

# Report 2022: The Enablers of Open Banking, Open Finance, and Open Data

The Future of Financial Data



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# Worldline

## The Future's Now – the Future's Open



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Guillaume Tournand ■ VP of Growth ■ Worldline Digital Commerce

Retail banks have long held a competitive advantage because they kept a tight grasp on their customer data, allowing them to own the relationship with their customers and hence making the barriers to entry for competitors prohibitively high.

Open Banking's core tenets aim to facilitate greater competition, innovation, and consumer choice within financial services, by asking banks to make their data open and available through Application Programming Interfaces (API) – provided the customer consents – so that third parties can offer new, innovative financial services, such as triggering payments from a customer's account.

For online businesses, Open Banking represents an opportunity to gain an even deeper insight into customer behaviour and grow sales. This puts payment providers in an ideal position to help businesses access and analyse critical, value-enhancing data and unlock the full potential of Open Banking.

### The role of regulation in Open Banking

With such huge potential and a clear case for it being in the public interest, the UK's Competition and Markets Authority and the EU, through their Second Payment Services Directive (PSD2), have both mandated that banks adopt the Open Banking Standard. This in turn has created a single payment market within the EU, allowing for innovation and the cross-pollination of ideas. At the centre of this is banks opening their APIs to other companies, mainly Third-Party Payment Services Providers (TPPs). Additional authentication and third-party access requirements have since been put into force and now Open Banking marries both the flexibility and security everyone insists upon while removing friction from transactions between companies.

For Open Banking to take off, it is vitally important that consumers are assured their data will be protected. In Europe, this has largely been made possible by the EU General Data Protection Regulation (GDPR) which provides a standard dictating how any organisation holding, or providing access to, consumer data must secure that information. With access to consumer banking data, TPPs will be able to innovate a broad range of new financial products and services that offer customers more choices untethered to the bank they hold their accounts with. Primarily, PSD2 will also promote greater competition and improve efficiency by removing friction.

### Seizing the initiative and converting the opportunities

Open Banking is rapidly enabling businesses to offer new payment options. By accessing the customer's account information through the bank's API, online businesses will be able to:

- **Allow customers to pay instantly**

Open Banking will give online businesses access to Instant Payments infrastructure, meaning that funds can be immediately remitted into the account from the payer.

- **Eliminate chargebacks**

Chargeback fraud or so-called 'friendly fraud' is a major source of lost revenue and lost goodwill to online retailers. With Open Banking there is no Chargeback mechanics by design, instead allowing companies to offer much fairer and more efficient dispute resolution alternatives.



- **Cost Benefits**

Account-to-Account (A2A) payments are initiated without interchange or scheme fees. Therefore, A2A can be up to 80% cheaper than card payments for merchants. Consumers could also benefit from these lower costs, as the merchant may pass some of the savings to the consumer.

- **Build customer loyalty**

All businesses can create a branded payment solution, integrating ideas like points and loyalty schemes or delayed payment. Likewise, they can analyse banking data to identify relevant audiences and target more tailored offers and discounts based on a customer's transaction history.

- **Transform the checkout process**

Ecommerce companies will be able to embed bank account information into online store checkouts, displaying the shopper's account balance and transaction history, allowing them to keep control over their spending and the availability of funds.

These are some examples of what is currently available. Open Banking is just getting started, and future applications could include AI-enabled 'predictive banking' that anticipates customer demand ahead of time and intelligent personalised Direct Debits that consider the customer's lifestyle (when they pay rent and get paid for instance).

### So where next for online businesses?

Open Banking has the potential to radically change the financial services and payments landscape, so it's something that online businesses should be giving very serious consideration to. In the short term, it enables to offer more cost-effective payment methods. In the long-term, Open Banking will allow online businesses to gain a detailed insight into consumer financial behaviour, which could be used to build customer loyalty, customer credit scoring, and provide more personalised payment options.

### Worldline and Open Banking

At Worldline, we utilise our expertise in the payments space to create custom payment solutions to enable swifter payments with optimised costs. The complexity of working with the APIs is handled by Worldline, so businesses can concentrate on providing a first-class service to their consumers. This new development will bring the possibility of leveraging data previously held by banks to give consumers new and more in-depth, compelling payment experiences that increases engagement.


To learn more, you can read our new paper outlining the details of Open Banking and the opportunities for your business. Click **here** to download your copy. To learn more about Worldline's Open Banking solution visit: <https://worldline.com/en/home/solutions/online-payments/open-banking-for-merchants.html>

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**WORLDLINE** 

[worldline.com](https://worldline.com)

**Worldline** is a global leader in the payments industry and the technology partner of choice for merchants, banks, and acquirers. Powered by c. 20,000 employees in more than 50 countries, Worldline provides its clients with sustainable, trusted, and innovative solutions fostering their growth. Services offered by Worldline include in-store and online commercial acquiring, highly secure payment transaction processing, and numerous digital services. In 2021 Worldline generated a proforma revenue of close to EUR 4 billion.

Company	Worldline
	<p>Worldline is the European leader in the payments and transactional services industry and the #4 player worldwide. As an agile and fast-growing global Paytech leader, Worldline is at the forefront of the digital revolution that is shaping new ways of paying, living, doing business, and building relationships.</p>
<p>Website</p> <p>Active since</p> <p>Head office</p> <p>Country offices in</p> <p>Funding rounds and investors</p> <p>Business revenue 2021</p> <p>Year over year growth rate</p> <p>Number of employees</p> <p>Member of industry association and/or initiatives</p> <p>Awards</p> <p>Contact (phone number / email address)</p>	<p><a href="https://worldline.com/">https://worldline.com/</a></p> <p>1973</p> <p>Tour Voltaire 1 place des degrés CS 81162 92059 Paris la Défense Cedex</p> <p>Argentina; Australia; Austria; Belgium; Brazil; Canada; Chile; China; Croatia; Czech Republic; Denmark; Estonia; Finland; France; Germany; Greece; Hong Kong; Hungary; India; Indonesia; Italy; Latvia; Lithuania; Luxembourg; Malaysia; Netherlands; New Zealand; Norway; Poland; Romania; Singapore; Slovenia; Spain; Sweden; Switzerland; Turkey; UK; US</p> <p>Please refer to our corporate investor page: <a href="https://investors.worldline.com/en/home.html">https://investors.worldline.com/en/home.html</a></p> <p>Please refer to our corporate investor page: <a href="https://investors.worldline.com/en/home.html">https://investors.worldline.com/en/home.html</a></p> <p>34.2%</p> <p>18,000</p> <p>The European Digital Payments Industry Alliance (the EDPIA)</p> <p>PayTech / Ovum Innovation Award 2019 for Open Banking PayForum Award 2018 for API Management</p> <p>Henrik Hodam – <a href="mailto:henrik.hodam@worldline.com">henrik.hodam@worldline.com</a></p>
<p><b>Core solution</b></p>	
<p>What are the company's core solutions</p> <p>How it works</p> <p>What problem does the company solve</p> <p>Types of supported APIs / API standard supported</p> <p>Industries / target markets</p>	<p>Our solutions ensure secure payments and trusted transactional services along the entire payments value chain, enabling sustainable economic growth. We provide an extensive range of merchant acquiring, payment processing, and business solutions to financial institutions, merchants, corporations, and government agencies. Our continuously growing portfolio of solutions is environmentally friendly and supports trust and social transformation.</p> <p>We operate in more than 40 countries and employ over 18,000 talented and dedicated experts. With a strong culture of innovation, Worldline helps clients anticipate the future, seize new opportunities, and navigate their challenges with confidence.</p> <p>Our Open Banking platform comes with all the facilities to manage your APIs in order to make the glue between your own resources, services exposed by partners, and Worldline assets on payment, authentication, and digital services. Powerful monetisation and invoicing features are included to help you define and run new business models.</p> <p>We offer an open platform that enables access to the new PSD2 banking APIs for new services like Account-to-Account Payments, Credit Insight and Business Financial Management based on our payment initiation, and account information services. This platform also allows partner companies to make use of our connectivity to empower them with a European bank reach.</p> <p>Types: API REST Standards: Berlin Group, Open Banking, STET, and existing local schemes like in Poland and Czech Republic.</p> <p>Financial institutions (banks and PSPs), merchants, SMEs, corporates, telecom companies, insurance companies, utility companies, transport companies, governmental authorities</p>

Geographical coverage (operational area)	Geographical presence in more than 40 countries and commercial activities in more than 170 countries.
	<p><b>EUROPE</b> Austria, Belgium, Czech Republic, Denmark, Estonia, Finland, France, Germany, Hungary, Italy, Latvia, Lithuania, Luxembourg, Malta, Norway, Poland, Portugal, Russian Federation, Slovakia, Slovenia, Spain, Sweden, Switzerland, the Netherlands, Ukraine, the UK</p> <p><b>AMERICAS</b> Argentina, Brazil, Canada, Chile, Colombia, Costa Rica, Ecuador, Peru, Mexico, Paraguay, the US, Uruguay, Venezuela</p> <p><b>AFRICA AND THE MIDDLE EAST</b> Morocco, South Africa</p> <p><b>ASIA-PACIFIC</b> Australia, China, Hong Kong, India, Indonesia, Japan, Malaysia, New Zealand, the Philippines, Singapore, Taiwan, Thailand, Vietnam</p>
Number of connected banks	More than 3500 banks across 21 countries
Account coverage (%) across countries / regions	For more details, please contact our sales team.
<b>Technology</b>	
Eg cloud enabled / native cloud / on premises / hybrid	Cloud enabled
Software language	Java
Software development tools	Please refer to our developer portal: <a href="https://developer.equensworldline.com/home/api-services/access2account-apis.html">https://developer.equensworldline.com/home/api-services/access2account-apis.html</a>
When was the core technology developed	The Open Banking service is live since 2019 and will be constantly improved and extended.
<b>Partners</b>	
Technology partners	Partnership with fintech Algoan to offer next-level credit assessment solution for lenders & service providers Partnership with fintech Meniga to boost digital customer engagement with new personalised Digital Banking features
<b>Business model</b>	
Pricing model	Transaction-based pricing model
Future developments	Stablecoins: Next-generation regulated digital currencies <a href="https://worldline.com/en/home/knowledgehub/blog/2021/february/stablecoins-next-generation-regulated-digital-currencies.html">https://worldline.com/en/home/knowledgehub/blog/2021/february/stablecoins-next-generation-regulated-digital-currencies.html</a>
<b>Customers / Case studies</b>	
Key customers	c.1.1 million merchants like Accor Hotels, Spotify, Subway, TOTAL + more than 320 financial institutions such as BNPP, Commerzbank, ING, UniCredit.
Case studies	BNPP and Worldline launched the first banking app on macOS in France <a href="https://worldline.com/en/home/knowledgehub/blog/2021/april/how-bnpp-and-worldline-launched-the-first-banking-app-on-mac-os-in-france.html">https://worldline.com/en/home/knowledgehub/blog/2021/april/how-bnpp-and-worldline-launched-the-first-banking-app-on-mac-os-in-france.html</a>  Exclusive guest experiences for a best-in-class service <a href="https://worldline.com/content/dam/worldline-new/assets/documents/case-studies/michelreybier_success_story_case_study.pdf">https://worldline.com/content/dam/worldline-new/assets/documents/case-studies/michelreybier_success_story_case_study.pdf</a>
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	*The data present at the time of publication might be subject to changes and updates. For the latest stats and information, we invite you to check the profile in our <a href="#">online company database</a> .

# Get started with Open Banking

Worldline's account-to-account (A2A) payment offering allows online businesses to launch their own custom-branded payment method including speedy settlement notifications, QR-code payments with one-click refunds, low fees, comprehensive coverage and more.

[worldline.com/open-banking-for-merchants](https://worldline.com/open-banking-for-merchants)