Act Now and Use APIs a “Cambrian Explosion” Of Opportunity

Video Transcript

APIs are not a new concept. While the financial services industry has long relied on APIs for internal use, payment service providers can now leverage external open APIs to transform their customer experience in the way that the telecom and travel industries have over the past decade... to seamlessly integrate their business into their customer’s lives. Recent regulations like the Payment Services Directive and Access to Accounts in Europe are forcing banks to work with third parties, opening the floodgates for new opportunities.

These regulations are just a small part of a “Cambrian explosion” in the use of APIs by financial services companies, which will result in a larger market transformation. The landscape as we know it will forever change as financial institutions establish themselves as an integral part of a full, rich ecosystem. Imagine an ecosystem that offers your customer a personalized weekend away for which you’ve helped them save.

Within the environment you’ve created, customers can explore travel choices tailored to their needs, an opportunity for extra spending money, and dinner reservations upon arrival... all seamlessly customized and accessible within the ecosystem that you’ve helped develop...the ecosystem your digital customers expect and demand.

Time is of the essence though.
Banks today face a critical choice: to continue as a ‘utility’ supporting other providers’ customer-facing solutions, or an ‘Everyday Bank’ playing a central role in customer’s daily digital lives.

It is critical to act now. As various new market entrants like PayPal, Apple, & Google take advantage of this ecosystem, any payment services providers that are not already engaged in conversations regarding APIs are putting their future at risk. According to our research, banks could lose over 40% of traditional payments-based revenue. However, Accenture’s experience indicates that payment services providers can actually increase revenue up to 30% with the right strategy.

Rather than falling behind, forward-thinking companies are capitalizing on fresh opportunities. A large financial services company integrated APIs with Facebook to allow customers to check their balance and make transactions from within Facebook itself, becoming the first in their country to offer an easy and seamless banking experience within the social media platform. The bank increased their customer base by 20%, with 30,000 customers monthly.

The success stories of tomorrow will be built using APIs to allow financial services to extend beyond the banking environment, to where mobile customers are, unlocking new value and providing innovative customer experiences.

Accenture is at the forefront of the Cambrian explosion of APIs in multiple industries, now including financial services…and has experience in payments, open APIs, and digital banking strategies.

With industry experts, implementation know-how, and ecosystem partnerships, we can help you provide a superior experience for your customers, with agile solutions that can be built quickly.

We believe an API strategy is a business strategy, and that companies should transform immediately to go beyond regulatory requirements, expand their reach into the digital ecosystem with open API’s, and address both customer financial and non-financial needs to become central to your customer’s daily lives.

With the right strategy and technology, you can be at your customers’ fingertips for whatever their needs are... at any time...and through any device... The possibilities are endless.

Music up and out.