Selecting a Digital Banking Platform, 2020–21
Summary

Catalyst

The COVID-19 pandemic has accelerated the trend for digital to be the primary interaction and originating channel; thus, implementing a next-generation digital banking platform is essential. *Omdia Universe: Selecting a Digital Banking Platform, 2020–21* will help the CIO, heads of digital, and digital channel executives to select the digital banking platform that provides the capabilities they require and enables their digital transformation ambitions.

Figure 1: The Omdia Universe for Digital Banking Platforms
Omdia view

An optimized digital banking experience is integral to the future success or, possibly, survival of a bank. It requires an ability to rapidly build and deliver ongoing development, whether institutions go it alone or partner with a technology vendor. Having the ability to incorporate and harness new technologies and capabilities will be the key to success. A modern digital banking platform needs to be adaptable and flexible but also have the ability to scale without impacting performance; this has led to a modular microservices-led architecture becoming the norm. Deployment by cloud is increasingly in demand, because it enables banks to manage their infrastructure costs more efficiently (than with on-premises deployment) and future-proof their services.

The question is no longer simply about having a digital banking presence but about how the platform curates and personalizes the experience for an existing or target customer group. A seamless digital customer journey must be the ultimate objective of all banks (whether it is for query resolution, product applications, or personalized money management), underpinned by a digital banking platform that embraces machine learning (ML), natural language processing, and open APIs, none of which the customer should be able to notice. With the rise of financial technology (fintech), digital banking platform vendors are increasingly creating a partner ecosystem that enables wider functionality through preconfiguration and avoids lengthy integration processes. The technology investment in the digital banking platform should be closely integrated and aligned with customer engagement platforms that support wider employee-to-customer interactions and digital self-service customer journeys.

Key messages

- Implementing a modern microservices-enabled digital banking platform is a vital element of digital transformation in order to support scalability.

- A cloud-native approach to platform innovation is a key future requirement, because retail banks need to adapt and innovate at speed.

- Implementing a platform with extensive capabilities is not necessarily the right approach for all retail banks. Consider a solution that aligns with the size, complexity and breadth of the bank’s requirements and has the ability to drive the innovation and partnership model it wishes to have with the vendor.

- An open banking and ecosystem approach means that platforms do not necessarily need to be the most complete or richest in terms of business functionality. Future innovation will be driven by the ecosystem.

- There are still many vendors in the digital banking space, despite the fact that there have been a number of acquisitions and mergers over the past few years.
• Backbase, Infosys Finacle, Oracle, and Temenos are all leaders in this report, thanks to their combination of market impact, solution capabilities, and customer experience.

• The challengers, CR2, Finastra, Intellect Design Arena, Sopra, and Technisys, all have strong solutions that often provide a very good customer experience but are not yet leading in terms of overall market presence or solution capabilities.

• Although Comviva, ebankIT, and Fiserv are prospects, their solutions deserve strong consideration for certain market segments or platform requirements.
Analyzing the digital banking platform universe

How to use this report

Omdia is a proud advocate of the business benefits derived through technology, and digital banking platforms are at the forefront of realizing benefits to front-office staff across the globe. The Omdia Universe report is not intended to advocate an individual vendor but rather to guide and inform the selection process to ensure all relevant options are considered and evaluated efficiently. Report findings gravitate toward the customer’s perspective and likely requirements, while taking into consideration the varying states of digital transformation occurring in financial institutions throughout the world, and deployments are considered for retail banks globally. There are many vendors in the digital banking platform solutions market, and all vendors included in this report are deemed to be of high merit and worthy of consideration for short-listing purposes.

Market definition

Omdia has defined a digital banking platform as a standalone front-office solution that enables financial institutions to enhance the end-user experience without the need to overhaul their existing core banking systems. It must be a channel platform for online banking and mobile banking to support servicing, origination, and customer interaction/communication through these channels and, also, a wider digital platform that supports digital front office. The specific functionality required to be considered a digital banking platform includes online banking, mobile banking, customer engagement, employee engagement, origination/onboarding, digital marketing/customer communication, analytics, and multichannel management/integration:

- **Online banking.** End-user internet-based access portal for basic banking functionality (e.g., account information and payment transfers) plus additional services (e.g., personal financial management, open banking, chatbots personalization, and visualization tools).

- **Mobile banking.** Support for mobile banking including via SMS, WAP, smartphone, and tablet with the same functionality as online banking as well as biometric and facial-recognition technology.

- **Origination/onboarding.** The ability to support direct digital applications and fully automate onboarding of clients.

- **Customer engagement.** The end-user experience and the ability to independently access, manage, and customize end users’ account information.
• **Employee engagement.** The ability for banking personnel to communicate with the client on the digital banking platform and via all devices and to monitor and improve the customer experience.

• **Digital marketing and customer communication.** The platform’s ability to provide in-application marketing alerts, banner adverts, and targeted marketing message support and to deliver and manage customer communications including interaction with omnichannel requirements.

• **Analytics.** Metrics collected about interactions between customers and banks, including the ability to track everything from individual customer journeys across multiple devices and channels to revenue generated per customer.

• **Multichannel management and integration.** Managing the omnichannel experience within the digital channels, contact center, ATM, kiosk, and the branch and the ability to integrate new digital channels (e.g., smart watches, augmented/virtual reality) when required.

### Market dynamics

A digital banking platform is now considered essential by retail banks of all sizes as they struggle to keep up with the latest technology. This has prompted many banks to outsource their digital front-office capabilities to a third-party solution provider. Consequently, the digital banking platform vendor marketplace has become increasingly crowded: Omdia estimates there are 25–30 truly global digital banking platform providers and a plethora of regional/local players. Comviva, ebankIT, and Technisys feature in the Omdia Universe for the first time as new entrants. The increased number of vendors is despite consolidation in the industry, notably Temenos’ acquisition of former market challenger Kony in 2019. Retail banks, therefore, have more choice than ever—reflected in a larger vendor short list than in the 2019 report—and should carefully consider the capabilities they require before selecting their long-term partner. In the Omdia Universe, various different approaches have been highlighted from highly customized complex solutions deployed across multiple entities to more packaged off-the-shelf solutions that can be implemented rapidly and at minimal cost.

Fundamental to every digital banking platform solution is speed and flexibility, with retail banks seeking to launch new products and services rapidly through their digital capabilities. Platforms are required to offer microservices as standard, allowing the bank to evaluate the level of customer engagement before releasing a full suite of digital products. Speed is important, not just for launching products but for the entire user experience, whether it is for first-time onboarding or day-to-day app usage. Vendors that recognize the importance of speed and flexibility have performed strongly in this report.

Open APIs are another important aspect for today’s platforms as open banking provides retail banks with the chance to unlock new digital services and revenue-generating opportunities. Digital banking platforms need to be built with an API-as-a-product mindset, and vendors that were able to demonstrate live use cases of their open API capabilities scored highly in the Omdia Universe as a result. Open APIs are important not just to retail banks but also to vendors looking to expand their platform capabilities through a wider partner ecosystem. Vendors are required to embrace...
partnership opportunities with third-party providers through adoption of the marketplace model. Whether vendors open their APIs to partner with other technology providers in order to add value to the ecosystem was also an important consideration.

Digital expectations change at a rapid rate that requires agility, flexibility, and forward thinking. Therefore, selecting a platform is not just about choosing the best off-the-shelf product for most banks; it is also necessary to consider a vendor’s ability to support the bank’s aspirations. This requires a strong partner, one that enables and drives innovation and a strong customer experience and provides advice on how to launch new products and services quickly and effectively.

**Figure 2: Vendor positioning in the Digital Banking Platform Universe**

<table>
<thead>
<tr>
<th>Vendor</th>
<th>Product(s) evaluated</th>
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<tr>
<td><strong>Leaders</strong></td>
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<tr>
<td>Backbase</td>
<td>Backbase Engagement Banking Platform</td>
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<tr>
<td>Infosys</td>
<td>Infosys Finacle Digital Engagement Suite</td>
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<td>Oracle</td>
<td>Oracle Banking Digital Experience</td>
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<td>Temenos</td>
<td>Temenos Infinity</td>
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<td><strong>Challengers</strong></td>
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<td>CR2</td>
<td>BankWorld</td>
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<td>Finastra</td>
<td>Fusion Essence</td>
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<td>Intellect Design Arena</td>
<td>Intellect Digital Banking Engagement Platform</td>
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<td>Sopra Banking Software</td>
<td>Sopra Banking Platform</td>
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<td>Technisys</td>
<td>Cyberbank Digital</td>
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<td><strong>Prospects</strong></td>
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<td>Comviva</td>
<td>mobiquity Banking Suite</td>
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<td>ebankIT</td>
<td>ebankIT Omnichannel Digital Banking Platform</td>
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<td>Fiserv</td>
<td>DigitalAccess</td>
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Source: Omdia

**Market leaders**
Backbase is a market leader thanks to its strong platform functionality and straightforward integration, which enables banks to efficiently add new business capabilities. Backbase’s engagement banking platform is highly adaptable and has been deployed with large and smaller
Institutions. Backbase scored the maximum mark for its solution innovation capabilities, boosted through its large fintech partner marketplace.

Infosys Finacle will appeal to banks that require a broad set of capabilities across multiple entities and has the widest solution breadth of all the vendors, which is why it is a leader. The solution is highly componentized, and Infosys has experience in deployment at incumbent banks as well as digital startups. Finacle is an early adopter of open banking and will appeal particularly to banks starting out on their open banking journey.

Oracle is positioned as a leader because of its one-stop approach to serving digital banking needs. Oracle has a very rich platform, which provides broad functionality in terms of both business and technological capabilities. This enables the vendor to cater for all types of financial institutions. The vendor scored strongly in all categories but has particular strength in its breadth of functionality including its forward-thinking approach to open APIs.

Temenos is a leader because of its comprehensive digital banking solution, which scored highest for product experience and solution innovation. Infinity has an impressive array of analytics tools at its disposal, with the platform designed for hyperpersonalization. Temenos’ strengths lie in providing an excellent user experience, for both business and end users, and an impressive product roadmap that aligns well with future market trends.

Market challengers

CR2 achieves its position as a market challenger because of its highly adaptable platform, BankWorld, which has strong omnichannel and payments functionality. The vendor is well versed in navigating regulatory constraints and would suit banks in developing regions. Strong areas are multichannel integration, payments, and platform adaptability.

Finastra appears as a challenger because the platform possesses strong capabilities and a wide breadth of functionalities that meet both digital and core banking needs. Finastra has a large ecosystem of fintech partners with which it collaborates to enable wider platform functionality. Areas of strength are omnichannel capabilities, fintech collaboration, and customer support.

Intellect Design Arena is a challenger thanks to its extensive platform capabilities and solution innovation. The platform enables easy integration of existing systems through its integration studio (Olive Fabric) and accelerates the launch of new products using its Experience Design Studio. It has particularly strong capabilities for innovation, platform adaptability, and solution functionality.

Sopra is a challenger thanks to the innovation of its solution, which embraces the opportunities of open APIs and marketplace collaboration. Sopra has experience in deploying with all tiers of banks, and the platform is capable of orchestrating fully digital personalized customer experiences. Areas of strength include open banking, innovation strategy, and customer support.

Technisys will appeal to banks, particularly digital startups, that favor a flexible but scalable platform, which is why it achieved challenger status. The platform is increasingly focused on cloud deployments and has received plaudits from customers for its ability to support rapid deployments and enable new business capabilities. Strong areas are its API-centric architecture, innovation, and partner-led approach to customer support.
Market prospects

Comviva provides capabilities for retail banks starting on their digital journey, particularly in developing markets, which makes it a prospect in this report. It does not have the breadth of capabilities of its competitors but does provide highly relevant capabilities for its target markets, and the mobiquity platform is judged to be very innovative. Comviva’s strongest features are its support of emerging channels, user experience, and payments capabilities.

Offering an off-the-shelf platform while still retaining an element of flexibility, ebankIT is a prospect. Its middleware contains all the modules needed for a digital financial institution, making it a more affordable proposition for banks at Tier 2 and below. The vendor has a growing number of partners through the ebankIT marketplace. The solution’s strength lie in its speed of deployment, multichannel capabilities, and integration.

Fiserv’s DigitalAccess provides a good level of platform capabilities and solution breadth out of the box, which makes the vendor a prospect for Asia Pacific; Europe, the Middle East, and Africa (EMEA); and Latin America. The DigitalAccess platform has strong usability and is favored by retail banks that prefer a one-stop approach to meeting their digital needs. Fiserv’s strongest areas are its breadth of payments capabilities, multichannel integration, and the platform’s end-to-end functionality.

Market outlook

The COVID-19 pandemic has accelerated an already high demand for digital banking solutions, with more than a third of retail banks having significantly increased their online and mobile banking priorities because of it, according to Omdia’s ICT Enterprise Insights 2020/21 survey. Consequently, global spend on digital banking is expected to grow at a CAGR of 5% to reach $17 billion in 2024, compared with $14 billion in 2020, proving there is plenty of market share available for digital banking platform vendors. However, it is expected that there will be a period of consolidation among banking software vendors, which would continue the trend of mergers and acquisitions that has occurred in the fintech industry during past two years, particularly if big tech elects to get involved. The evolution of digital banking platforms requires banks to continually invest in the technology, the top priority being to enhance existing platform functionality to aid self-service, according to Omdia’s ICT Enterprise Insights 2020/21 survey (Figure 3). Although retail banks intend to use a digital banking platform to aid self-service, they also want to integrate the digital channel experience with other channels, which is the top priority for 19% of respondents. That requires platforms to have strong omnichannel capabilities.
Digital banking is shifting to a platform approach that incorporates the wider digital front office. Retail banks will no longer have siloed separated systems for online/mobile banking and other channel systems but a broader digital banking platform that supports customer-to-bank interactions for direct and, increasingly, emerging channels. Artificial intelligence (AI) has long been spoken about as a way of reducing staff costs and replacing service capabilities. It is, therefore, no surprise that according to Omdia’s ICTEI survey (Figure 3), enhanced automated interaction capabilities is one of the top three IT projects in digital banking for more than a third of banks. Software vendors with an AI/ML specialism will be highly sought after if their digital platforms can demonstrate a wide range of ML applications, both customer facing and for internal systems, while also having the flexibility to be implemented on premises or in the cloud. Retail banks should view their software provider as a partner, not a vendor, when selecting their preferred platform. Digital expectations change at a rapid rate that requires agility, flexibility, and forward thinking. Change will require a strong partner that is able to respond to these challenges and provide advice on how to launch new products and services quickly and effectively.
Vendor analysis

Backbase (Omdia recommendation: Leader)

Backbase should appear on your short list if you are looking to upgrade a legacy solution and have complex and extensive requirements.

Backbase is a privately owned, financial services–focused digital platform vendor headquartered in the Netherlands. The company was founded in 2003 and launched the Backbase engagement banking platform in 2009. Backbase started as a portal platform that was developed for online and mobile banking modernization projects for top-tier banks, and it has evolved into a complete digital banking platform. Because the platform was created specifically for digital banking and as a facilitator to enable strong customization, Backbase has historically had a strong global client base, including Tier 1 and Tier 2 banks, but it has also gained considerable traction among smaller banks since it turned its offering into a digital banking platform product. The company continues to grow rapidly: it now has approximately 1,000 employees, a considerable increase from a headcount of 690 in 2018. As a specialist digital banking platform vendor, Backbase derives all its company revenue through its digital banking platform. The vendor has grown organically and enjoyed exponential growth for a number of years, despite operating in an increasingly competitive marketplace.

Backbase invests half of its revenue in research and development as it seeks to enhance the features and services provided by the platform. The vendor describes itself as the “AWS of banking” because its platform is core agnostic and built on a single omnichannel banking platform architecture rather than having been built through acquisitions. The platform has a vast array of features and is best suited to banks that suffer with a spaghetti architecture and are locked into a legacy core provider and favor a cloud-first approach. Customer feedback is strong: it has been remarked how easy to integrate with other services the Backbase platform is, and it enables banks to efficiently add new business capabilities.
**Strengths**

The Backbase platform is built on a microservices architecture that enables banks to “pick and mix” their preferred digital capabilities from an extensive back catalog of functionalities. The flexibility of this approach enables banks to customize the platform prior to deployment and also support ongoing innovation. Backbase has extensive experience of integrating with the major core banking providers thanks to a large number of deployments with Tier 1 and Tier 2 banks, which makes deployment more straightforward for larger institutions. The vendor has sales and support offices in all regions and has deployed its solution in a wide variety of countries. The platform provides an excellent end-user experience and provides many new business capabilities while allowing scalability in customer numbers without a drop in performance. It also has a strong analytics engine that allows business users to identify new opportunities to engage with customers. Backbase has a very strong emphasis on research and development with half of its revenue invested back into R&D, a considerably higher-than-average percentage, which has led to some Backbase clients describing the platform as market leading.
Limitations
The Backbase engagement banking platform has leading and rich functionality for the primary digital channels, but Backbase is not yet the leading vendor across the broader digital front office, although this has been partially addressed in recent years with a significant investment in expanding the platform functionality, particularly the Employee App, which allows a 360-degree view of customers. The platform is designed to be self-serving and historically suited banks with strong digital development functions, but it is increasingly being adopted by banks without technology capacity because of the support Backbase is providing after significantly scaling up its global customer success teams and increasingly making the product configuration based.

Opportunities
The pandemic has accelerated the timescales of the digital transformation plans of many banks from years to months. Backbase is well positioned to profit from the increased demand because of the speed at which the vendor can deploy its platform. Backbase partners with a wider range of fintech solution providers (more than 70 to date) through its Open Banking Marketplace and has partnerships in core banking, payments, and security to name a few. Backbase should continue to add partners to this marketplace to expand its ecosystem and accelerate the scalability of its platform in order to compete effectively with vendors that are able to offer the whole package under one brand. The mid-tier banking segment is increasingly adopting a cloud-first mindset, and Backbase is well placed to support deployments occurring in the cloud and is advanced in its containership deployment strategy, having already embraced the Kubernetes approach, which has enabled the vendor to be fully cloud agnostic and launch its own Backbase-as-a-service offering.

Threats
Backbase’s major threat is its ability to maintain high levels of support as it continues to scale and expand its client base, although the vendor has already made great strides in North America with more than 150 employees now based out of four locations in the US and Canada. Backbase has demonstrated a level of success with smaller institutions in North America, but it will need to sustain this growth in other regions if it is to replicate the success it has had with larger institutions globally. The vendor has already made the transition to the cloud but will need to support the high demands of top-tier clients while maintaining cloud software-as-a-service (SaaS) offers for smaller institutions. Although Backbase has strong open API capabilities and compatibility with open banking, it is still unclear how the vendor will deploy these capabilities on its roadmap.

Comviva (Omdia recommendation: Prospect)
Comviva should appear on your short list if you are looking to deploy a mobile-first banking solution in a developing market
Comviva, headquartered in Gurugram, India, was founded in 1999 and historically focused on providing value-adding services to telecommunication providers. It has focused on serving banks since 2014. The vendor is privately owned with Tech Mahindra, the Indian multinational IT services provider, acquiring a 51% stake in 2012. Comviva’s digital banking platform, the mobiquity banking suite, was launched in 2015, and it has had considerable success in deploying its solution with flagship banks in India and the Middle East and in Tier 5 banks (those with less than $1 billion in assets) in the African region. The solution has evolved from a mobile payments product into a fully
fledged channel platform. The platform adopts a modular approach with banks able to “plug and play” by selecting their building blocks from a digital experience layer, digital transaction layer, and digital payment module. Comviva has a small but growing dedicated team that works exclusively on enhancing the features and functionality of the platform. Comviva’s key geographic focus is India, Africa, and the Middle East, although Europe and Latin America are also regions the vendor is targeting. Its digital banking revenue, although small, has been growing at a rapid rate since it was selected by a number of African banks launching inaugural digital banking services. The platform has been well received by banks who are launching digital services for the first time, but Comviva also supports digital mature banks including some of the largest banks in India and the Middle East. The platform is suitable for banks that are looking for an off-the-shelf product that can still be adapted to their specific needs, and it has been rated one of the top vendors in terms of its aftersales customer support, making Comviva the ideal partner for banks or fintechs that are embracing digital banking for the first time.

Figure 5: Omdia Universe ratings – Comviva

Source: Omdia
**Strengths**
Since starting in mobile payments, Comviva has particular strength in supporting a variety of payment rails including digital wallets, P2P payments, QR codes, and A2A payments, and the architecture is built with instant payments in mind. Comviva enjoys a reputation for being an innovator for the developing markets it supports and has partnered with many banks that are the first in their country to launch a digital banking service, demonstrating that its platform is able to adapt to a variety of local regulations. The platform has been rated as having a strong end-user experience, particularly on mobile deployments thanks to its telco provider heritage, and Comviva’s platform has been cited as a core reason for accelerating digital customer onboarding. Although it has a small team, Comviva is able to provide real-time support to its banking clients during and after implementation to ensure any teething issues are resolved quickly.

**Limitations**
The breadth and capabilities of the mobiquity platform are relatively narrow because of its focus on delivering mobile financial services, and some of the new features on its roadmap (e.g., open banking capabilities) have already been deployed by other vendors. There is limited ability to customize the core functionality, and the vendor does not have much experience integrating with nonlegacy core banking providers, although the preconfiguration with legacy core banking providers enables a rapid deployment timeframe for product migration. Comviva has limited experience with deploying the platform on a multi-entity scale or across different lines of the business, so it is unclear at this stage whether mobiquity would be able to handle more complex deployments.

**Opportunities**
Comviva’s opportunity lies in expanding its target client base of Tier 4 and 5 banks in emerging markets and startups in financial services (e.g., mobile operators). Its experience in deploying the mobiquity platform for banks in digitally nascent countries is a niche position to have in the digital banking vendor space, and the appetite for a digital banking platform has accelerated since the COVID-19 pandemic. Comviva’s revenue has the potential to grow in line with development of the emerging markets it sits in, because there is increasing demand to add on products and services in line with banks’ digital engagement strategies. Comviva has an agile platform and team that can react quickly to industry trends and has the opportunity to innovate at a faster pace without being burdened with cumbersome legacy product solutions.

**Threats**
Comviva has a small, but growing, client base so is able to offer excellent customer support. The threat is the possibility of the vendor not being able to sustain this level of support as it scales the business, either with new or existing clients. Comviva will need to continue to invest and grow its support teams and locations to maintain its current growth by focusing on expanding into Europe and Latin America. While there are lots of exciting products on Comviva’s roadmap, there is a question whether the vendor is able to develop the platform for the differing weight of requirements in the developed banking markets and support the growth of its existing client base.
CR2 (Omdia recommendation: Challenger)

CR2 should appear on your short list if you are an MEA institution looking for a digital banking platform with omnichannel central to its deployment strategy.

CR2, headquartered in Dublin, Ireland, has a long history in digital banking having focused exclusively in this area since its founding in 1997. CR2 developed its digital banking offering, BankWorld, to cover not only internet and mobile banking but also ATM and kiosk banking. The platform was first launched in 2000 but has had many iterations since, and version 5.3 was released in 2020. BankWorld is a modular platform that contains a number of core components that are installed as part of the foundation configuration across its digital, payments, and self-service layers. CR2 has a strong heritage in the Middle East and African region where it has opened a number of physical offices thanks to a large and growing client base. The company’s target client base continues to be in the emerging markets in Middle East and Africa, although CR2 also has an increasing number of accounts in Asia Pacific, where ATM and kiosk banking are central to banks’ digitalization journeys.

CR2’s expertise is in integrating digital and ATM services to ensure cross-channel customer journeys that serve not just digital-native customers but also those that prefer to use the branch. CR2’s platform is able to support a wide range of payment rails and CR2 is at the forefront of payments innovation, having helped launch a nationwide digital wallet scheme. The vendor is well versed in the complexities of regulatory challenges across the MEA region, and its platform has been praised for its highly adaptive approach to support in meeting domestic regulations and procedures. With extensive experience in deploying omnichannel solutions in developing markets, CR2 would be the ideal partner for forward-thinking banks in developing markets that seek to keep pace with global digital banking trends.
Strengths

CR2’s strength is in its approach to multichannel integration and its recognition that there are a multitude of channels that are relevant beyond just desktop and mobile. For example, CR2 supports not only mobile apps but SMS and USSD too, as well as more traditional channels such as ATM, kiosk, and agent banking. BankWorld’s channel technology is shared across all channels, which provides a consistent customer journey experience irrespective of the device they choose to start from. BankWorld supports a comprehensive payments capability, and CR2 has implemented multiple payment types such as A2A, QR codes, P2P, digital wallet, agency banking payments, and so on. The platform has the capability to route payments across payment ecosystems either directly or via payment gateways. The adaptability of the platform is particularly strong and is demonstrated by its ability to work with all tiers of banks ranging from single entity on-premises installations to multi-entity and multicity implementation within a cloud infrastructure. CR2’s extensive experience and knowledge of the MEA region provides the vendor with an excellent overview of the key trends and innovations that these banks should adopt.
Limitations
With CR2 putting such an emphasis on the MEA region, it has less experience supporting other geographies, although the Asia Pacific region is also an important growth region, which is why it opened a support center in Australia for its Asia Pacific client base. CR2’s focus continues to be on omnichannel support, and while its experience with open APIs is more limited, BankWorld has already successfully utilized open banking for an African payments ecosystem, and it is a key strategic priority for the vendor, which it expects to be adopted more widely in future. The majority of CR2’s deployments have been on client premises, underpinned by regulatory constraints in the region it supports, although it does have the capacity for cloud deployment, either via a third party (e.g., Network International) or directly through CR2 if required.

Opportunities
With CR2’s target client base typically having a considerable branch network, the need to accelerate branch transformation in the light of COVID-19 has never been more critical. With such a broad set of digital channel solutions, CR2 can profit from increased demand for its services from new banking clients. With the majority of BankWorld’s capabilities delivered out of the box, the platform can be deployed rapidly and at scale. CR2 has implemented a full migration for a major Tier 1 bank with 3,000 ATMs in just three months. Digital wallets, QR codes, and alternative payment methods are increasingly being adopted by consumers and merchants alike, and retail banks are now expected to offer these payment rails as standard. CR2 can capitalize on this expectation with its payments strength.

Threats
As financial services embrace cloud infrastructure, deployment in the cloud is increasingly becoming important across all regions. Although CR2 does have the ability to offer cloud deployment, either directly or through a third-party provider, BankWorld is not currently supported on SaaS deployment. However, CR2 is investing heavily in cloud infrastructure and already has the option of being cloud agnostic, supporting both private and public cloud deployment, and SaaS deployment is an important feature on CR2’s product roadmap. BankWorld has a strong range of platform capabilities, and CR2 has been described as an innovator, but the vendor will need to either invest heavily in its own platform or extend its partnership ecosystem in order to maintain the same level of technological innovation.

ebankIT (Omdia recommendation: Prospect)

ebankIT should appear on your short list if you are a Tier 2 or smaller bank seeking an out-of-the-box solution that retains flexibility

Headquartered in Porto, Portugal, ebankIT was created in 2014 by a group of technology consultants specializing in the financial services sector. Building on their experiences of working on digital transformation projects for retail banks, the company’s founders created the ebankIT omnichannel digital banking platform product. The vendor has expanded its workforce rapidly and now has 83 employees, with the development team largely based in Porto and the commercial teams working out of London and New York. Because ebankIT typically employs an out-of-the-box approach, deployment is straightforward and can typically be done in four to nine months for the full suite, depending on the client’s precise requirements. Alongside the digital banking platform, ebankIT also
offers three optional modules: Branch Front Office, Contact Center, and Live Assistance. Because of its geographic location, ebankIT has a strong presence in EMEA, and it has an impressive portfolio of clients for such a young company. It is increasingly building its presence in North America and has had a lot of success in partnering with credit unions in Canada. As well as providing a core middleware that integrates with all major core banking legacy systems, ebankIT has formal partnerships in place with a number of challenger core banking providers. The vendor also utilizes a marketplace to easily plug in third parties that provide complementary services such as e-KYC, biometrics, and contact centers. The platform deployments have thus far been split between on-premises and cloud deployment, although SaaS is on the product roadmap. The platform is easily deployable across multiple entities with scalability being a key consideration of architectural design, and ebankIT provides a strong level of support to customers after deployment and is highly recommended by its existing clients.

**Figure 7: Omdia Universe ratings – ebankIT**

Source: Omdia

**Strengths**
The out-of-the-box approach adopted by ebankIT means that deployment can be carried out quickly as long as the bank’s requirements are straightforward. The vendor is able to quickly produce proofs
of concept, which was a key reason behind many of its recent client wins, because it has a particularly strong development team. It embraces the partnership model and not only has a dedicated onsite team for client implementation but also collaborates with selected technology partners to ensure deployments are quick and scalable. The ebankIT platform is particularly well suited to supporting banks in Tier 2 and below because of the core-agnostic and comprehensive capabilities of the platform. The vendor has been commended for its aftersales customer care with its clients highly satisfied with its level of support.

Limitations
The ebankIT platform is designed for speed of deployment, which is why the platform’s capabilities are delivered out of the box, and although there is business and configuration flexibility provided out of the box, the platform’s deployment speed will depend on the level of customization required. The majority of its deployments are done on top of legacy core banking systems and the integration with core systems, preferably with a web-service layer exposed. Older core banking systems without web services typically result in longer projects. A key benefit is ebankIT’s middleware, which contains all the needed modules for a digital financial institution such as smaller or neo/startup banks or even new international subsidiaries being built from scratch. Typically, larger institutions will have some overlap on some of these modules, making them less necessary, which means not all of the platform’s value is exploited. There is only one major ebankIT support center, based at its HQ in Portugal, although it provides 24×7 maintenance and support services.

Opportunities
The digital transformation plans of all financial institutions have accelerated as a result of the pandemic, and ebankIT stands to benefit with an out-of-the-box platform that can be deployed rapidly for banks where speed of deployment is number one priority. Through the ebankIT marketplace, which already includes a growing number of reputable technology partners, ebankIT is looking to scale and actively build out its ecosystem. It should continue this approach in order to enhance the wider platform functionality that can be preconfigured, enabling increased platform breadth while maintaining short deployment timeframes. Although initially focused on EMEA, ebankIT has enjoyed success with credit unions in Canada so should seek to replicate this success with other credit unions in the rest of North America.

Threats
Like all successful startups, ebankIT has enjoyed rapid revenue growth, and it has quickly grown its portfolio of retail banks. The opportunity to continue on this upward trajectory is also a threat if it fails to reach its ambitions. The vendor’s key strategic advantage of being an out-of-the-box platform is also a threat if the vendor is unable to evolve its platform functionality to maintain its innovator status. It must convince its existing client base to upgrade and expand their use of the ebankIT platform and continue to acquire new customers in order to be recognized as a true challenger in the market.
Finastra (Omdia recommendation: Challenger)

Finastra should appear on your short list if you require a platform to meet digital and core banking needs through an omnichannel strategy

Finastra is a UK-based financial technology vendor with $2 billion in revenue, formed by the merger of Misys and D+H in 2017. Finastra offers financial services software for retail and corporate banking, asset management, and capital markets. The company has significant heritage and an established client base in retail banking. Finastra’s Fusion Essence digital platform is an evolution of what was Misys’ digital channels platform and has been available in the market since 2012, with its last major upgrade in May 2020. As part of Finastra’s Fusion range, the platform shares common infrastructure with some of its other retail banking–focused solutions. The acquisition of IND Group in 2014 formed the main basis of the first iteration of the platform, and the acquisition of Malauzai in June 2018 has enabled Finastra to enhance its digital banking experience offering, particularly for US credit unions and community markets institutions. Fusion Essence and Malauzai are maintained as separate products, although the platforms do share some synergies. Fusion Essence will be the core product reviewed in this report. Finastra’s digital engagement hub consists of three applications; digital onboarding, online and mobile banking applications that run on the digital platform, and foundation services. All these applications are standalone entities with their own user interface and control of the customer experience. Finastra has an established core banking client base (gained through the Misys and D+H brands), and 80% of its customers have also deployed its digital banking platform, which is able to easily integrate with third-party core banking systems through REST APIs. Finastra’s Fusion product supports customers primarily in EMEA and Asia Pacific; its Malauzai product offering is designed for banks in the Americas. Finastra has been commended for its excellent customer support and the influence its client base can have in shaping the product roadmap to meet specific client needs.
Strengths
Finastra has a large market presence, and since the group was formed in 2017, it has facilitated a collection of disparate acquired companies to re-architect and develop a more coherent modern platform. It also has a dedicated division that exclusively focuses on retail core and digital banking applications outside North America (the Malauzai solution covers the US and Canada), which enables the vendor to provide exemplary customer support, for which Finastra was commended by existing customers. Finastra has strong omnichannel capabilities, with customers able to complete digital onboarding in a branch or through a call center in a seamless manner, a key differentiator that has seen Finastra win against digital-native vendors. Finastra has a large ecosystem of fintech partners, and that collaboration enables banks to benefit from the relationships with a range of solution providers including those that provide personal finance management (PFM), chatbots, fraud management, digital wallets, and so on.

Limitations
Finastra as a group has a broad range of solutions that cater for all types of financial institutions. Retail is not the core focus, so its strategy and roadmap is not as forward-looking as those of vendors whose sole focus is on digital retail banking. While the Fusion Essence digital banking platform has
good breadth in terms of its solution capabilities, it does not have as broad a range of reference sites for more advanced capabilities. All of Finastra’s existing client base are banks in Tier 3 or below; although Finastra as a group supports 90 of the largest 100 banks globally, its experience with complex deployments of its retail digital banking platform for larger institutions is limited at present.

**Opportunities**

Finastra already has a large partner ecosystem, enabling the vendor to offer additional services through third parties that can be preconfigured for easy deployment; thus it should look to grow this partner ecosystem to broaden its platform solution capabilities. Finastra’s core customer base has been in Europe thus far, and the vendor should look to target the Middle East, Africa, and Asia Pacific as means of growing its client base. The platform has deployed successfully in countries such as Myanmar and Vietnam for the first time, and Finastra should look to replicate this approach to broaden the appeal of the platform, which has already been shown to be adaptable.

**Threats**

Finastra’s digital engagement hub has good breadth in its solution capabilities thanks to a strong partner ecosystem, but the vendor needs to provide an easy and efficient deployment experience in order to maximize these benefits. Finastra is still perhaps best known in retail banking for its core platform capabilities and a core installed base, often on older platforms. The vendor needs to demonstrate it is a strong digital innovator in order to accelerate new client growth. Finastra’s efforts to create an ecosystem of partners to scale up its digital capabilities have strengthened the vendor’s digital credentials, and it should look to capitalize on the expanding fintech ecosystem as a way of differentiating itself.

**Fiserv (Omdia recommendation: Prospect)**

Fiserv should appear on your short list if you require a provider that can support wider banking and payments requirements

Fiserv is a publicly owned financial services company that dates back to 1984 with its headquarters in Wisconsin, US. Fiserv is one of the major legacy core banking system providers with a truly global presence and enjoys a particularly large share of the US banking sector. Fiserv is primarily focused on providing technology systems and services to the banking and payments industries, with significant strength in banking transaction platforms (across core and channels) and payment processing complemented by a growing focus on the analytical side of banking (e.g., risk, compliance, and management information systems). Fiserv offers a number of digital banking platforms primarily aimed at the US market including Architect, Retail Online, Corillian Online, Mobiliti, and the newly launched Abiliti, but this report reviews Fiserv’s global (non-US) DigitalAccess platform. Fiserv launched DigitalAccess, which provides coverage across retail, corporate, and agency banking; originations; and cards management, in 2015, with the most recent iteration released in 2020. DigitalAccess is designed to meet the needs of new or growing international institutions that want a solution with packaged functionality that is readily deployable with an agile platform required in today’s digital world. Fiserv has had a lot of success in deploying its solution with Tier 4 banks that are often looking to bolt on a digital banking platform to improve the user experience for their retail customers. The usability of the platform has been praised by its current customers, and it has been able to exceed expectations in terms of business benefits in some cases, although Fiserv’s pace of
innovation was not identified as strong compared that of with peers. However, Fiserv is currently investing in its digital capabilities to ensure the DigitalAccess platform is innovative in future.

**Figure 9: Omdia Universe ratings – Fiserv**

**Strengths**
DigitalAccess from Fiserv has a strong omnichannel approach with channels supported through a common set of business services and banking components. All channels share common business functionality and integration points to ensure a consistent customer experience throughout. DigitalAccess’s rich out-of-the-box functionality supports comprehensive banking functions including retail banking, corporate banking, cards, originations, real-time payment transfers, wallets, conversational banking, and agency banking, all via a single digital banking platform. As a large provider of core banking solutions, DigitalAccess provides out-of-the-box integration with Fiserv’s products such as Signature Core Banking and VisionPlus Cards. It can also be integrated with third-party core banking and cards solutions where applicable. Fiserv carries out all implementations itself so does not need to rely on third-party partners to deploy the DigitalAccess platform.
**Limitations**

Fiserv has a smaller ecosystem of fintech partners compared with other vendors, but Fiserv seeks to maintain all of its capabilities in-house to ensure ease of deployment. The DigitalAccess platform is positioned as an “off-the-shelf” solution, which enables faster implementation but means there is limited opportunity for customization. However, the platform has recently upgraded to a microservices architecture and offers development tools that will provide more flexibility to customers in future. DigitalAccess is API enabled but to date does not have live deployments of open banking. However, Fiserv is creating an open banking platform that will consume APIs from DigitalAccess and several other Fiserv solutions.

**Opportunities**

Fiserv’s approach to offering everything under the Fiserv brand enables DigitalAccess to truly become a single platform and host all of its capabilities under one roof. This mitigates the uncertainty of working with and relying on several third-party partners and should, therefore, improve the security and reliability of the platform. Banks are increasingly looking to vendors to support the rapid release of new products and services to their end customers, which Fiserv has the opportunity to do with the DigitalAccess platform. If Fiserv can increasingly utilize the capabilities of its US-focused products within the DigitalAccess platform, it has the potential to compete with the leading vendors by drawing on its fintech heritage and expertise.

**Threats**

Digital banking platforms, particularly in retail banking, are evolving at an exponential rate, which requires vendors to be in a constant cycle of innovation. DigitalAccess has been described by some customers as mainstream in terms of the speed of its platform innovation. Fiserv will need to accelerate its product roadmap and strategy as it grows its customer base. This is especially important since Fiserv maintains all of its capabilities in-house and thus develops all of its own functionality.

**Infosys Finacle (Omdia recommendation: Leader)**

Infosys Finacle should appear on your short list if you require a broad platform or have complex deployment needs.

Infosys is a global leader in next-generation digital services and consulting based in India and with $12.8 billion in revenue. The company has a strong presence in the banking and capital markets sector, which accounts for over 30% of its overall revenue. In 2015 Infosys’ digital banking solution suite Finacle was moved to its wholly owned products subsidiary, EdgeVerve. EdgeVerve develops software products for banking, distributive trade, credit servicing, customer service, and enterprise buying. Finacle has a strong retail banking heritage: its first internet banking solution was released in 1996. Version 11.10 of Finacle Digital Engagement Suite, the version evaluated here, was released in April 2020. The solution has a broad offering, incorporating not only retail banking but also corporate banking and SME banking and wealth management capabilities. EdgeVerve has a global workforce dedicated to the Finacle digital banking platform and a large team focused on research and development in several locations across the US, Mexico, and India. Infosys Finacle has an extensive client base across all regions, and Infosys has partnered with some of the largest financial institutions to both upgrade existing legacy systems and support the launch of new standalone
banks. A large number of Finacle Digital Engagement Suite customers also utilize the Finacle Core banking system, although 100% of installations of the digital banking platform are integrated with various third-party back-office systems. Infosys has been able to acquire and invest in several businesses, such as digital onboarding and data analytics startups, that complement the Finacle Digital Engagement Suite, which enables a comprehensive digital banking platform that meets the needs of all types of banks.

**Figure 10: Omdia Universe ratings – Infosys Finacle**

Strengths

EdgeVerve, with the backing of Infosys, has invested heavily in the Finacle Digital Engagement Suite and is now able to offer one of the most comprehensive digital banking platforms in the market. Although it is an integrated platform, the suite consists of several components that enable banks to onboard, sell, service, and engage customers with a tailored experience. The solution is highly componentized, and excluding the digital engagement hub, all modules are optional components. As a result of Infosys’s investments, the platform has the widest solution breadth of all the solutions in this report, and EdgeVerve has experience in a range of deployments from digital transformation of incumbent banks to launching standalone lifestyle digital startups. EdgeVerve is an established
vendor and has a long-term vision with an impressive product roadmap of all the key functionality to be added to the platform over the next two years, including wider platform functionality such as wearables, lifestyle banking, and open finance. Through its sheer presence, the vendor is able to offer support to a wide range of banks across the world from its 13 support centers located in every region. EdgeVerve also has an extensive partner network of over 90 partners, which has significantly enhanced its ability to co-innovate and improve delivery during the implementation phase.

Limitations
While EdgeVerve’s strength is in providing a rich, complex, and broad platform, customer feedback from some banks was that deployment became more complicated as a result. For the more complex and therefore lengthy deployments, the business benefits were slower to be realized, although where implementations were smooth, customers stated that they were able to acquire new customers quickly. While the vendor is keen to innovate, feedback from some banks was that it can be slower to evolve its capabilities in all areas because of the vast functionality the platform provides.

Opportunities
Finacle is able to support all lines of the institution including corporate, wealth, insurance, and retail banking; therefore, Infosys has the opportunity to penetrate institutions in a targeted way and upsell the Finacle Digital Engagement Suite to the retail bank as it establishes itself in the wider organization. Infosys has been an early adopter of open banking, largely because of the regulatory requirements of its largest customers, and its clients have already leveraged the open API capabilities of the platform to develop new business models. It should exploit its early-mover advantage by targeting banks on the cusp of their open banking journey (e.g., in Brazil and Australia) and showcase its capabilities to existing customers as a strategic advantage over its banking peers.

Threats
Infosys’s challenge is to continue to scale the platform by adding new functionality and services while maintaining a strong integration to ensure its clients are able to extract maximum value from the platform. Infosys should seek to maintain first-mover advantage in areas such as open banking in order to be recognized as a leading solution provider, otherwise its early gains could be quickly lost in a rapidly evolving sector. The future strategy roadmap for Finacle is impressive, but if it fails to deliver the platform enhancements in a timely manner, it would risk alienating its current and prospective client base.

Intellect Design Arena (Omdia recommendation: Challenger)

Intellect should appear on your short list if you require a comprehensive platform that will serve your universal banking needs
Intellect Design Arena is a publicly traded company founded in 2013 and operates from its headquarters in Chennai, India. Intellect is a solution provider for banking, insurance, and financial services. The Intellect digital banking engagement platform (DBEP) launched in 2016, and the latest update was released in 2019. As well as retail banking (on which this report will primarily assess the vendor), the platform can also be utilized for corporate banking, wealth management, and
insurance. Intellect has had success in supporting all banking tiers across the globe, although most of its client base sits in Asia Pacific, the Middle East, and Africa. The DBEP is modular and loosely coupled, allowing for easy integration with third-party systems and allowing quick and easy upgrades. The platform also facilitates incremental product enablement, allowing new products and services to be launched in a phased approach without disrupting day-to-day operations. Intellect has scored consistently well across all categories and particularly strongly in the user design of its platform, which is built using the proprietary Experience Design Studio and provides a consistent customer experience across all channels, ensuring new products and features are deployed rapidly.

Figure 11: Omdia Universe ratings – Intellect Design Arena

**Strengths**

Intellect Design Arena has the advantage of being an established vendor with digital banking heritage but also employs a new solution built with the latest technologies. The vendor has a sizable market presence with representation of all tiers of banks across every geographic region in its client base, which demonstrates the adaptability of Intellect’s digital banking platform. Intellect’s DBEP uses Olive Fabric (its Java-based enterprise service) as its integration studio, which enables easy integration of existing systems, regardless of the different communication technologies that the
applications use. Consequently, greenfield implementations can be deployed in four to six months thanks to the digital banking platform’s microservices architecture. Intellect also has a strong reputation for accelerating the launch of new products and services using its low-code platform iTurmeric, which is Intellect’s Experience Design Studio and empowers banks to test products on the fly and debug the system before release without disrupting day-to-day operations.

**Limitations**

Intellect has a broad offering of functionality, but because of its modular approach, the full benefits of the platform are gained by deploying all of its six layers, although deployment can occur in a big-bang or phased approach depending on clients’ requirements. The DBEP is designed not just for retail banking but also for corporate, insurance, wealth management, and treasury, with Intellect’s typical customer being a universal bank. Thus it is slower to adopt innovations that are happening only in retail banking, with customers describing the vendor as being a rapid adopter rather than an innovator. The majority of Intellect’s deployments to date have been on client premises because of client preferences. However, cloud deployment is available as an option to its customers, and Intellect already partners with all the major public-cloud providers.

**Opportunities**

The high adaptability and flexibility of Intellect’s platform enables the vendor to truly partner with its customers and add new modules to the platform in a phased approach through its decoupled microservices architecture. This minimizing initial investment costs from the bank’s perspective but also allows Intellect to grow its ecosystem organically in line with the demands of the client. Intellect also has vast experience in supporting multi-entity deployments, the largest of which includes 22 entities, and should draw upon this strength to expand its relationship with existing customers where possible. Intellect has a sizable core banking client base, but not all customers also deploy the DBEP. Retail banks are increasingly choosing to work with a smaller pool of partners, and Intellect should strive to profit from this.

**Threats**

Intellect has the capability to serve all tiers of banks with no specific target bank in mind. However, this focus on mass-market appeal could become a threat if the digital banking software solution provider market begins to polarize. Intellect has to achieve the difficult balance of being able to provide the smaller institutions with strong customer support and also serve as a strategic partner to the bigger institutions, which becomes increasingly difficult as the platform begins to scale. Intellect should strive to increase the self-service functionality of the DBEP through its iTurmeric module and empower the business users of its platform.

**Oracle (Omdia recommendation: Leader)**

Oracle should appear on your short list if you require a one-stop platform for your digital front office

Oracle Corporation, a US-based enterprise application and technology provider with more than $39 billion in revenue, is one of the largest providers of databases, decision support tools, and enterprise business applications in the world. The company has a strong industry-specific portfolio for banking that includes core banking, pricing and billing, analytics, and investor servicing. Oracle’s digital banking platform falls under the umbrella of Oracle Financial Services Global Business Unit. Its digital banking platform consists of two components: the Oracle Banking Digital Experience (OBDX),
launched in 2015, and Oracle Banking APIs (OBAPIs), launched in 2018, with the latest versions (20.1) being released in May 2020. The scores in this report focus on the Oracle Banking Digital Experience, its central platform, but due consideration has been given to the additional value from OBAPIs, which provides banks with a range of out-of-the-box APIs for nonfunctional capabilities such as access, consent, entitlement, and identity across retail, corporate, and SME banking and payments. Oracle scored consistently well across almost all areas under review, thanks to a broad platform that provides strong core and wider capabilities for its client base. Oracle’s platform should particularly appeal to banks in Tiers 3–5 (although its advanced API approach means it can support larger banks as well) thanks to its ability to provide a universal solution for digital and core banking needs: more than 80% of its digital banking platform customers are also integrated with its core banking system. Oracle has a range of add-on services that can be plugged into its platform (e.g., Oracle Advanced Analytics or Oracle Marketing Cloud), which enable banks to offer hyperpersonalized services to its end customers.

Figure 12: Omdia Universe ratings – Oracle

Source: Omdia
Strengths
Oracle has a very rich platform that provides broad functionality in terms of both its business and technological capabilities, which enables the vendor to cater for all types of financial institutions. Its offering has resonated particularly well with Tier 3 and smaller banks because of its one-stop approach. Oracle has had particular success winning contracts in the Middle East, Africa, and Asia Pacific regions during the past two years, but the vendor has a large installed base across the world. Oracle offers an extensive range of other products within its suite that complement the Oracle Banking Digital Experience in terms of both digital functionality and line-of-business capabilities, all of which are provided with out-of-the-box integration. Oracle manages its own cloud services, which enables multiple cloud deployment options for its customers, although the platform is also cloud agnostic. Furthermore, OBAPIs are also in demand with larger institutions, and the vendor has been a fast adopter of open banking as a result, with the product being one of the first to move to an API-based architecture. With a library of more than 1,600 RESTful APIs, Oracle already has strong open banking capabilities and is compliant with CMA UK Open Banking and Berlin Group Standards.

Limitations
Because Oracle has such rich functionality, some customer feedback indicated that it can become complicated to customize deployment. Oracle’s platform is not yet built on a microservices-enabled architecture, but it expects to implement this in the near future, and its current platform framework has been designed to provide unique experiences across different segments of banks. Oracle’s enhanced support package is not provided as standard, although it does have an extensive customer support team with 10 support centers covering all regions should the client require it.

Opportunities
Oracle has a clear and forward-thinking product roadmap that is focused on APIs, fintech collaboration, and emerging technologies, and because it is such a major player in the technology world, the financials services unit stands to benefit if it is able to rapidly embrace new technologies. Because of its early adoption of open banking, Oracle has a competitive advantage when seeking to win contracts in countries where open banking initiatives are in the early stages: Australia, Brazil, Bahrain, Hong Kong, Japan, South Africa, and the US in particular. Oracle already has extensive breadth and functionality to its existing platform. Therefore, it should seek to upgrade and expand its solution with existing clients as well as acquiring new customers.

Threats
Digital Banking is part of a very broad Oracle portfolio that brings benefits in terms of scale and leverage, but it is more challenging to have a close co-innovation partnership model in the same way a dedicated digital banking platform solution provider can. Platforms based on microservices architecture is the future standard, and while Oracle is in the midst of implementing this strategy, there is a risk that highly customized deployments will remain complicated. The vendor is likely to be less client led with respect to ongoing development for digital banking because of its broad research and development portfolio but, conversely, well capable of keeping on top of the latest technologies.
Sopra Banking Software (Omdia recommendation: Challenger)

Sopra Banking Software should appear on your short list if open banking is central to your digital banking strategy

Sopra Banking Software (SBS) is a subsidiary of Sopra Steria, headquartered in Paris, France, which specializes in the banking industry (predominately software but also services), and its historical business focus has been on providing core banking solutions for Tier 1 banks in Europe. SBS launched Sopra Banking Platform, a standalone digital banking engagement platform, in 2016, explicitly targeting the front-office platform market. It leverages the benefits of the cloud and can be deployed as an end-to-end solution. SBS acquired fellow core banking provider SAB in 2019 to strengthen its client base in Europe. SBS employs 5,000 people (with 40% of its staff dedicated to research and development) located in 19 countries across six regions and has historically been strong in Europe and Africa, although its platform has also been deployed in Asia Pacific and Latin America. One of the big strengths of SBS is that it has backing from the Sopra Steria Group, which provides financial stability, workforce if needed, its expertise in a lot of domains (cybersecurity, infrastructure, etc.), but also a good reputation, especially among the Tier 1 and 2 clients. The Sopra Banking Platform is founded on a microservices architecture that is cloud native with the ability to activate different capabilities à la carte that interpose between front-end and back-end systems. The platform comprises two core business parts: Customer Engagement for onboarding and day-to-day banking services and Ecosystem Engagement for open banking and marketplace capabilities. The platform scored well for the solution innovation and strategy/product roadmap and received positive feedback for the vendor’s customer support.
**Strengths**

Sopra Banking Software’s natural strength is in supporting Tier 1 and 2 banks thanks to its historical client base, although it has a number of Tier 3 and 4 banks in its client base too and is able to deploy its platform across multiple entities; one of its clients has deployed the solution across 14 subsidiaries. With cloud becoming important to larger institutions, SBS is transforming all of its components so that they will be cloud based in order to enable retail banks to scale their business needs accordingly and already offers its platform on a SaaS basis. The Ecosystem Engagement module is a real strength of the platform—because of how advanced SBS’s open banking and API capabilities are (thanks to its sister company Axway) with its PSD2 compliance solution already live in 17 European countries—and provides a robust foundation for open banking. In June 2020, SBS announced a formal partnership with Tink, the open banking startup, which enables SBS to get end-customer financial data through Tink’s connectivity to more than 2,500 banks across Europe. By integrating third-party data and orchestrating internal and external API services, SBS enables banks to innovate with open banking. Its platform helps design and orchestrate fully digital, personalized customer experiences. SBS has been commended for its strong customer support (it is often referred to as a partner as opposed to a vendor), and it offers an extremely comprehensive training program for bank employees to continuously learn through Sopra Banking Software University.
**Limitations**

Sopra Banking Platform has broad functionality for the primary digital channels but lacks the breadth of its peers, although SBS is focused on addressing this through its open API strategy. While the digital platform does support an approach that is agnostic to the core banking system, it requires a specific integration project in order to do so, with the vendor naturally preferring its digital customers to also deploy its own core banking system, which 90% of Sopra’s existing customers do. Sopra Banking Platform is best suited to banks with more complex requirements, although Sopra’s strong focus on open APIs enable the platform to be adapted for all types of financial institutions.

**Opportunities**

The majority of Sopra’s customers are in Europe and Africa, where it has traditionally had a strong presence, but Sopra has an opportunity to infiltrate new markets where open banking is beginning to be adopted. Sopra has a number of real-life examples of how its platform is supporting open banking initiatives, which it should seek to replicate with prospective clients. Sopra is co-collaborating with many of its existing client base to create new products and services, which it has the opportunity to adapt and provide to the wider marketplace as it seeks to accelerate its customer acquisition rate.

**Threats**

While Sopra is forward-thinking in its investment in functionality, it does not currently have experience in deploying with emerging channels such as wearables or smart devices, which is likely to be of increasing importance to banking customers in future. Although Sopra is in favor of and can cater for banks that wish to pursue a marketplace ecosystem of partners, Sopra’s own ecosystem is more limited, with few formal partnerships in place. This limits the wider platform functionality it can offer, although this is changing, most notably with Sopra’s strategic partnership with Tink.

**Technisys (Omdia recommendation: Challenger)**

Technisys should appear on your short list if you want to launch a digital banking brand from scratch, particularly if you are based in the Americas.

Technisys, headquartered in Miami, US, was founded in 1995 and initially started out as a digital banking provider before deciding to launch an end-to-end digital banking platform (core system and digital capabilities), Cyberbank Digital, in 2013. The platform has gone through many iterations, but the latest major release was launched in December 2019 and is based on an API-centric and microservices-driven architecture. The platform is designed for cloud deployment, although on-premises deployment is possible, with the focus on helping incumbent banks to digitally transform and new digital players to build banking digital ecosystems from scratch. Technisys has a strong reputation for its research and development teams, with the vendor increasing its R&D investment spend by 40% between 2019 and 2020. The vendor’s core focus is on supporting banks in the Americas (North and South), although it is growing its presence in Europe after opening a physical office in Spain. Unusually, the Cyberbank Digital platform must be installed in a Kubernetes cluster, although the components can be deployed on a cloud provider or on premises. The majority have been on-premises deployments, but increasingly, new customers favor cloud deployment. The cloud-agnostic and state-of-the-art technology enables banks to update components in real time without affecting the availability of the platform. Additionally, Cyberbank Digital enables flexibility...
through the decoupling of the technical engines and tools and the business logic and parameterization. Technisys received excellent feedback from its existing customers: the platform was praised for its innovation, effectiveness in driving new business capabilities, and its exceptional customer support.

**Figure 14: Omdia Universe ratings – Technisys**

*Strengths*

The Cyberbank Digital platform can be deployed quickly and efficiently: its standalone platform is typically implemented in three to six months or up to 12 months for a full-stack implementation (digital and core). It has therefore been favored by neobanks that have an accelerated go-to-market strategy, because deployment on cloud-agnostic Kubernetes infrastructure enables Technisys’ client base to test “on the fly.” Similarly, the platform has been praised for its end-user experience where it has introduced novel concepts such as gamification and lifestyle banking and has enabled a Brazilian bank to be the first to digitally onboard customers. Cyberbank Digital is built with scalability in mind: Technisys increasingly focus on cloud deployments, and its 100% stateless processes and API-centric architecture enable the platform to scale while remaining flexible and reliable.
Limitations
While the solution capabilities of Cyberbank Digital are strong, the breadth of the platform is limited, and it would struggle to scale up to larger banks that might want a broader digital front-office platform. All current deployments have been for Tier 3 or smaller banks, although Technisys’ solution has been implemented for a bank with more than 8 million end customers on multiple sites across five countries. The platform has to date deployed Latin-based character sets but is ready for internationalization (i18N) and localization, and Technisys plans to develop additional language packs in line with its expansion strategy in targeted geographies.

Opportunities
Technisys’ natural opportunities are with its existing client base, since it has targeted startup digital banks, which have chosen Technisys for the fast implementation times. Therefore, the vendor should seek to expand and upgrade the capabilities of the platform in line with the customer acquisition growth its client is experiencing and expand its product marketplace with preintegrated third-party solutions and ready-to-go core banking connectors. Technisys’ success has thus far been limited to its home territory of Latin America and, more recently, North America, which has been identified as its number one priority market, supported by Technisys’ dedicated team to handle localization and regulatory compliance for the US market. With startup digital banks becoming increasingly common throughout the globe, from both incumbents and digital natives, Technisys has an opportunity to support the next wave of challenger banks, wherever they may be located geographically, thanks to its Cyberbank Digital platform, which can be deployed rapidly.

Threats
Technisys has received excellent feedback for customer support. Therefore, it faces the challenge of maintaining customer satisfaction as it seeks to continue its exponential growth in the Americas and expand further afield. Technisys’ key target client base of Tier 3 and smaller banks is becoming increasingly competitive as vendors that traditionally targeted the larger institutions are adapting their offering to appeal to smaller institutions. Technisys should continue to invest in its cloud capabilities and broaden the platform’s functionality in order to stand out and combat an increasingly crowded solution provider market. The vendor has been described as a market leader in terms of the platform innovation; however, this is in the context of a less developed market, so Technisys will have to continue to invest heavily in its platform capabilities to stand out as an innovative solution on a global scale.

Temenos (Omdia recommendation: Leader)

Temenos should appear on your short list if you require a comprehensive digital banking solution
Founded in 1993 and headquartered in Geneva, Switzerland, Temenos is a specialist in enterprise software for banks and financial services. Its core banking software, Temenos Transact, is traditionally its best-known product, but in 2019 it launched Temenos Infinity to distinguish from its back-office expertise and showcase strength in front-office software capabilities. In August 2019, Temenos added to its front-office banking software stable with the acquisition of Kony, which offered a modern digital banking platform that complements and will accelerate the growth of its Infinity service as a standalone platform. Temenos also acquired the digital onboarding firm Avoka in December 2018, which significantly enhanced its overall digital customer journey offering for
existing and prospective banking customers. Temenos has a global customer base and supports banks in every region of the world, but prior to and since acquiring Kony, it has expanded rapidly into North America in particular. Temenos targets banks of all tiers, but Infinity has been launched with Tier 1 banks in mind because the platform incorporates Kony capabilities that enable the platform to meet the more complex and partner-based requirements of top-tier banks. The platform supports greenfield implementations for banks looking to take a full-stack approach. It also supports banks looking to build and migrate and those that prefer continuous renovation whereby banking capabilities are selected and implemented as loosely coupled microservices. Temenos Infinity scored consistently well in almost all areas thanks to an all-inclusive platform that can be adapted for all types of bank or geography. Customer feedback praised the usability of the platform and the fact that business benefits were above expectations after implementation.

Figure 15: Omdia Universe ratings – Temenos

Strengths
Temenos has recognized the importance of a front-office platform, which is why it decoupled the digital functionalities of Transact, its core banking system, to form Infinity in 2019, which was further enhanced by the acquisitions of the digital platforms Kony and Avoka. Infinity is founded on
microservices architecture principles and is designed around efficiency to enable both autoelastic scalability and hyperscaling. Infinity is highly adaptable and can be deployed as a “build and migrate” solution or for “continuous renovation,” depending on client needs. The platform scored well in solution capability because it has more than 125 key features, which are available as standalone or core functions and interact independently. Temenos Infinity has an impressive array of analytics and Explainable AI (XAI) tools at its disposal, with the platform designed for hyperpersonalization and to identify profitable customers and target them accordingly. Temenos is advanced in its cloud adoption and already has a significant number of clients, mainly in the US, using its SaaS offering with many other global clients having already deployed Infinity in the public cloud.

Limitations
Although Temenos Infinity is based on microservices architecture to enable more efficient deployments, customer feedback was that certain implementations can be somewhat difficult because of the broad range of functionality that will typically need to be migrated. Temenos has limited experience of deploying its platform on a broad scale with multiple entities, although it is in the process of deployment with a customer that is planning up to 90 entities. Vendor experience is still mixed, and Temenos needs to ensure it infuses the partnership approach from Kony into the wider organization.

Opportunities
Temenos has now fully integrated the Kony and Avoka acquisitions into the Infinity platform, which enables the vendor to showcase its full capabilities, including onboarding, AI-led decision-making, and employee empowerment. Temenos has an established core banking customer base, but by decoupling its front-end and back-end systems, it has the opportunity with Infinity to appeal to a broader target audience and acquire customers at a faster rate. Infinity has rich platform functionality with new products and services being added on an ongoing basis, which Temenos can utilize to upgrade its existing customer base in a phased way and to acquire new customers with specific modules. Unlike some vendors, Temenos has the resources to appeal to all types of banking tiers and geographies, and the platform can be adapted for a multitude of different needs.

Threats
Temenos has not typically focused on larger financial institutions, so the vendor will need to ensure it can offer an enhanced support service to its larger customers without alienating the existing midsized and smaller institutions it also serves. Temenos acquired a large number of digital banking customers through its Kony acquisition, and while the integration is now fully complete, the vendor will need to ensure it is able to preserve the digital-native approach of Kony in order to maintain a strong focus on continuous innovation and strong client partnerships.
Methodology

Omdia Universe

The process of writing a Universe is comprehensive:

- Omdia analysts perform an in-depth review of the market using Omdia’s market forecasting data and Omdia’s ICT Enterprise Insights survey data to assess market and platform requirements.

- Omdia creates a matrix of capabilities, attributes, and features that it considers to be important now and in the future.

- Vendors are interviewed and provide in-depth briefings on their current solutions and future plans via detailed RFI responses and follow-up discussions.

- Analysts supplement these briefings with other information obtained from industry events and user conferences.

- Analysts derive insights on the customer experience with each solution via a number of in-depth client interviews and broad market surveys of the client base.

- The Universe is peer reviewed by other Omdia analysts before being proofread by a team of dedicated editors.

Omdia ratings

- **Market Leader.** This category represents the leading solutions that Omdia believes are worthy of a place on most technology selection short lists. The vendor has established a commanding market position with a product that is widely accepted as best of breed.

- **Market Challenger.** The vendors in this category have a good market positioning and are selling and marketing the product well. The products offer competitive functionality and good price-performance proposition and should be considered as part of the technology selection.

- **Market Prospect.** The solutions in this category are also worthy of inclusion on a short list. They typically provide the core functionality needed but may be a newcomer to the market, specialize in a particular segment, or have a regional focus.

The scoring for the Universe is performed by independent analysts against a common maturity model, and the average score for each subcategory and dimension is calculated. The overall position
is based on the weighted average score, where each subcategory in a dimension is allocated a significance weighting based on the analyst’s assessment of its relative significance in the selection criteria.

Inclusion criteria

The criteria for inclusion of a vendor solution in the Omdia Universe: Selecting a Digital Banking Platform 2020–21 are as follows:

- The solution is a standalone one that is not closely tied to the vendor’s core banking platform.
- The vendor can provide its solution across multiple geographies.
- The platform to be evaluated is fully available in market and has active customers.
- The vendor has a significant client base in digital banking platforms and/or a notable number of new wins in recent years.

Evaluation criteria

There are many vendors in the digital banking platform solutions market, and all vendors included in this report are deemed to be of high merit and worthy of consideration for short-listing purposes. While Omdia’s evaluation will look at the vendor’s platform’s ability to service the universal bank, the platform will need to actively service at least the retail banking market. Evaluation is based on the ability of the vendor and platform to meet the overall market’s requirements, but it needs to be used in conjunction with institution’s own position, requirements and capabilities. The criteria for evaluation, while not exhaustive, are based on market presence, solution capability (inclusive of breadth, innovation and product roadmap/strategy), and customer experience (product/vendor experience and recommendation):

- **Solution Capability.** This category looks at the richness of digital banking channel platform content in terms of the maturity of essential capabilities provided off the shelf and at the value-adding capabilities not considered core to the platform’s functionality (e.g., analytical tools, payments, open banking, etc.) as well as its fintech partner ecosystem.

- **Solution Breadth.** The range of features reviewed includes all front-office capabilities and wider functionality that can be deployed within the platform. The category also reviews the geographical coverage and scalability of the platform and its ability to serve the universal bank.

- **Solution Innovation.** The solution is reviewed in terms of the innovation of its business functionality, user experience, technology design, and deployment methods.

- **Strategy and Roadmap.** This category reviews the vendor’s product roadmap and how its overall strategy aligns with current and future digital banking trends.
• **Recommendation.** The recommendation score is based on online surveys and in-depth discussions with key customers.

• **Product Experience.** An assessment is made of the approach to data migration, deployment, updating, and upgrading, with a focus on tools, automation, and deployment options. This category also looks at the ability to analyze, optimize, and change the platform in terms of the complexity of the change process and the extent of changes possible.

• **Vendor Experience.** The platform’s user experience optimization capabilities are assessed, in terms of both end-customer and business user experience. This category also reviews the strength of a vendor’s capability to support its customers throughout the implementation process and after deployment as well as its ability to provide training and support globally.

• **Market Presence.** This category reviews the vendor’s market share in terms of installed base (across banking tiers and geographies), revenue, growth, coverage, and recent contract wins.
Appendix

Further reading

*Digital Banking and the Future Customer Experience* (April 2020)

*2020 Trends to Watch: Retail Banking* (February 2020)

*ICT Enterprise Insights 2020/21 – Financial Services & Payments: Retail Banking*

Authors

Philip Benton, Senior Analyst, Financial Services Technology

Daniel Mayo, Chief Analyst, Financial Services Technology

askananalyst@omdia.com
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CONTACT US

omdia.com
askananalyst@omdia.com

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