

Finastra survey shows growing appetite for open finance and increased collaboration in France

- 42% of financial institutions regard open finance as a 'must have' (up from 32% in 2021); 85% agree it is making financial services more collaborative
- More than 3 in 4 (76%) acknowledge that shared data and infrastructure remain a key part of the strategy for the move to Open Banking (up from 66% in 2021)

Paris, France – December 6, 2022 - Finastra research reveals that Open Banking is seen as unequivocally important in France, with 98% of respondents considering it either a 'must have' or 'important', up from 90% last year. Views on open finance are also maturing, with 90% of financial institutions in France regarding it either as a 'must have' or 'important' in the context of data sharing, up from 89% in 2021. The proportion of financial institutions that consider open finance a 'must have' has risen to 42%, up from 32% last year. This is higher than Germany (34%), yet slightly lower than the UK (47%).

The 'Financial Services: State of the Nation Survey 2022' finds that collaboration is important for the industry, with shared data and infrastructure becoming a key component of the strategic shift to Open Banking and the broader context of open finance. Some 85% of respondents in France (matching the global average) concurred that open finance is already making financial services more collaborative and having a positive impact on the industry, suggesting that French financial institutions value the opportunities open finance brings.

The global financial services industry is becoming more prudent when it comes to investing in technology due to the current economic environment. While 3 in 4 institutions in France agree that investments in technology have been constrained, this is the lowest figure globally. However, firms remain optimistic, with 72% of respondents agreeing that investments will resume in full by end of H1 2023, higher than Germany (71%) and the UK (69%).

The research was conducted amongst 758 professionals at financial institutions and banks from August to September 2022 across France, Germany, Hong Kong, Singapore, the UAE, the UK and the US. It explores the Open Banking and finance landscape, the technology and initiatives set to make an impact in financial services over the next year, and the growing importance of ESG.

Other insights include:

- **Banking as a Service (BaaS) and embedded finance are key to growth** – to achieve business growth, 84% of respondents in France say BaaS and embedded finance are important, up from 82% last year. Some 28% of French institutions surveyed have improved or deployed BaaS in the past year, compared with 35% of institutions globally. A similar number (28%) have deployed embedded finance, compared to 33% globally.
 - Financial institutions agree that these services are important to customers, with 77% of respondents in France saying that BaaS and embedded finance are already expected/demanded by customers.

The latest news from Finastra

- **Investing in innovative technology reduces overall costs** – the value anticipated from technology investments varies significantly by geography, with cost reduction seen as the key driver in France at 35%. Respondents in Germany agreed this was a key benefit, with 46% seeing value.
- **Support for ESG remains strong** – 80% of respondents in France agree that the industry is about more than just finance, with 84% saying improving financial literacy and supporting vulnerable audiences should be a key focus for the sector. This compares to 84% in Germany and 89% in the UK. Green lending is viewed as an opportunity for growth and revenue generation at 74%, comparable to Germany (72%) and the UK (83%).

“Finastra has always championed open finance as the key to unlocking the potential of people, businesses and communities everywhere,” said Simon Paris, Chief Executive Officer at Finastra. “Over the years that we have conducted this survey, we have seen open finance grow from an emerging idea to a clear priority for institutions across the world, enabling, as it does, business model shifts such as embedded banking, as well as financial inclusion and equality.”

Access the full report and findings [here](#).

Survey Methodology

- 758 professionals (at managerial level) at financial institutions and banks across France, Germany, Hong Kong, Singapore, the UAE, the UK and the US, were surveyed. These financial institutions represent a gross total of just over USD\$28 billion in turnover over the last 12 months, employ approximately 1.9m staff and have approximately 147 million client/customer/member relationships.
- As a result of rounding up percentage results, the answers to some questions might not always add up exactly to 100%. Respondents were also able to select more than one answer for some questions.
- Comparative analysis was made from results of similar surveys run by Finastra in March 2021 and January 2020 which were also conducted online amongst financial institutions and banks across the same markets.
- Research was conducted by Savanta via an online panel (end of August to early September 2022).

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About Finastra

Finastra is a global provider of financial software applications and marketplaces, and launched the leading open platform for innovation, FusionFabric.cloud, in 2017. It serves institutions of all sizes, providing award-winning solutions and services across Lending, Payments, Treasury & Capital Markets and Universal Banking (Retail, Digital and Commercial Banking) for banks to support direct banking relationships and grow through indirect channels, such as embedded finance and Banking as a Service. Its pioneering approach and commitment to open finance and collaboration is why it is trusted by ~8,600 institutions, including 90 of the world's top 100 banks. For more information, [visit **finastra.com**](https://www.finastra.com).

