

# Open Banking Use Cases

**AA Hackathon**

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# Who am I?



## Past

- #1 employee at figo: the first banking API provider in Germany
- Built up the Fintech sales and product side (closed 30+ Fintech deals)
- Hosted 7 Fintech hackathons in EU (see [www.bankathon.net](http://www.bankathon.net))

## Now

- Freelancer / advisor with a focus on Open Banking, Banking-as-a-Service and Fintech infrastructure
- Supporting “Open Bank Project” with expansion to India
- Living in Berlin/Germany but often in Mumbai
- Find me on Twitter: @LarsMarkull

# Open Banking in international context

- What does Open Banking really mean?
  - Account data (everywhere)
  - Payment (in some countries)
  - Banking-as-a-Service is something different
- Open Banking has been around for ages (e.g. US and Germany >20 years)
- Open Banking is first step of “Embedded Finance” or “Contextual Banking”
- But Open Banking has still a long journey ahead

- 1. Process optimisation (2)**
  - 2. Banking (5)**
  - 3. Non-banking (4)**
  - 4. My favorite (1)**
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# Process optimisation

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# Lending

- Who:
  - LendingClub (US), Auxmoney (Germany)
- What:
  - Connect bank account during loan application
- Why:
  - Paper or pdf often require a step outside of the application and are cumbersome to provide
  - Account access often provides access to more data
- Further insights
  - Categorisation is crucial (detection of negative criteria)

LendingClub

## Link Your Bank Account

Check Your Rate    Loan Details    Loan Terms    Bank Account

Connect your bank

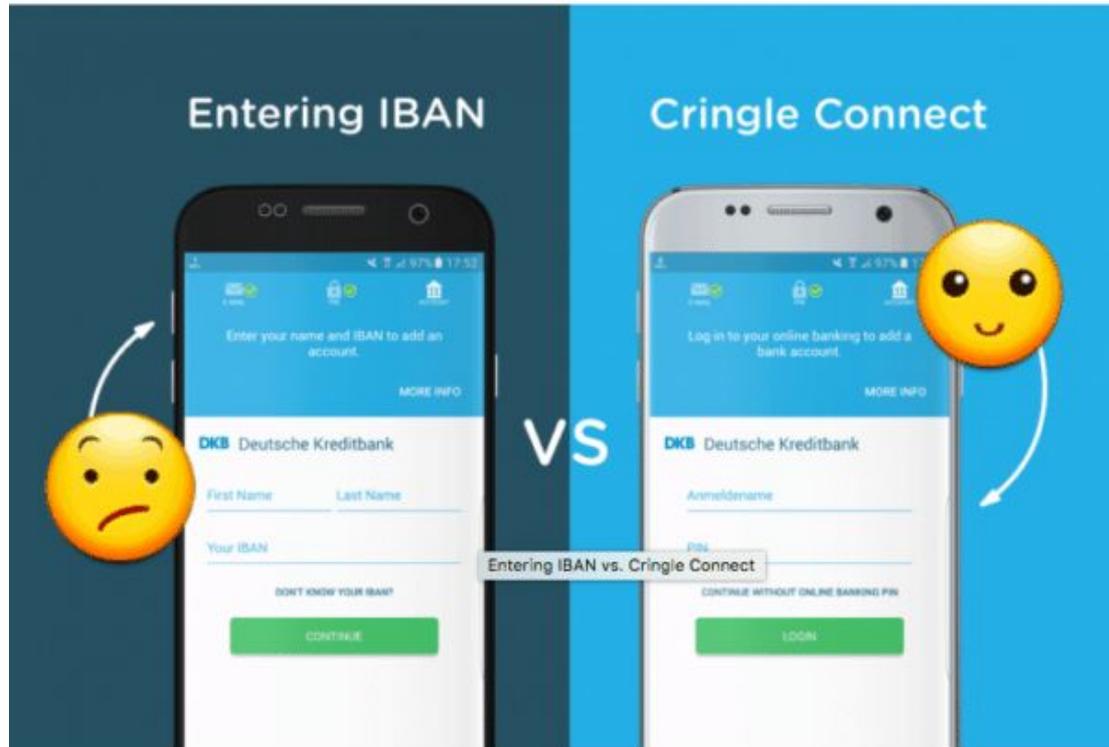
By connecting your bank, you [authorize use](#) of your account to process your loan.

CHASE    WELLS FARGO

Bank of America    PNC

## Identity or bank account verification

- Who
  - PayPal, Transferwise or Cringle (Germany)
- What
  - Connect bank account to verify account number and account ownership
- Why
  - Entering details manually can produce mistakes (by accident)
  - Verification of bank account takes time (1 cent transfer)

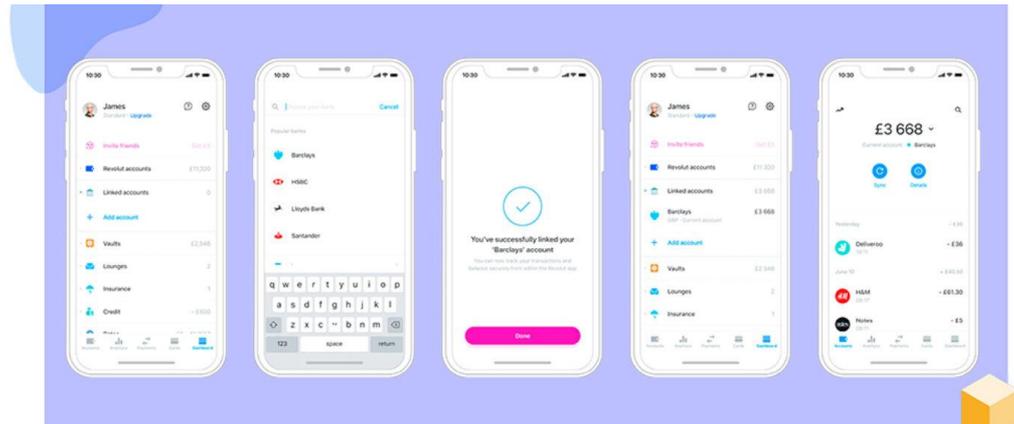


# Banking

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# Multibanking (or account aggregation)

- Who:
  - Revolut, Deutsche Bank, ABN Amro, Nordea
- What
  - Aggregation of multiple bank accounts into one frontend
- Why:
  - Customer benefit of aggregated overview
  - Provider can obtain more insights from user
- Further insights
  - Some banks have “assets under information” numbers
  - Multibanking is just a feature



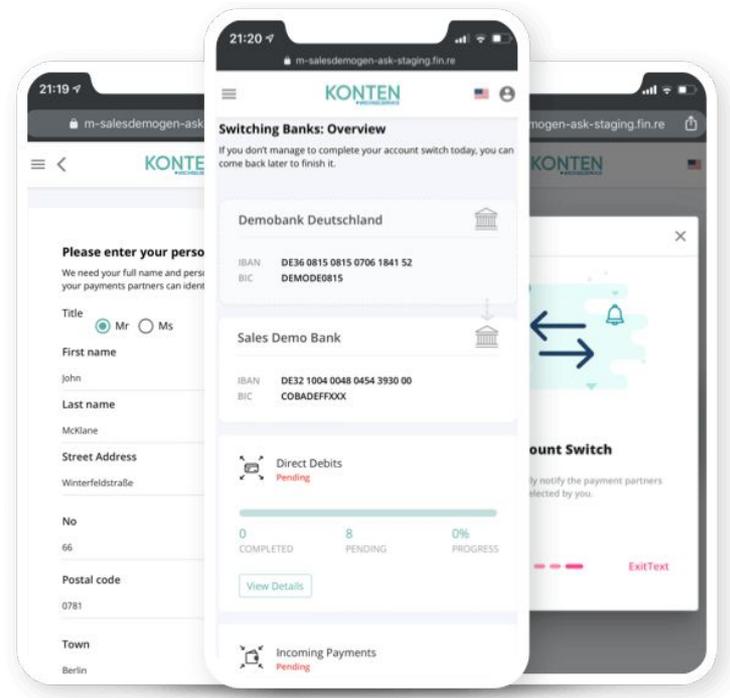
# Financial education

- Who
  - Emma (UK), Tink (Sweden), Finanzguru (Germany)
- What
  - Analysing of spending behaviour and provide help to spend less / better
- Why
  - Many people dislike to check their bank account, but they like to be supported
  - Providers use gamification and great UI to offer financial advice



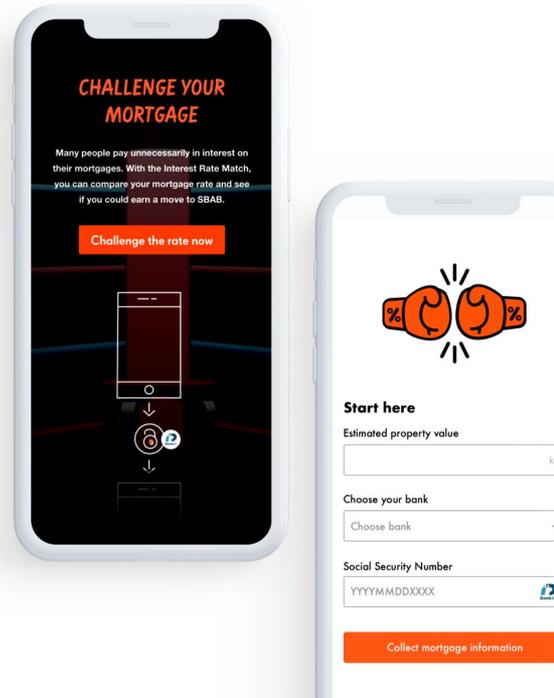
# Bank account switching

- Who
  - Finleap Connect, fino (Germany), ClickSwitch (USA)
- What
  - Read out all recurring payment from old account and transfer to new account (“copy and paste”)
- Why:
  - Getting a customer to open a new bank account is “easy”, convincing her to use it as a main bank account is hard
- Further insights
  - Nearly every bank is offering it in Germany (“me too product”)



# Loan comparison

- Who
  - SBAB and Anyfin (Sweden)
- What
  - Comparison of loans and mortgages that have already been signed
  - Provide your loan details via Open Banking and get cheaper offers (incl. switching providers)
- Why
  - Most people would not compare pricing again for an existing loan or mortgage
  - These providers make it easy and fast, thus people check more often



# SME finance manager

- Who
  - Finux (Germany), Agicap (France)
- What
  - “PFM for companies”
- Why
  - Bank account contains lots of information but hard to understand and act
- Further insights
  - Accounting or invoicing tools can provide further data

27 minutes ago

**Attention:** You cannot pay your salary in 4 days according to the current status. If necessary, increase your credit line. The additional interest expenses will amount to 322,56€.




100k EUR  
50k EUR  
0k EUR

Sep Oct Nov Dez Jan

Business relationship since 01.07.2017

Payment partner no longer stable since October

3 hours ago

One of your usual payments failed to materialize. Contact the customer **Avenix Ltd.**

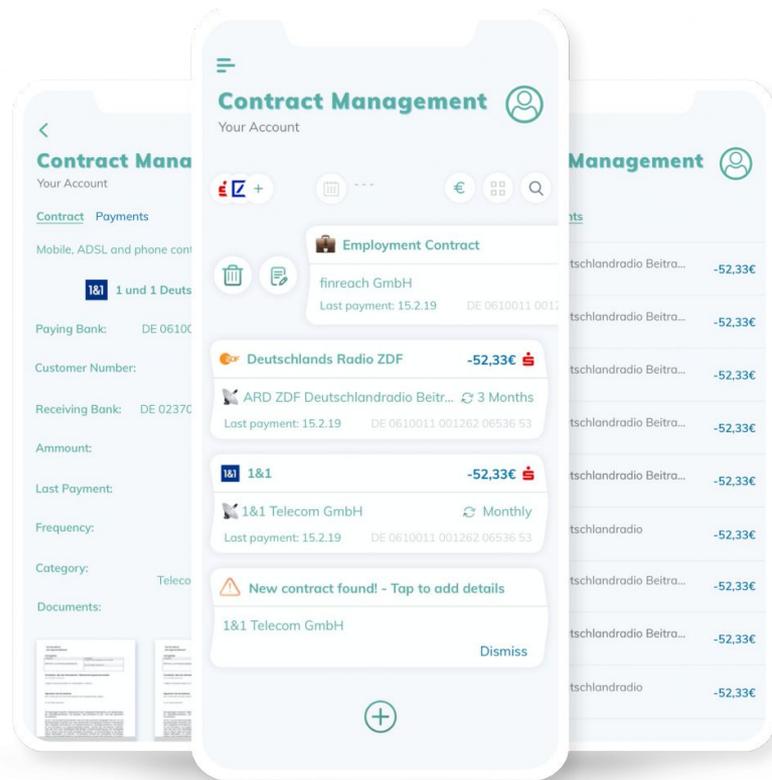
[Invoice](#) [Contact](#)

# Non-banking

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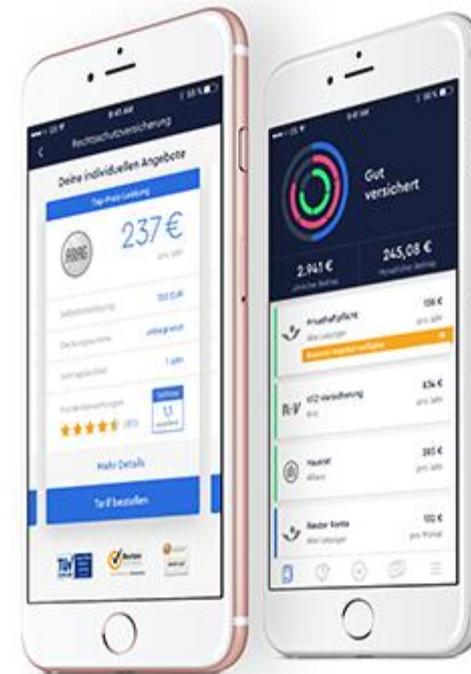
# Contract recognition

- Who
  - Check24, Finanzguru, Aboalarm (Germany)
- What
  - Identify subscriptions from bank account to optimise them (e.g. find cheaper replacements)
- Why
  - People tend to forget where they have subscriptions (especially when it's paid annually)
  - Can increase speed of onboarding massively and increase sales



# Insurance

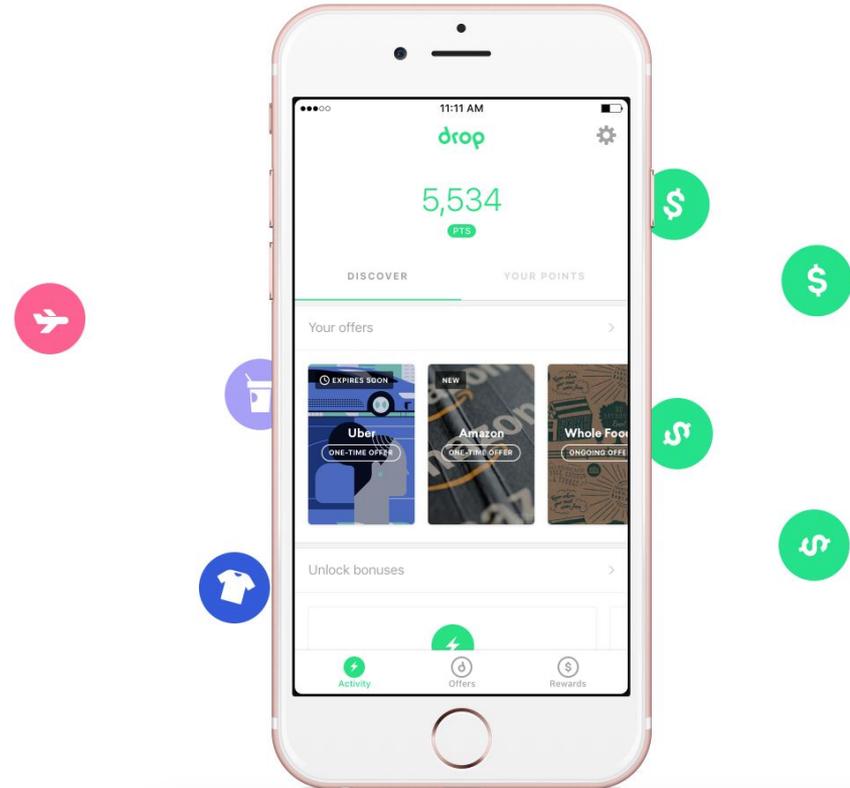
- Who
  - Clark (in Germany)
- What
  - Identify relevant expenses on bank account to onboard user to insurtech manager
  - Relevant expenses could be: existing insurances, purchases that could be insured (e.g. bike) or purchases that show need for insurance (e.g. payment at ski lift)
- Why
  - Manual entry is cumbersome and people forget
- Further insights
  - Banking and insurance are often closely connected and make it easier for insurance companies to offer banking products



Drop is an app that gives you cash rewards for shopping at your favorite places. Automatically. Rack up Drop points for going grocery shopping, taking an Uber to work, and more.

## Loyalty

- Who
  - Drop (USA), OptioPay, Cashbuzz (Germany)
- What
  - Loyalty service that provides cash-back based on bank or card transactions
- Why
  - Carrying around loyalty cards can be annoying and reduces usages
  - Connecting to bank account provides access to more data for service provider



# Emission tracker

- Who
  - Svalna (Sweden), Tomorrow Bank (Germany)
- What
  - Calculation of CO<sub>2</sub> footprint based on spendings
- Why
  - Some people want to have a better understanding how their actions relates to their CO<sub>2</sub> footprint
  - Most of CO<sub>2</sub> related actions are visible on bank account (gas station, flight tickets etc.)

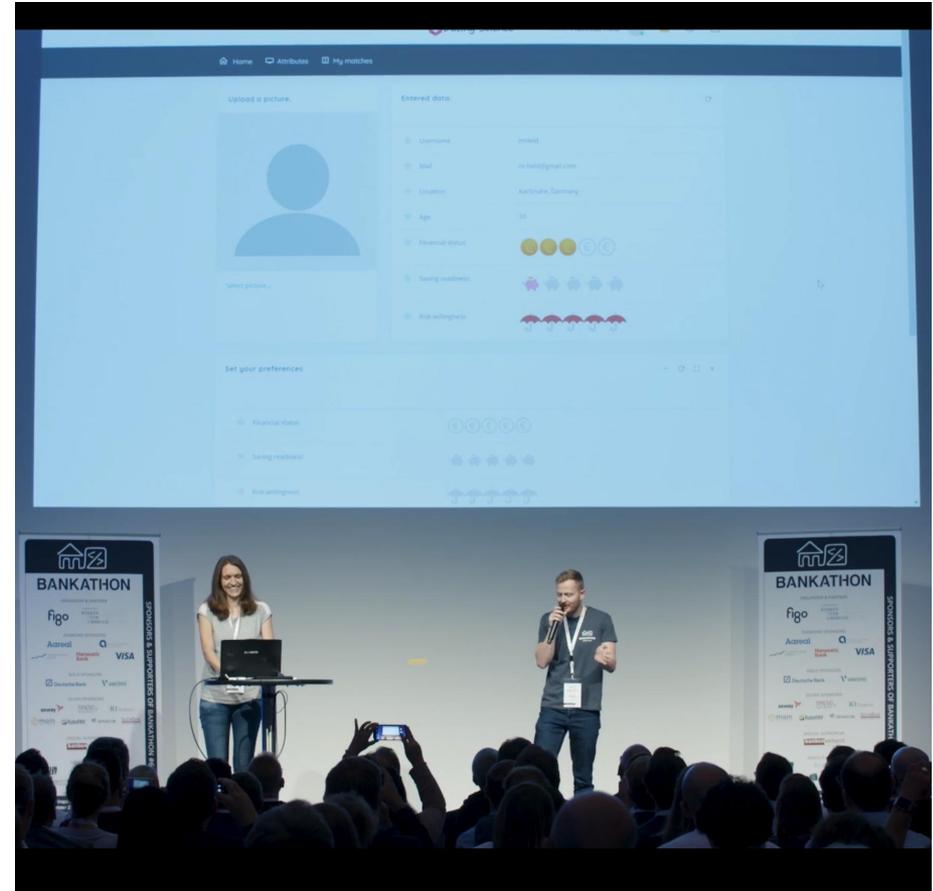


**My favorite**

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# Dating app

- Who
  - Hackathon idea
- What
  - Match with the right person based on your bank account transactions (“You cannot lie”)
- Why
  - ???
- Further insights
  - Won a special award at our hackathon
  - “Open Banking can go into areas we would never expect”



# Final comments

1. Find a problem
2. Use your experience
3. Have fun!

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What will you  
build?  
Questions?

Thank you!

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