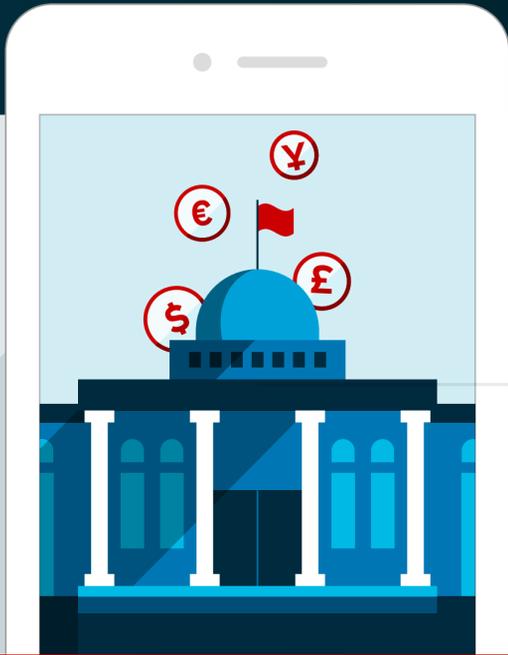


# BEYOND BANKING

## Modernize financial services with open APIs

In the “Beyond Banking Through Open APIs” study, IDC examines how open application programming interfaces (APIs) can help financial institutions meet the challenges posed by digital transformation. With open APIs, banks can increase customer access, modernize costly and rigid legacy infrastructures, and address burdensome regulatory requirements.



### MODERN BANKING = MODERN SYSTEMS

To continuously improve customer experiences, banks must break down monolithic, institutionalized processes and policies to create a culture that sparks innovation.

**90%** OF BANKS ARE ALREADY ON THEIR PATH OF TRANSFORMING TO BE MORE DIGITAL.

**8%** are considered disruptors due to their high levels of digital adoption.

### AN OPEN API ENVIRONMENT IS CRITICAL TO MODERN BANKING TECHNOLOGY STRATEGY.

Whether private, partner, or public, open APIs are the necessary building blocks that define an agile, modular application environment. This environment allows banks to quickly build applications and deliver new banking products and services to consumers and partners.



- VIEW OPEN APIS AS A WAY TO:
- Modernize their legacy systems.
  - Improve customer experiences.
  - Address compliance requirements.
  - Break into new business models.

## KEY PERFORMANCE INDICATORS (KPIs) AND GOALS

When IDC asked banks globally how they measured the success of digital transformation programs, 58% of them pointed to participation in digital marketplaces as their primary indicator of success.

### KPIs used to measure digital transformation success



### Participating in marketplaces outside of traditional banking accomplishes important goals:

- INCREASES THE REACH** of the bank's brand through partnerships
- PROVIDES MORE PRODUCTS** and services to its customers, faster
- IMPROVES CUSTOMER SERVICE** and increases revenue

Only through digital transformation can institutions look beyond banking to the future of financial services.

## IDC ESSENTIAL GUIDANCE

Building an open API environment allows banks to create new products and business models faster, reduce the costs of legacy system integration, and monetize assets that have traditionally been locked in.

To increase the bank's potential without compromising the security of its systems and data, governance of the open API environment is a necessity. Banks should:

- ▶ Set policies and procedures.
- ▶ Manage monitoring and reporting.
- ▶ Create an API management gateway.
- ▶ Set an API strategy that includes line of business priorities.

## BEYOND BANKING THROUGH OPEN APIS

Learn how open APIs can move your financial institution toward digital transformation.

[DOWNLOAD THE FULL INFOBRIEF](#)