Open banking data

Your wallet app
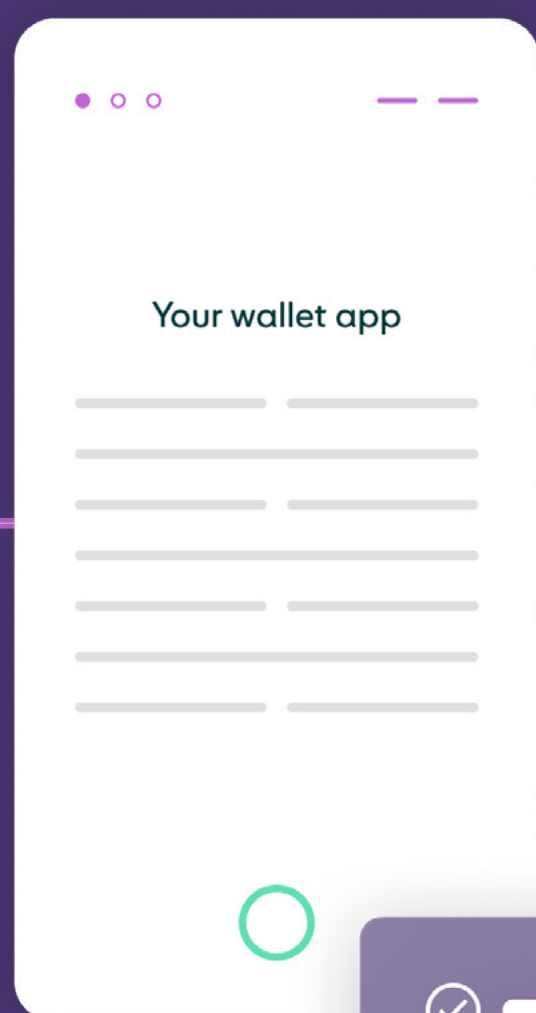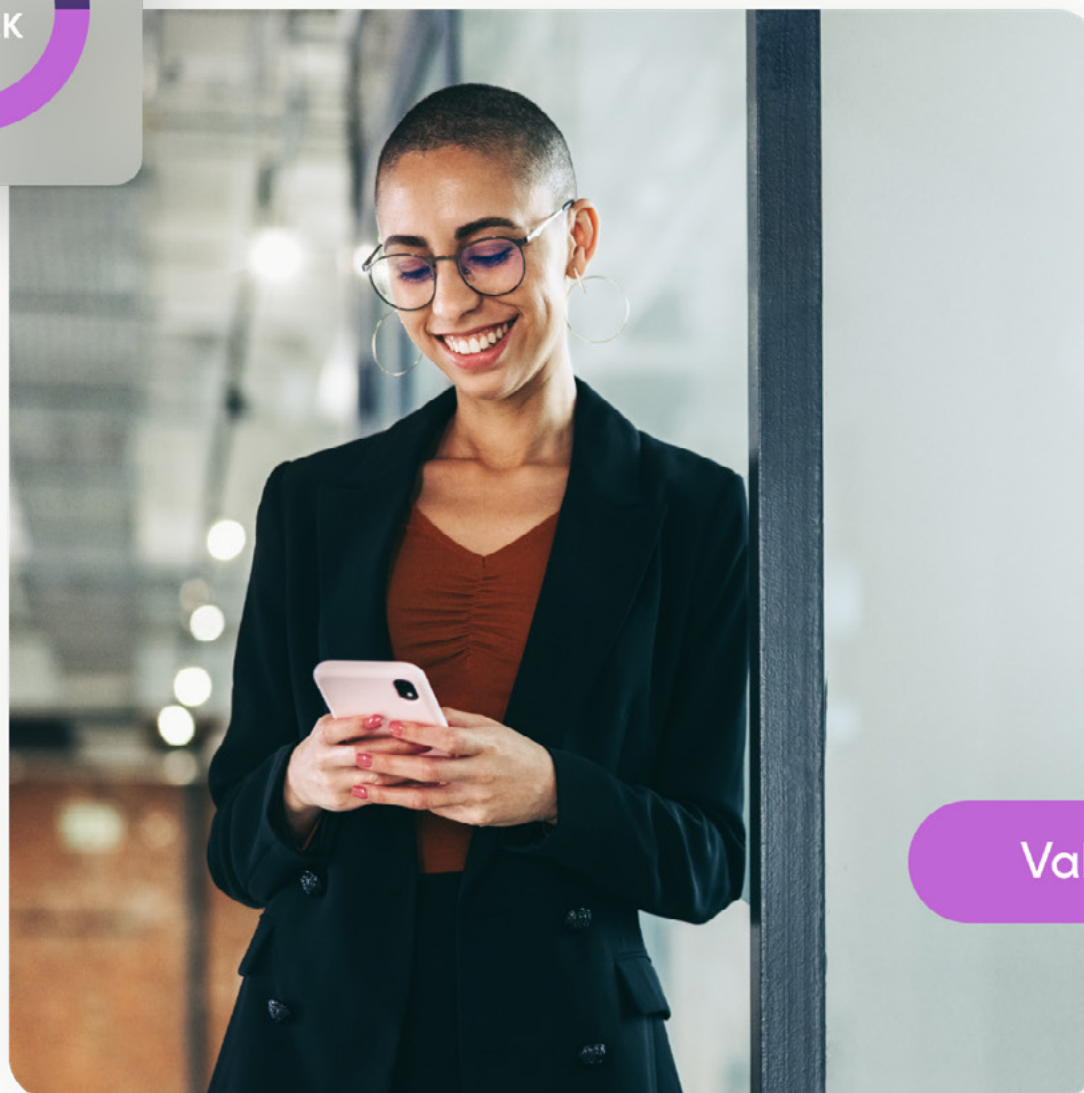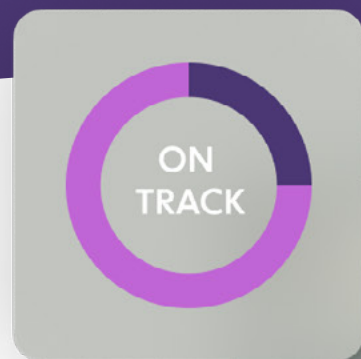
Account Information
Service (AIS)

YAPILY

Context

Open banking is a term within financial services that refers to the use of Application Programming Interfaces (APIs) to provide secure access to customer financial data via third party providers (TPPs) like financial institutions, fintechs, and other regulated companies.

Open banking is the next evolutionary step in the fintech revolution, and will enable more inclusive, tailored, and accessible financial services to both businesses and consumers. It's already been adopted by over a dozen countries around the world to encourage innovation and competition within the financial sector, and will give everyone more choice and control over their financial data.

One key aspect of open banking is the concept of an Account Information Service (AIS). This service allows customers to provide access and share their financial data from multiple accounts with whatever financial services products (TPPs) they are using.

Confused by all the acronyms? Check out our jargon buster.

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Benefits

There are several key benefits for TPPs to use financial data accessed via AIS to enhance their products and services:

✓ Access to financial data

TPPs can access and aggregate financial data from multiple financial institutions, giving them a more comprehensive view of their customers' financial situation and help them to better identify opportunities to save money or invest.

✓ Improved financial propositions

TPPs can use financial data to provide more personalised and relevant services to their end users to improve customer satisfaction and open up additional revenue opportunities.

✓ Enhanced security

Access to financial data is secured via PSD2 APIs that enable secure access to data. This is coupled with strong customer authentication (SCA) to reduce fraud and ensure the consent provided by the end user is *actually* coming from the customer.

✓ Increased efficiency

AIS can help TPPs to streamline their operations and reduce manual processes. It's particularly important for financial services that rely on financial data to make lending decisions and provide bookkeeping and accounting services.Using financial data from the banks can lead to cost savings and increased efficiency.

✓ Increased innovation

TPPs can use account information services to develop new and innovative products and services and increase financial inclusion for consumers and businesses by making it easier for people to access financial services.

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Open banking APIs are fragmented
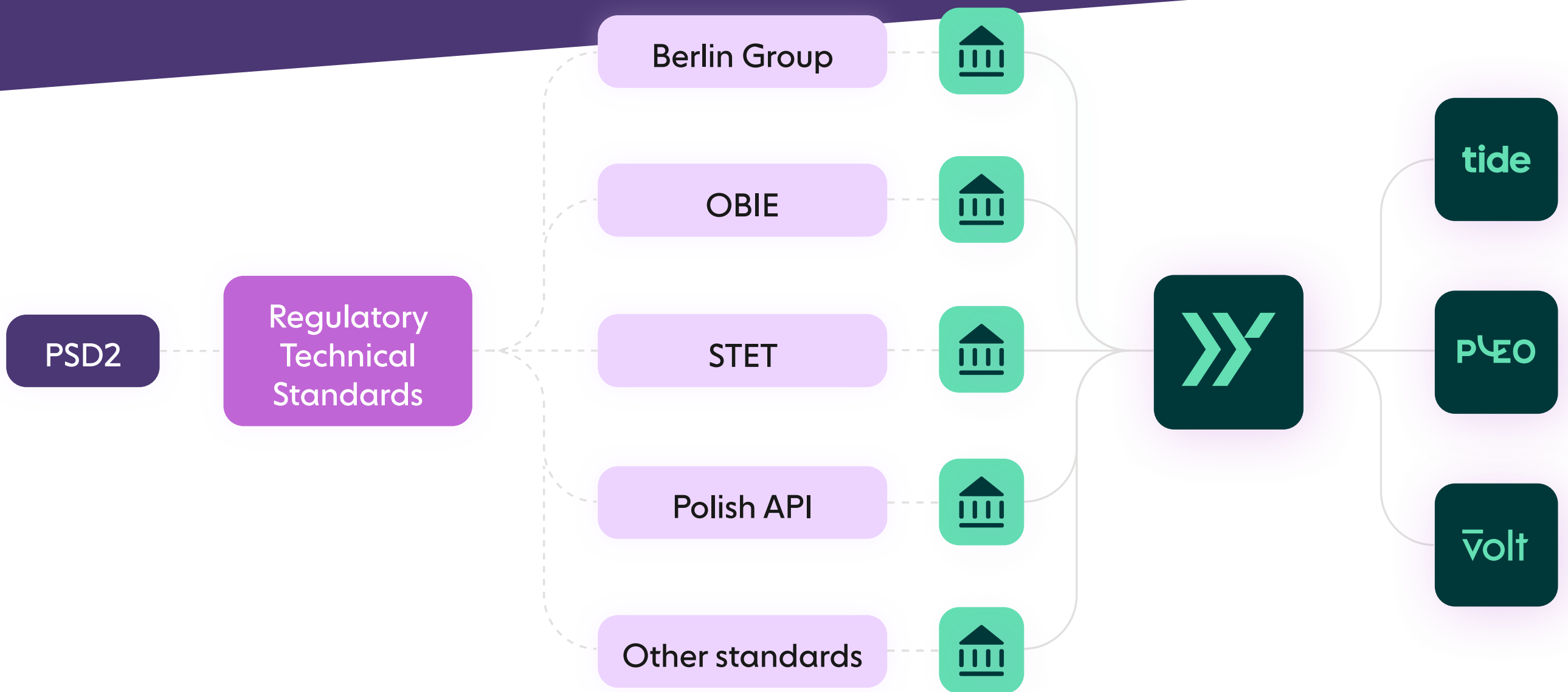
While open banking has the potential to change the way we consume and interact with financial services, the challenge lies with the fragmentation and lack of standardisation across APIs.

Each bank or financial institution has developed their own set of APIs following different regulatory technical standards (OBIE, STET, Polish API, Berlin Group and others), with different data structures, requirements, and protocols. And makes it difficult for third-party developers to access and integrate these APIs.

This can lead to a fragmented API ecosystem, where developers must spend significant time and resources integrating and maintaining each individual bank's APIs, rather than being able to easily access and use data from multiple financial institutions.

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How Yapily can help

Yapily solves a fundamental problem in the financial ecosystem: <u>Access</u>.
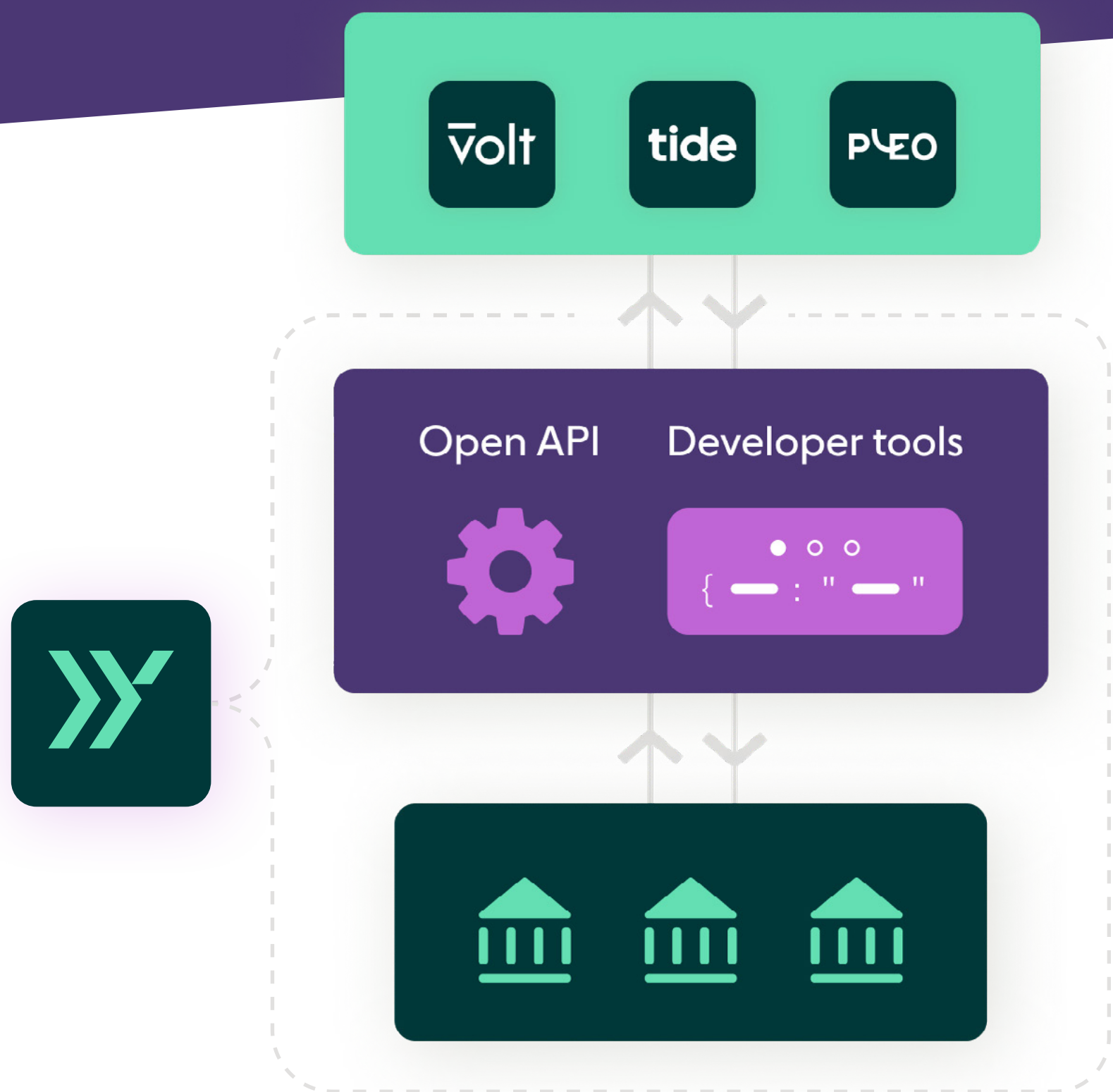
At Yapily, our mission is to create an open economy that works for everyone. With open banking, we are independently democratising financial services to solve the fundamental issue that exists within financial services and open banking today: access.

We are a true technology enabler focused on building infrastructure and tools that power our customers' innovation allowing their products to take centre stage.

Our products

To access Account Information Service
we have developed a suite of products based
on our customer needs for financial data:

Yapily Data

Single API to access financial
information in real-time to view
account balances, access
transaction history and account
details.

Yapily Data Plus

Enrichment to help make sense of
the open banking transaction data.
This helps our customers analyse
financial behaviour, build more
complete financial profiles, and
better evaluate existing and
future risk.

Yapily Validate

Single API to access identity
information and account details,
such as account number and bank
name. It enables our customers to
instantly confirm customer details
and account ownership to reduce
friction in onboarding and support
their compliance processes.

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Our products enable dozens of use cases, including:

Credit risk assessment

TPPs can use Yapily Data to assess individual's creditworthiness and affordability based on their risk profile. This can be useful for financial institutions that want to make more informed lending decisions.

Reconciliation

TPPs can use Yapily Data to quickly and easily reconcile bank statements with direct transaction stream from the bank account. This is crucial for accounting providers to automate and streamline accounts payable reconciliation processes.

Financial management

TPPs can use Yapily Data to link all end user accounts in one place to build a consolidated financial overview. This helps individuals and businesses track and manage their spending, set budgets, and make financial plans.
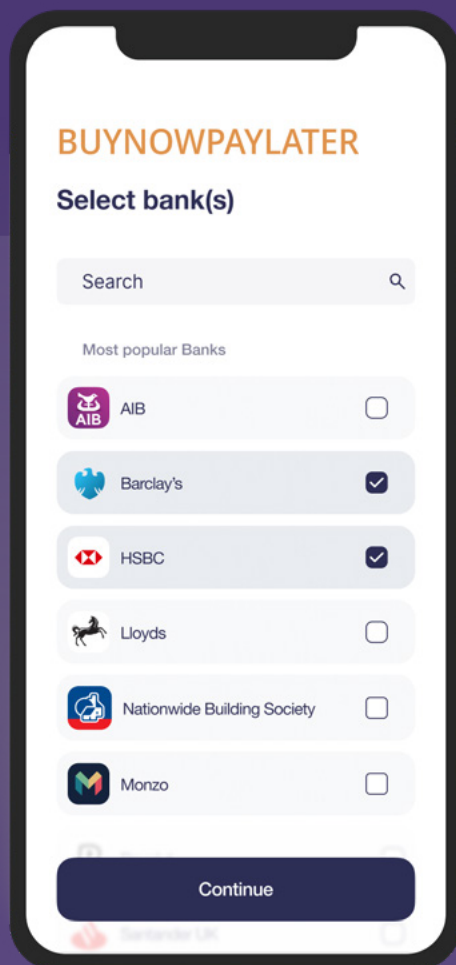
Financial profiling and insights

TPPs can use Yapily Data Plus to analyse consumer financial profiles, their spending patterns, and trends. This can help financial institutions anticipate changes in financial behaviour to make more informed decisions about their customers.

Identity and account verification

TPPs can use Yapily Validate to support their KYC process and verify account ownership. This helps with customer onboarding and identifying unusual or suspicious activity to reduce and monitor fraud.

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How it works

BUYNOWPAYLATER
Select bank(s)

Search

Most popular Banks

- AIB ☐
- Barclay's ☑
- HSBC ☑
- Lloyds ☐
- Nationwide Building Society ☐
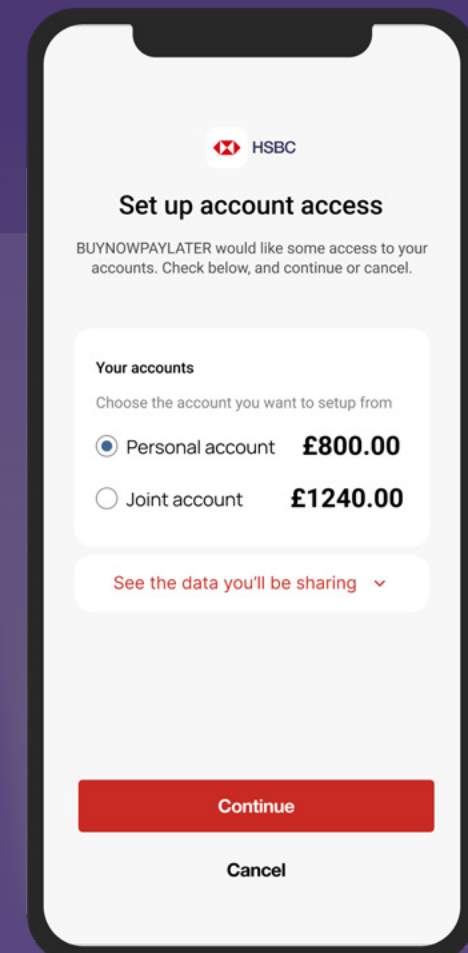- Monzo ☐

Continue

1 Account selection

The end user selects their bank(s) to provide access to their financial data. Yapily is integrated with over 2,000 financial institutions across 19 markets.

2 Providing consent

Once the account is selected, the end user will provide their consent giving their permission for a TPP to access their financial data. Consent is provided using SCA to reduce fraud and ensure data security. Yapily supports all SCA flows that banks have integrated.

HSBC
Set up account access

BUYNOWPAYLATER would like some access to your accounts. Check below, and continue or cancel.

Your accounts
Choose the account you want to setup from

- ⦿ Personal account   **£800.00**
- ○ Joint account   **£1240.00**

See the data you'll be sharing ⌄

Continue

Cancel

BUYNOWPAYLATER

Loan approved!
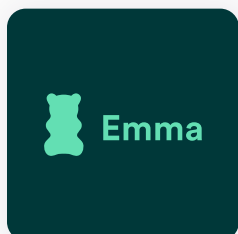You can now proceed to your purchase

Complete purchase

3 Data access

TPPs can easily access financial information dated back up to six years, and can use the data to inform lending decisions, streamline reconciliation, or help with personal and cash flow management.

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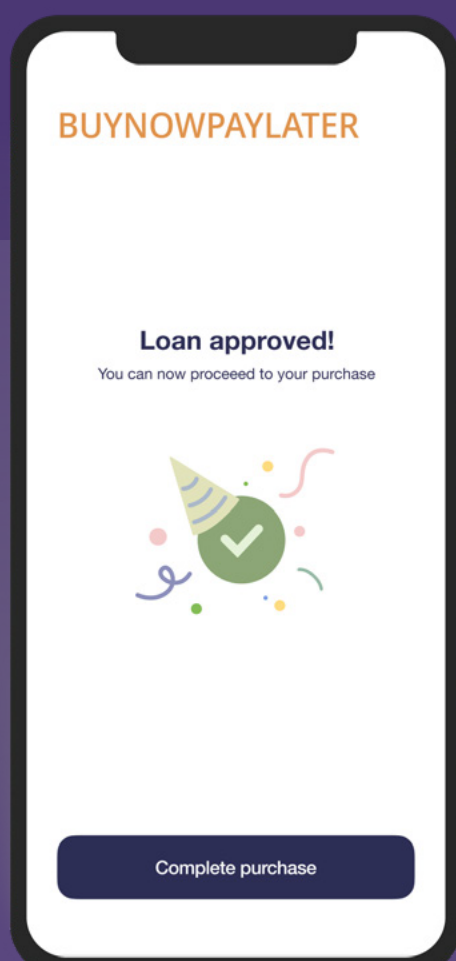
Customer stories

Emma

Case study

How Emma & Yapily are helping people make smarter financial decisions

Industry

Personal Finance Management App

Use case

Personal finance management
Open banking enables Emma to aggregate all end user accounts, and gather transaction data and balance information in one place.

Wallet top up
End users can top up their Emma Invest account directly from their bank account.

Products used

Yapily Data, Yapily Payments

Results

↪ Enabled +30,000 users to start investing in July alone

↪ Been named as one of the Apple App Store's top financial apps. The highest charting budgeting app built entirely on open banking.

↪ Benefitted from a 267% month-on-month increase in monthly transaction value

↪ Seen total payment consents between July and September exceed the total volume in the previous 12 months combined

Read more →

yonder

Case study

How Yonder & Yapily are making credit more inclusive

Industry

Credit Card Provider

Use case

Credit risk assessment
Yapily Data enables Yonder to fetch individual bank account information via a secure API, analysing factors such as income and expenses in real-time to create a holistic credit profile.

Loan repayment
Yonder can offer customers the option to pay-by-bank, an easier, faster, and more secure way to pay off their credit balance using Yapily Payments.

Products used

Yapily Data, Yapily Payments

Results

↪ Yapily Data
The average credit line for those trying to establish or build their history is around £1200 at 34% APR. But, through Yapily's open banking platform, Yonder can comfortably offer credit lines of up to £4500 at 24%. This helps customers access the funds they need, while avoiding unaffordable debt cycles.

↪ Yapily Payments
Over half of all Yonder customers are already using open banking to pay their balance, and more than £3.5m in transactions have been supported by Yapily Payments since launch.

Read more →

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Pricing

We break down our pricing based on the services and products required by the customer and the value we deliver to them. It allows us to price fairly and only charge for what our customers need. We offer volume-based discounts for longer-term commitments and our customers always pay less when they use more for every additional user or payment.

To access our payments API products, our customers subscribe to a monthly platform fee. That gives access to our API, as well as a number of payment initiations they expect each month.

We also offer a broad range of services which we charge additionally for to support open banking ambition:

↪ Implementation services to assist our customer throughout the integration phase ensuring they are able to successfully make live calls to the Yapily API

↪ The ability to use our UK and EU licences

↪ Premium support services for customers requiring faster response times, and/or extra services not included in our standard support services

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Get
started
today!

To get started, get in touch with our sales team or test the Account Information Service using Yapily Data via our Demo portal.

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