

The Finance Landscape Is Changing ...

... And Embedded Finance is Here to Stay

What Do Consumers Want?



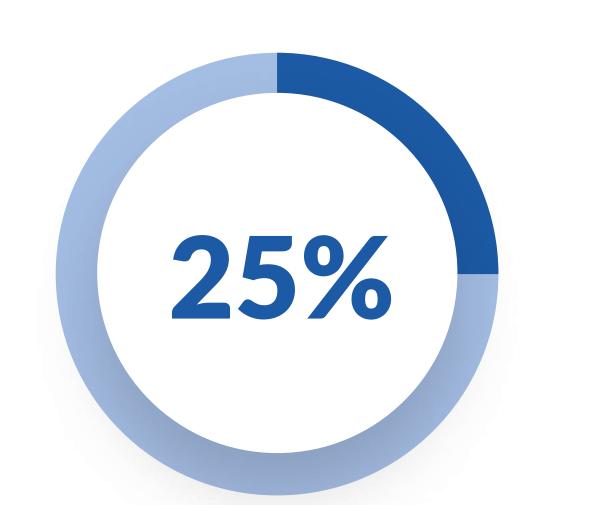
From 2020-2022, more than **2**

increase in the percentage of US (Gen Z, Millennial, and Gen X) consumers that use a digital bank as their primary checking account provider.¹

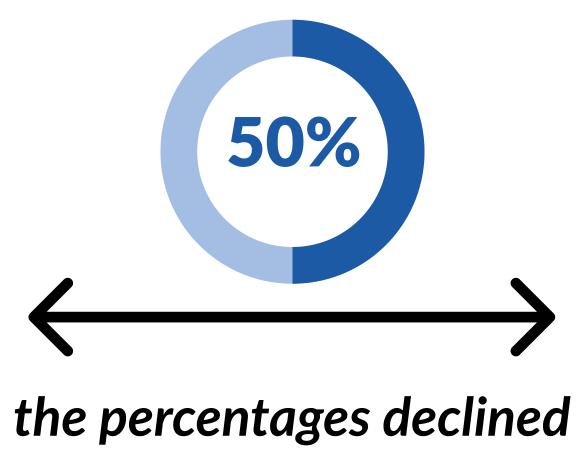


2022

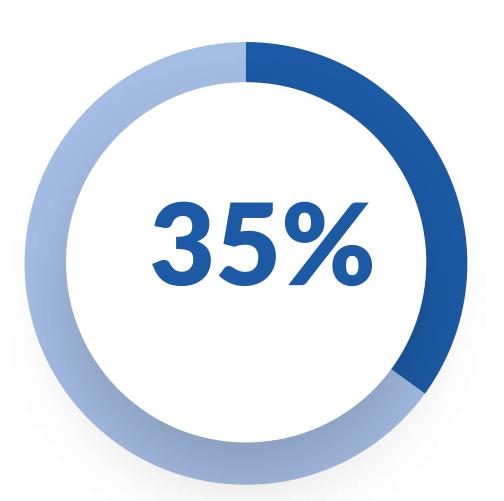
2020



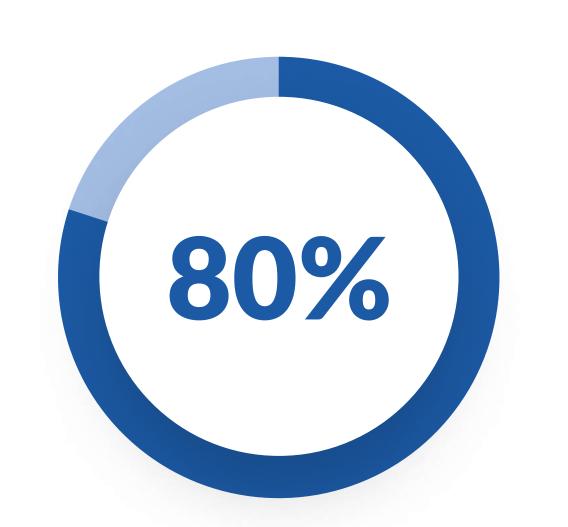
In 2022, only 25% of Gen Zers' primary checking account is with a megabank.



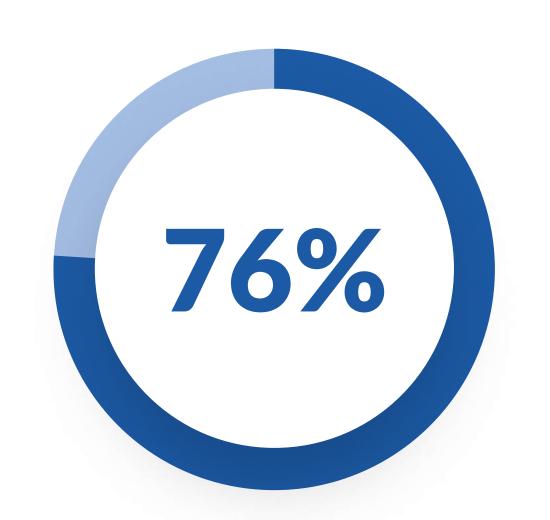
the percentages declined by nearly 50% during that period.¹



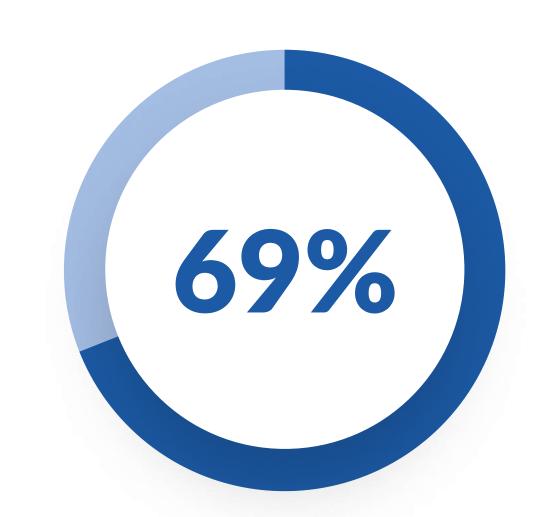
A drop from 35% in 2020; among Millennials and Gen Xers.



of US consumers believe it is vital to be able to link their bank account to the digital finance apps and services they choose.⁸



of US consumers' top priority while choosing a bank is its ability to link their account to the apps and services they use.⁸



of Americans would switch banks if their primary bank account cannot be linked to their financial accounts.¹

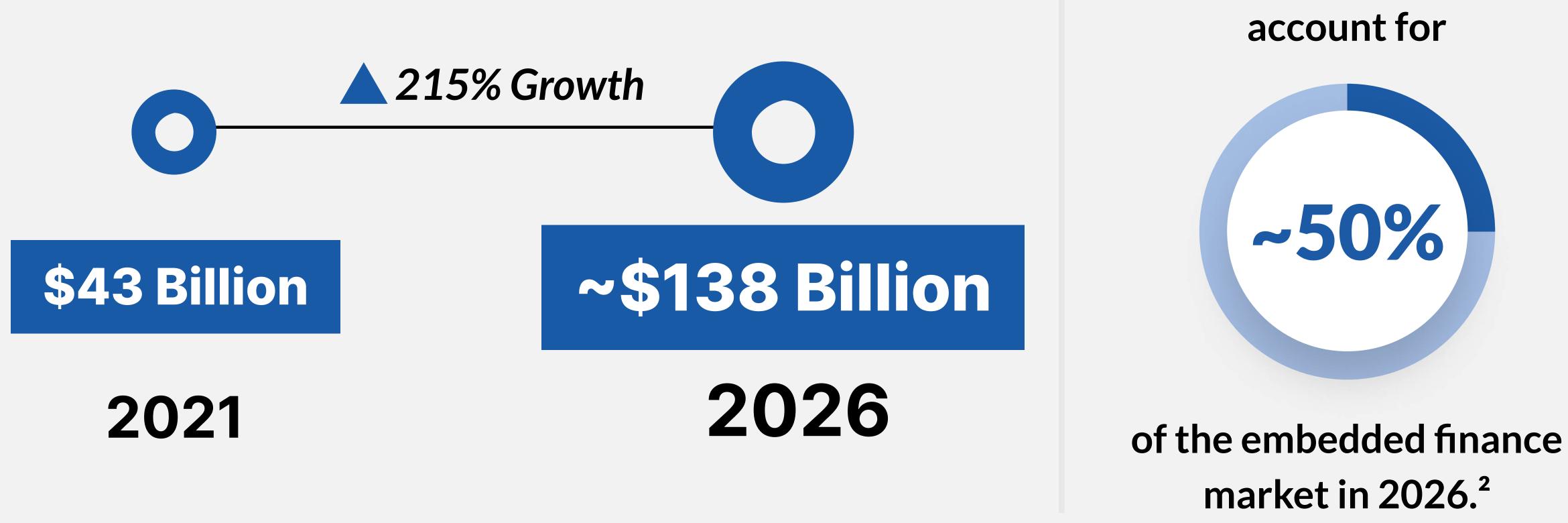
Banks that restrict customers from sharing data and connecting accounts are putting customer relationships at risk.

The Future Is Embedded Finance

Embedded finance is projected to become a

Revenue from Buy Now, Pay Later (BNPL) financing will





of financial institutions believe that working with FinTech is crucial to their business, compared with 49% in 2019.³

What Is Embedded Finance?

Embedded finance involves integrating finance products and services such as wallets, payment, lending, and bank accounts into nonfinance ecosystems.

Companies, including retailers, telecoms, tech and software, and logistics firms, are integrating embedded financial services to provide a seamless journey for their business and consumer segments.





What Is Banking-as-a-Service (BaaS)?

Banking-as-a-Service is an end-to-end model with a regulated financial infrastructure to provide banking products and services through third-party distributors.

Banks offer BaaS (often white-labeled or cobranded services) to meet the increasing demand for embedded finance.

Nonbanks can use BaaS to serve their customers. It could be a retailer offering branded credit cards, one-click payments, embedded

investments, or contactless payments.

Key Drivers for Banks and FinTechs



Improved Efficiency

Cloud, Data, and Digitization can help financial institutions enable automation and scale rapidly while streamlining their processes. They can use customer insights to reduce operative risks and prevent business processing costs.



Need for Personalized Services

With access to customers' financial data via APIs, additional third-party data, and increasing competition in the embedded finance space, it is necessary to retain customers by offering data-backed personalization.



New Sources of Revenue

Banks and Financial Institutions can monetize BaaS platforms and open banking prospects. Data insights can also be monetized by collecting customer behavior data. Financial Services companies can use the data to create innovative products to generate additional revenue.

Partner with LatentView Analytics to gain a competitive edge, identify new revenue streams and ensure customer loyalty using data-led insights.



TO KNOW MORE

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