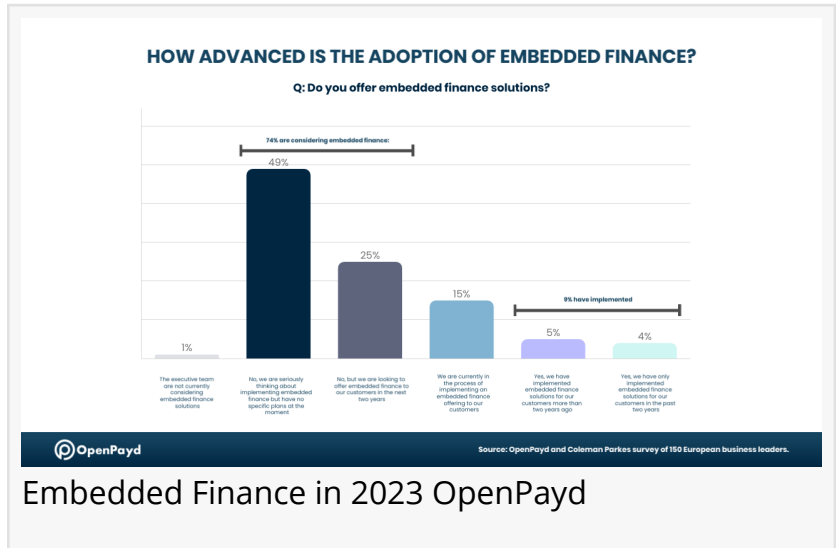


European brands to generate €626 billion by 2028 with embedded payments and embedded banking solutions

LONDON, UK, October 4, 2023

/EINPresswire.com/ -- Despite the market slowdown, new research from [OpenPayd](#) shows that decision makers across Europe expect embedded payments and embedded banking solutions to increase revenues, with the UK expected to net nearly half (49%) of the value.

New data from OpenPayd, a leading global payments and Banking-as-a-Service (BaaS) platform, shows that European brands expect to generate €626 billion over the next five years by implementing embedded payments and embedded banking solutions. The UK is on track to net nearly half (49%) of this market share.



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Iana Dimitrova, CEO at OpenPayd

While demand remains strong, the way brands are planning to introduce embedded finance solutions has changed. In 2021 the excitement around financial technology and embedded finance saw businesses prioritising growth over profitability. Today, fuelled by market uncertainty, the focus of business leaders has shifted toward increasing revenues and devising clear plans to maximise profits.

Businesses are now showing a much more conservative approach toward their embedded finance projects. This is

reflected in how they collaborate with infrastructure providers, how they prioritise the key benefits of introducing embedded finance offerings, and in the revenue they expect from introducing these solutions.

The key findings from the report:

Embedded finance is on a growth trajectory

- 74% of businesses are planning to launch embedded finance solutions. 64% are looking to deliver these offerings in the next two years.
- Although only 9% of businesses currently have an embedded finance offering, of those, 57% have expanded/upgraded their existing offering in the last two years, while 29% are looking to expand their offering, despite the economic downturn.
- 15% of respondents are already in the process of implementing an embedded finance offering.

Embedded finance to remove friction from the consumer experience

- Enhanced customer experience continues to be the key driver to the implementation of embedded finance offerings. When asked to rate the key benefits of introducing embedded finance solutions, respondents ranked:
 - An increase in the number of touch points as the key benefit (85%)
 - Adding mobile wallet or current account options to customers (82%) the second most important, and
 - Retaining the front-end customer experience (81%) third most important.

Third-party infrastructure providers are pivotal to the implementation of embedded finance solutions

- 64% of brands across Europe are looking to launch embedded finance solutions in the next two years
- 69% of businesses that have already implemented embedded payment solutions have partnered with BaaS providers to deliver the project, alongside internal teams
- 87% of businesses planning to launch embedded payments intend to partner with a BaaS provider to deliver the project, with the support of internal teams
- 90% of businesses that have already rolled out embedded banking solutions have partnered with BaaS providers to deliver the project, with the support of internal teams
- 89% of businesses planning to launch embedded banking solutions intend to partner with a BaaS provider to deliver the project, with the support of internal teams.
- When selecting an embedded finance provider, businesses prioritise speed of implementation (40%) brand reputation (22%) and providers that can create better user experiences (14%)

Embedded payments and embedded banking solutions are the most sought after

- Almost 1 in 10 already offer embedded payments and 30% plan to offer embedded payments in the next two years
- While only 7% offer embedded banking solutions to customers, 31% plan to launch an

embedded banking solution within two years

Appetite is there, but challenges remain - brands need better customer insights

Although there is a significant appetite to invest in embedded finance solutions, overarching obstacles are slowing down the adoption of embedded finance solutions:

- Nearly three-quarters (73%) of enterprises reported the lack of resources being the key challenge in the adoption or implementation of embedded finance
- 61% of those surveyed do not have a clear understanding of their customers' needs / pain points to make a decision on which embedded finance solutions to implement
- Over half of respondents (56%) experience difficulties in finding the right embedded finance service providers

"Over the last two years, the hype around embedded finance has been replaced by a hard-nosed reassessment of where and how embedded finance can bring value. We're clearly seeing businesses refocus on the potential to strengthen the customer experience, deepen their customer relationships and open up new revenue streams" said Iana Dimitrova, CEO at OpenPayd.

Embedded payments and embedded banking solutions are in high demand. Businesses across Europe, expect to net €626 billion in the next five years by adopting these offerings - clearly both B2B and B2C companies have high expectations from embedding financial services. We are already seeing a set of behaviours that are setting the leaders in embedded finance apart from the rest: They are partnering with infrastructure providers, being pragmatic about the scope of a project and staying laser-focused on the customer. Those attributes will be key to unlocking the potential of embedded finance" added Iana.

The full report Embedded Finance in 2023 can be [downloaded here](#).

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About OpenPayd

OpenPayd is a leading global payments and Banking-as-a-Service platform for the digital economy. Through its API-driven technology, businesses can embed financial services into their products and create the seamless user experiences needed to drive business growth.

OpenPayd's platform removes the need to contract with multiple providers for different services and across different markets. Instead, businesses can access accounts, FX, international and domestic payments, acquiring and Open Banking services globally via a single API integration. With licensing across the UK, Europe, Canada and others, OpenPayd is committed to providing businesses with a fully compliant solution across all markets, leaving your business to focus on growth.

For additional information on OpenPayd, please visit <https://openpayd.com/>.

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