The Future of Open Banking Payments

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The smart move in open banking
Open banking is global

- Mandated in 35 countries
- Adopted elsewhere w/o regulation
Benefits for banks

New Payments Offerings

Data Offerings

Identity Verification Offerings
The smart move in open banking

...and for third parties

- Cheaper Payments
- Actionable Data
- Simpler Verification & Onboarding
The UK is leading the way in open banking.
Problem: bespoke API’s
Resulting in fragmented ecosystem

Killing the benefits
Interim solution: aggregation

Simplest Way to Accept Bank Payments

Developer Platform

One API
Jump-starting the ecosystem

Initial Use Cases

- Wallet Load
- Actionable PFM
- First Payment
Frictionless FX wallet load

CAXTON

- Improve onboarding journey
- Lower processing costs
- Drive instant settlement
Low-cost first rental payment

Eliminate high fees
Simplify onboarding journey
Simplify processing first payment
Enhanced digital channels

Improve digital channels
Keep customer in channel
Drive new revenue
Big players starting to move

Mastercard

IATA

Worldpay

Adyen
Rudimentary use cases constrained by

- Single immediate payments
- Single transaction consent
- User must be “present”
- Cumbersome authentication
Barriers to mass adoption remain

Friction in Authentication

Limited Payment Functionality
Barriers for banks to improve APIs

- Cost
- Conflicting Priorities
- Fear of Cannibalisation
How to improve APIs?

More Regulation?
Evolving Standards?
Requiring Banks to Build?
Time to move beyond compliance

Compliance APIs
- Slow to deploy
- Limited functionality
- Poor UX
- No revenue for banks

Commercial APIs
- Fast to deploy
- Rich Functionality
- Great UX
- Revenue for banks
Enabling advanced use cases

Unified Access

Consistent, Richer API

Superior Functionality
Subscription payments

Variable recurring payment

“Authorisation” on file

Merchant Initiated
Biller direct payments

Variable recurring payment

“Authorisation” on file

Biller Initiated
Installment payments

Request to Pay capability

Variable recurring payment

“Authorisation” on file

Biller Initiated
Aggregate and sweep

Aggregate with data access

Analyse for “rules-based” triggers

Initiate automated sweep
- User not present
- Long-lived consent
- Programmable authorisation
POS payments

Frictionless authentication

Request to Pay

Delegated authentication
Harder than it looks

- Request-to-Pay
- Frictionless authentication
- Programmable consent
- Third party initiated
Call to action

Time to move beyond compliance and select a commercial payments API if you believe...

- API Banking is here to stay
- Bank payments are an attractive alternative
Call to action for banks

Become a PISP

Allow commercial API’s to connect

Charge for the service
Action for third parties

- Join Token Ecosystem
- Amplify your Voice
- Fastest path to improved APIs
- Fastest path to the future of Open Banking Payments
Token: leader in open banking infrastructure

JUNE 2018

“Token makes first end-to-end payment through Open Banking APIs”

- Open Banking UK

SEPTEMBER 2018

“Token is the first PISP to conduct payments with public APIs for each of the CMA9 banks”

- Finextra
Recognised thought leadership

2019
FinTech Startup of the Year

2019
Best Payments Industry Newcomer

2018
Open Banking Innovator of the Year
Thank you
Todd Clyde, COO