.9%
Transaction monitoring 38.1%

Netherlands 

Know Your Customer 55.0%
Digital identity services 45.0%
Onboarding automation 45.0%

Denmark 

Onboarding automation 55.0%
Digital identity services 45.0%
Know Your Customer 45.0%

Finland 

Know Your Customer 40.0%
Digital identity services 35.0%
Transaction monitoring 30.0%

France 

Risk scoring algorithms 38.7%
Digital identity services 35.5%
Transaction monitoring 35.5%

Germany 

Digital identity services 36.7%
Transaction reconciliation 36.7%
Multi-banking services 33.3%

Italy 

Financial management 53.3%
Business payment initiation 50.0%
Know Your Customer 46.7%

Norway 

Digital identity services 47.4%
Financial management 42.1%
Business payment initiation 36.8%

Portugal 

Digital identity services 50.0%
Onboarding automation 50.0%
Transaction monitoring 45.0%

Spain 

Multi-banking services 48.3%
Digital identity services 44.8%
Financial management 44.8%

Sweden 

Know Your Customer 55.0%
Transaction reconciliation 45.0%
Business payment initiation 45.0%

United Kingdom 

Know Your Customer 60.0%
Financial management 53.5%
Digital identity services 46.7%



Perhaps the most interesting finding is that business payment initiation is one of the top use cases for Italy, Norway, and Sweden.

The focus on payment initiation shows that financial institutions in these countries are going beyond compliance and investing in areas that will generate new revenue streams and increase the volume of transactions managed by the bank. It also shows confidence from a market demand and technical perspective.

“It is about finding opportunities for meaningful offerings for the customer.”



BNP PARIBAS
FORTIS



A first mover in open banking

Who he is: Michael Anseeuw, Head of Retail Banking and Executive Board Member of BNP Paribas Fortis ('Fortis').

Why we spoke to him: Michael has been an open banking evangelist for many years and launched the first multi-banking app for consumers in Belgium, before PSD2 was fully enforced.

What he's known for: Caring deeply for the people around him, and always looking to understand how he can cater for different customers' needs.

How are things today compared to three years ago?

Things are changing so fast. Of course, the digital shift was already happening, but the coronavirus has only accelerated things.

It's changing how we engage with our customers. Since the lockdown we are open on appointment in our physical branches, and many of our customers turned to the digital interfaces for our advice and services. This went relatively well, although it was a big step for many people.

Are digital services now more important to your business than before?

Our digital channels have always played an important role in retail banking. People in my business often talk about the idea of a 'zero touch' business, but we know that many customers simply want to speak with someone before making a financial decision. Opening an account and taking out a loan can be important decisions – even life-changing for some.

Considering the industry that we're in, I don't expect that we'll see the entire business move to digital, but we do want to let our customers make these decisions on their own. In a digital world, human interaction becomes more scarce and thus more important. Moreover, this can be easily done remotely as alternative to physical.

Do you see open banking playing an important role in this?

When we look at open banking as a whole, not just within the narrow scope of PSD2, we see that there are opportunities to enhance many of our existing banking services and extend our reach into non-banking services to get even closer to the customer.



By analysing customer data we can provide personal advice on services in energy, telecoms, mobility and many other industries. But we want to provide a solution and not just advice. Sometimes that means helping customers find a more sustainable energy supplier or helping them to get a better private leasing contract. **Open banking stands at the heart of us being able to do this.**

What made Fortis decide to take the first-mover advantage in open banking?



Still today we believe that offering an aggregated perspective of one's finances is extremely valuable to the individual and can improve the financial well-being of our customers. Especially in a world where the amount of information can be overwhelming, open banking allows us to make it easier for the customer to understand what their financial situation is.

The second most important reason why we wanted to explore open banking is that we see value in the data. As the largest bank in Belgium, we have the responsibility to act in the interest of our customers. It's not so much about gaining a competitive advantage as it is about finding opportunities for meaningful offerings for the customer.

Measuring the impact of use cases

Banks are investing big, but how will they measure the success of their efforts? As the primary areas of impact, we asked what customer and risk KPIs (key performance indicators) executives would be looking to for answers.

Here's what we found out.



Customer satisfaction trumps the rest

Even though most countries and most segments are investing in compliance-related use cases, our last report found that improving the customer experience continues to be one of the main drivers for open banking investments.

Looking at the impact of these use cases on customer-oriented KPIs is therefore critical.

The results show that the primary KPI used to measure the impact of an open banking use case is customer satisfaction (selected by 45.9%

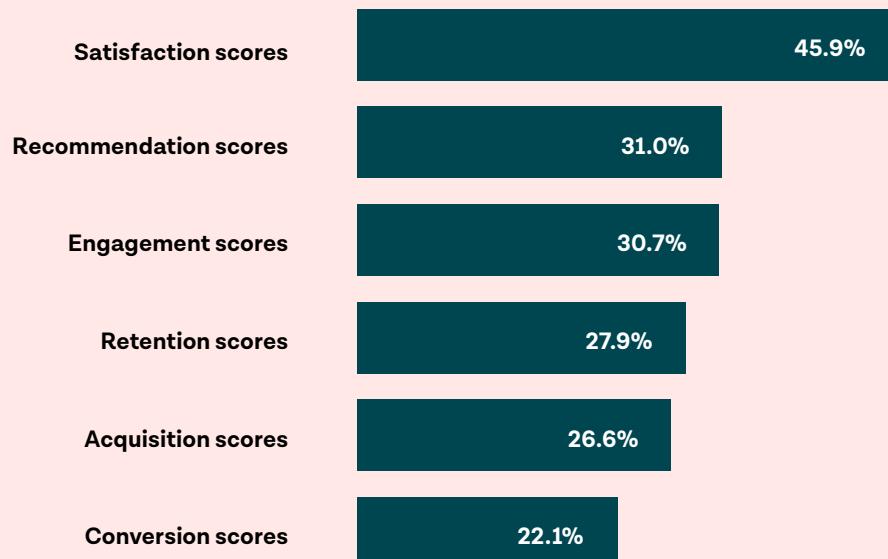
of executives). Satisfaction scores are typically reflected by the customer ratings and reviews on various platforms (like the App Store, Google Play Store, Trust Radar). However, they don't always provide the full picture.

These scores can be complemented with additional KPIs such as customer recommendations scores (selected by 31.0%) – the Net Promoter Score being the most common metric – and customer engagement scores (selected by 30.7%), which is typically reflected in terms of monthly active users.

Together these KPIs help executives understand where the friction is in the customer journey. As open banking has the opportunity to make financial services more accessible and intuitive, customer KPIs can help identify potential areas of improvement.

Customer KPIs

Q. Which of the following business KPIs, if any, are most important for your open banking investments?
(Please select all that apply.)



Keeping security and compliance in check



Finally, the KPIs related to risk prove that these open banking investments are not to be taken lightly.

The highest scoring KPI across all categories is security risk (46.9%), which is an assessment of the potential vulnerabilities related to open banking. Compliance risk (45.2%) and customer risk (44.8%) are also ranked relatively high compared to all the KPIs across all categories.

The attention to risk is tied to the fact that the open banking use cases are often the first of their kind. In addition, they're frequently the very first attempts at using cloud-computing for mission-critical purposes. Although open banking technology can be deployed in any way, hosting these services in the cloud has proven to be more affordable, more scalable, and equally (if not more) secure than traditional systems deployed on-premises.

Risk KPIs

Q. Which of the following business KPIs, if any, are most important for your open banking investments?
(Please select all that apply.)



Taking the next steps

Most financial executives have indicated they're expecting the payback period for their open banking investments to be less than five years. However, mastering open banking and the transformation of the financial services industry will take a lot longer than that.

Whether they're focusing on compliance or creating value for the customer, executives will need to draw out a roadmap to navigate the journey ahead. Here are a few recommendations of good places to get started.



Think beyond compliance

Regulations like PSD2 certainly have a big role in the emergence of open banking, but not enough financial institutions have started looking for opportunities that go beyond compliance.

It's not too late to look into the ways open banking can bring more value for existing customers, or evaluate if it brings opportunities to move into new markets with new products and services. And don't forget to explore cross-industry opportunities between financial services and retail, manufacturing, healthcare, and government.

Invest where TPPs are taking market share

Besides increasing payer protections, regulations like PSD2 also aim to increase competition. In August 2020, the EBA payment institution registry counted 342 firms authorised to perform account information services in the EU. (That's 58.3% more firms compared to last year.) These firms will be looking to compete with financial services in some markets and augment services in others.

Executives should evaluate where to invest next by assessing the complexity, impact, and urgency for open banking in every segment. It's not a secret: where TPPs are taking market share from the existing business will nearly always be the most immediate area to invest.

Upgrade the technology foundation

One of the reasons smaller fintechs are able to quickly move into new markets, is not just because they typically deal with less bureaucracy, but also because they can deploy software updates continuously and innovate at a fast pace using the technology that's available in the cloud.

Over the past few years, cloud computing has become the new technology paradigm and has proven to be equally, if not more secure than the traditional banking systems. It also lets IT leaders work closer to the business and focus on creating competitive offerings instead of maintaining IT systems or mitigating risks associated with new digital services.

The move towards a state-of-the-art technology foundation will accelerate the time-to-market for many of the open banking use cases described in this report.

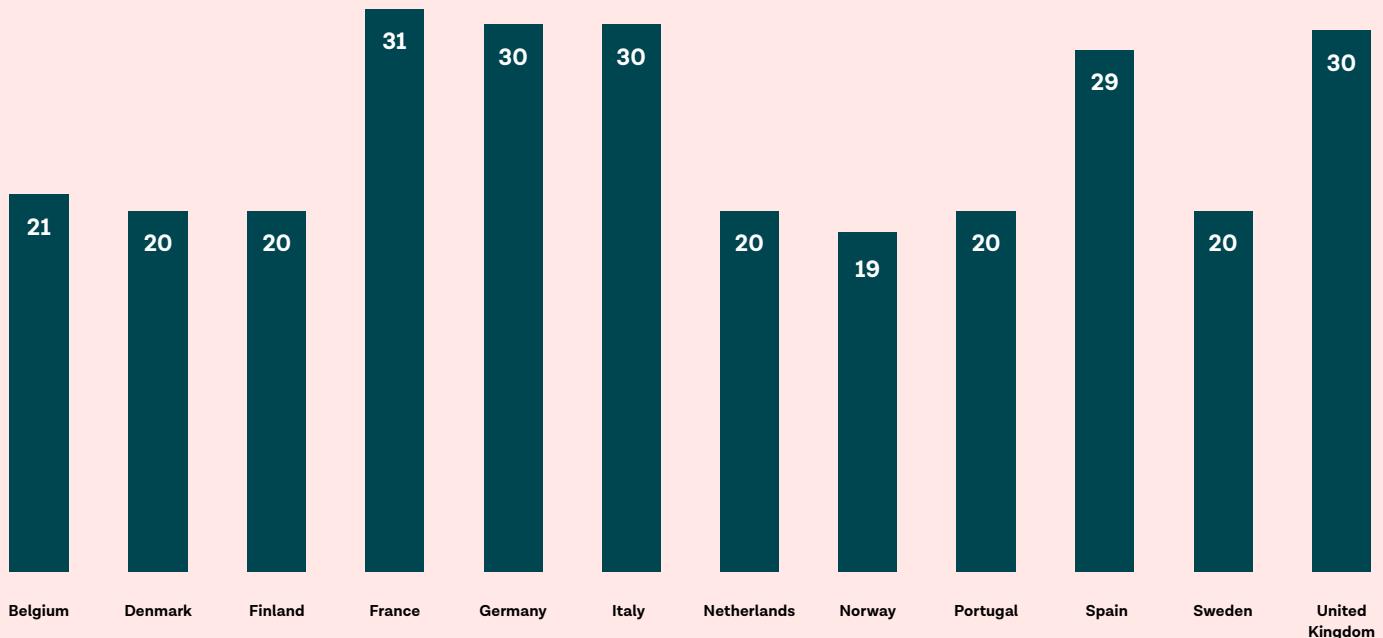
About this research

Tink enlisted the help of independent market research organisation YouGov to conduct a wide-ranging survey on the state of open banking in Europe.

All interviews were conducted by YouGov between 28 January and 3 March (2020), and included 290 prominent financial services executives spread across 12 countries.

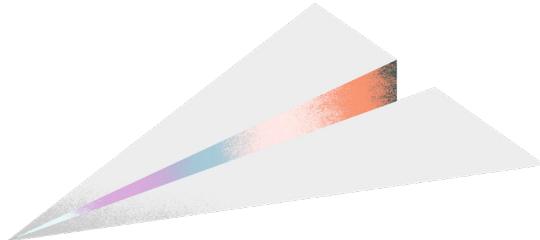
Sample size by country

Q. Where are you based in terms of daily operations?



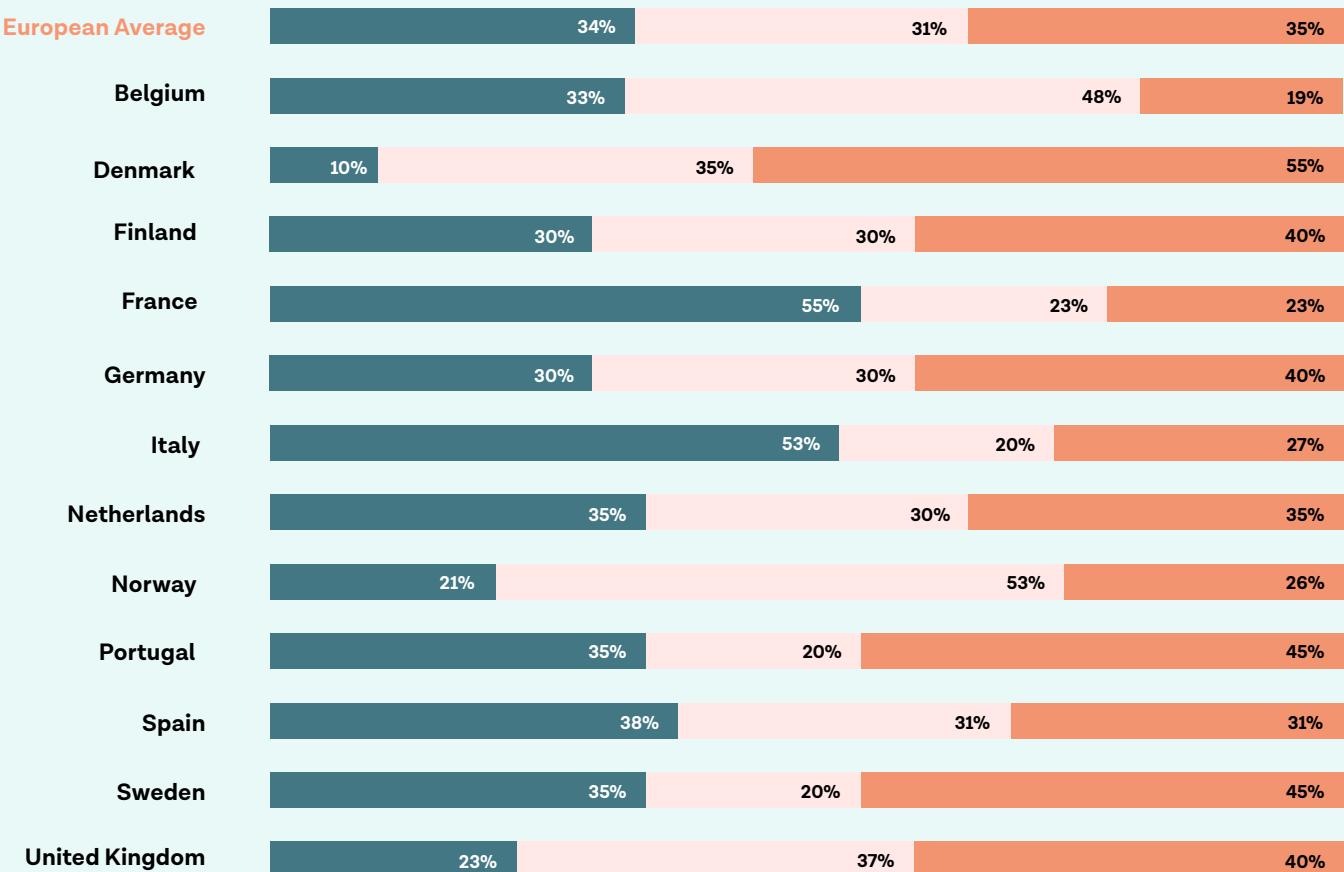
The participants answered questions through telephone interviews and an online questionnaire (in their local languages, to improve the validity of responses).

In order to participate in the survey, participants needed to be i) senior decision-makers or influencers, ii) employed by a regulated financial institution, iii) have at least some knowledge of PSD2, and iv) insight into the open banking investment plans.

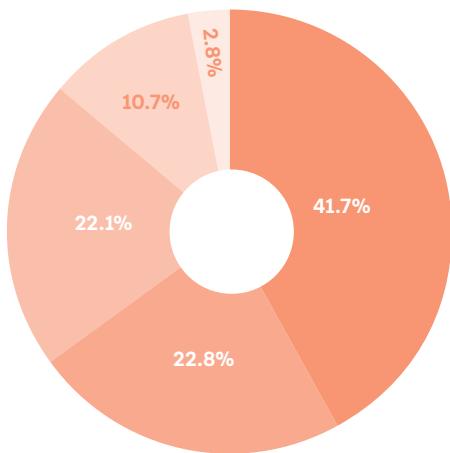


Size of organisation by country

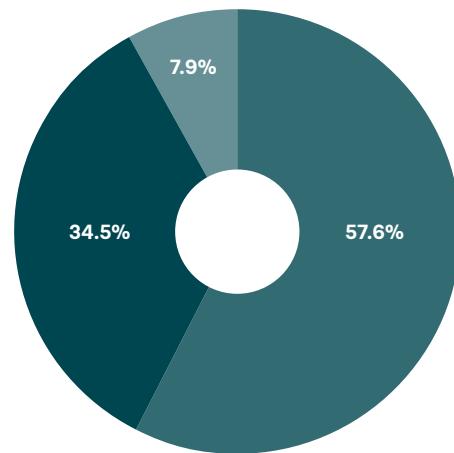
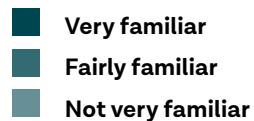
More than 1000 employees
 500 - 999 employees
 100 - 499 employees



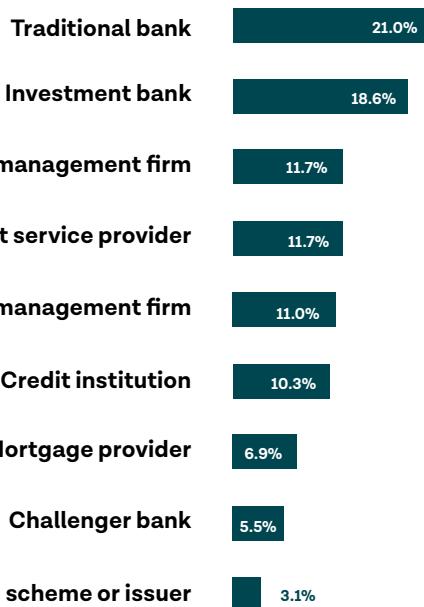
Respondent seniority



Respondent familiarity with PSD2



Type of financial institutions



Respondent by department



About Tink

Europe's leading open banking platform, Tink helps banks, fintechs and startups develop better data-driven financial services – using one API. This lets them access aggregated financial data, initiate payments, enrich transactions and build personal finance management tools.

Tink connects to more than 2,500 banks, reaching over 250 million bank customers across Europe. Founded in 2012 in Stockholm, Tink's 270 employees serve 14 European markets out of 13 offices.





Explore new and existing use cases

While this research goes through many of the most popular and anticipated open banking use cases, the truth is – we're just scratching the surface. There's a lot you can create and solve using open banking.

To find out more about existing opportunities currently available for the picking, check our [open banking solutions guide](#).

If you have a new idea in mind, we'd love to help make it a reality. Give us a shout:

partnerships@tink.com