POTENTIAL OPEN BANKING ENABLED PROPOSITIONS

(NON-EXHAUSTIVE)

PROPOSITION 1 PROCESS IMPROVEMENT

- **CREDIT SCORING** (B2B, B2C) — Higher quantity and quality of credit rating information
- **IDENTITY VERIFICATION AND KYC** (B2B, B2C) — Simple verification capability for FS and non-FS products and users
- **INTERNATIONAL REMITTANCE SERVICES** (B2B) — Simple and fast transfer of money internationally
- **DYNAMIC PAYROLL** (B2B, B2C) — Automation of the payroll process for businesses
- **LOYALTY PROGRAMMES** (B2B, B2C) — Automated management of loyalty and discount programmes

PROPOSITION 2 AGGREGATION PLATFORMS

- **AGGREGATION PLATFORM** (B2B, B2C) — Single view of customer financials across multiple providers
- **WEALTH MANAGEMENT PLATFORMS** (B2C) — Single platform to manage multiple wealth management accounts
- **LINE OF CREDIT DASHBOARDS** (B2B) — Consolidated view of multiple lines of credit

PROPOSITION 3 ENHANCED BANKING PRODUCT OFFERINGS

- **BESPOKE LENDING** (B2B, B2C) — Analysis of spending data to enable provision of customised loans
- **OVERDRAFT DECOUPLING** (B2C) — Identification of overdraft data to drive product recommendations
- **MICRO SAVINGS AND DEPOSITS** (B2B, B2C) — Tool to enable saving small amounts from available deposits
- **CASH FLOW MANAGEMENT** (B2B, B2C) — Automated management of cash balances and future cash flows

PROPOSITION 4 ENHANCED NON-BANKING PRODUCT OFFERINGS

- **UTILITIES MANAGEMENT** (B2C) — Analysis of customer utility bills to drive product recommendations
- **TAX AND ESTATE PLANNING** (B2C) — Integration of advice and management tools for personal finance
- **INTEGRATED ACCOUNTING, AUDIT AND TAX SERVICES** (B2B) — Management of business accounts (e.g. invoice management)
- **PROPERTY MANAGEMENT** (B2B, B2C) — Advice on and management of property assets

PROPOSITION 5 ADVICE AND ANALYSIS TOOLS

- **MONEY MANAGEMENT** (B2B, B2C) — Advice to customers in how they can save/spend more effectively
- **MARKETPLACE** (B2B, B2C) — Platform allowing product comparisons between third parties

INITIAL OPEN BANKING VALUE OPPORTUNITIES

REVENUE

- **PAY FOR USE** — upfront fee or a subscription based model for services
- **COMMISSION MODEL** — commission fee charged for recommended 3rd party services
- **SELL DATA** — sell aggregated data and trend analysis
- **ADVERTISING** — use mobile platforms to advertise other services (both int. and ext.)

COST

- **OPEX REDUCTION** — use more efficient 3rd party services in place of internal operations to lower cost to serve
- **CAPEX REDUCTION** — reduce technology change spend by using 3rd parties and developer communities to develop customer applications

VALUATION

- **MARKET SHARE** — maximise customer acquisition and retention to drive a higher equity valuation through offering products for free or at heavily discounted rates compared to incumbents

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SOURCE:
/Data collected by NDGIT/
Strategy&, „the future of banking is open – how to seize the Open Banking opportunity" pwc, ODI