

# The U.S. Open Banking Movement

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How consumers are driving U.S. open banking innovation



**VISA**



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# Foreword

Consumers are the backbone of the U.S. economy, and their preferences are at the center of technological innovation. Financial services are no exception. As consumers have adopted digitization across their lives, the ways in which consumers choose to manage their finances have shifted towards even more secure and seamless interactions. Financial institutions, fintechs and other businesses have developed offerings that facilitate consumer permissioned access to their bank accounts – a system commonly known as *open banking*. As consumers seek more personalized and innovative experiences, access has expanded beyond bank accounts to include a broader scope of financial accounts, such as investments, cards and loans. Consumer demand for seamless connected services has resulted in the emergence of a modern, world-class open banking ecosystem in the United States.

While cash digitization and online financial services have advanced to meet consumer demand, keeping pace with seamless digital commerce and rapid innovation can be challenging for some providers. **In this report, a Visa commissioned survey offers a view of how consumers are interacting with their financial services today, and how providers may best address consumer preferences and concerns.** Understanding consumer behavior will help providers meet current customer expectations and spur innovation throughout their digital journey.

At Visa, we're working to help build an inclusive economy that provides everyone with access to open, secure, and affordable payments and other financial services. As a global network with more than 60 years of experience building inclusive digital ecosystems, Visa is imagining an open future for payments and data – supporting consumer empowerment by enabling clients and partners through open banking capabilities.

– Ben Glock  
Senior Director, Open Banking



## Chapter I

U.S. Open Banking  
Consumer Trends



## Chapter II

Consumer Personas



## Chapter III

The Road Ahead

# Chapter I

U.S. Open Banking  
Consumer Trends

# Executive summary

Open banking is enabling financial service providers to use consumer-permissioned financial data to offer their customers more personalized, flexible, and innovative experiences. **This value proposition strongly resonates in the U.S. – a Visa consumer survey<sup>1</sup> found that 87% of U.S. consumers utilize open banking.** Most often, consumers are connecting their bank, investment and loan accounts to a variety of financial applications offering payment, personal finance, buy-now-pay-later (BNPL), and other services.

Despite high levels of use among U.S. consumers, there is a notable gap between consumer adoption of open banking in practice and actual awareness:



While a substantial proportion of U.S. consumers use some form of open banking-powered services today, the survey indicates a disconnect between consumers' self reported awareness of open banking capabilities and their revealed preference to connect financial accounts to third parties to access innovative financial experiences. Ensuring that consumers receive value through permissioned data sharing is a top priority for providers who offer open banking-powered services. The survey discovered that the benefits of open banking have resulted in significant adoption in the U.S., driven by improvements to legacy services as well as new use cases – all shaped by evolving consumer tastes and preferences.

**87%**

**of consumers connect their financial accounts to third parties**

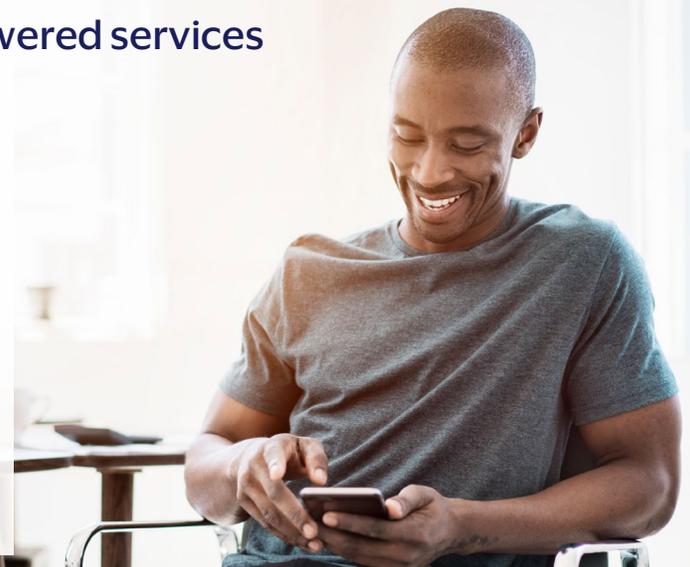
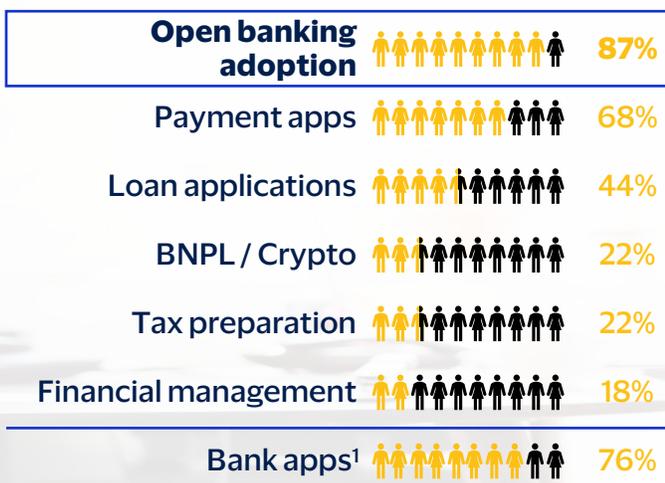
1) All figure and statistics used throughout this report come from a Visa Consumer Survey. For more information regarding survey methodology, sample notes, and testing, please reference p. 20 of this report.

# Compelling value drives high open banking adoption

Open banking sits at the center of financial services innovation by providing consumers with the ability to authorize applications and websites to access their financial accounts.

Consumers enjoy open banking connectivity because it powers services that bring meaningful value to their lives. Bank apps remain at the forefront of customer financial services interactions and have the highest adoption among digital financial services apps at 76%. Payment applications are close behind, with 68% of consumers connecting financial accounts to an app to send or receive payments. Consumers are more likely to use multiple payment apps than any other financial app. Notably, more people overall have connected their financial accounts to third parties than have used their bank's digital app:

## US Consumer adoption of open banking-powered services



The broad range of use cases indicates how valuable consumers consider open banking-powered services and opens new doors for providers to serve their customers. For example, banks may offer consumers the ability to connect their accounts for a loan application or to view all their finances in a single place. Fintechs can remove friction with seamless Peer-to-Peer payments. Businesses can offer embedded finance payment choices at the point of sale such as BNPL. Crypto exchanges can offer a cost-effective on-ramp method for consumers to use fiat money to purchase cryptocurrencies. Tax software providers can ease tax season by automatically importing information to file a tax return.

The extensive menu of valuable use cases result in the average consumer connecting with more than four open banking-powered applications at any given time. In fact, almost a third of consumers are "power users" and connect to six or more applications:



1) Bank apps are not always powered by open banking capabilities

# Control improves consumer awareness and comfort

Visa's consumer survey indicates a disparity between consumers' utilization and awareness of open banking. Of consumers that reported linking their financial accounts to third parties, 66% incorrectly stated that they are not using open banking, even after being provided a plain language definition of the term. This "awareness gap" is an intriguing finding from our research: despite consumers reporting that they are providing consent to link their financial accounts to third party apps, they do not always associate these actions with open banking.

Addressing this gap is important because awareness has a moderately strong correlation to consumer comfort. The survey found that nearly half of consumers, 45%, reported being somewhat uncomfortable or not at all comfortable providing access to banking, transaction, and other financial data to a third party. However, consumers who reported higher levels of awareness of their open banking authorization also reported feeling more comfortable with their control of sharing their data with third parties. To enhance awareness, and consequently comfort, it is critical to ensure consumers are confident in their control over their own data through clear and consistent consent management practices. **Consumers identified several factors as important to providing authorization:**



83%

of consumers say it's important to have full control over who can access their financial data



Option to opt out of sharing data at any time



Terms and conditions are easy to understand



Control over how data is being used



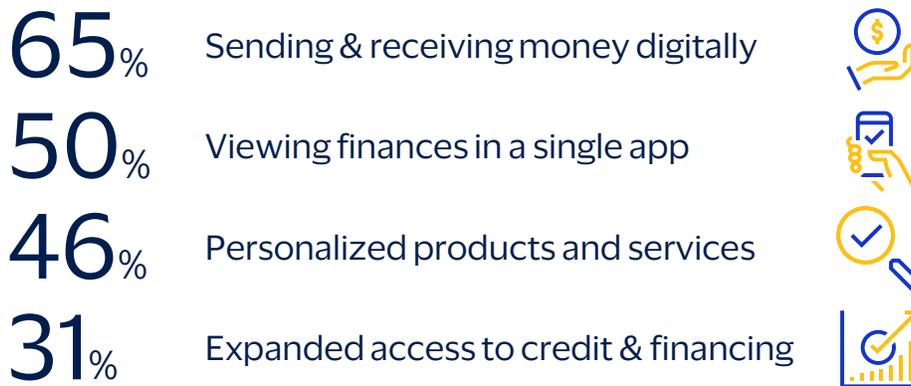
Ability to review data that has been collected

Despite the room for improvement in awareness and comfort, open banking utilization remains high. Nevertheless, as we look to the future, in order to maintain and grow consumer engagement with open banking-powered products, financial institutions, fintechs and other businesses should be hyper-focused on driving consumer awareness and comfort through clear and consistent consent management practices.

# Centering on the benefit to consumers

A trusted relationship between a financial services provider and their consumer has two pillars – the provision of meaningful value to the customer, and clear and consistent consent management practices. These two pillars are foundational to the success of open banking-powered services and drive the consumer’s decision-making process to connect and share their data with third parties. The survey found that for consumers who are more hesitant to connect, certain benefits drive improved levels of comfort, such as sending and receiving money and viewing finances in a single app. As providers focus on both value proposition and consent management, consumers will benefit from a more connected ecosystem.

## Benefits preferred by consumers to improve comfort when providing third parties access to financial data



## Delivery methods preferred by consumers to receive information on how their data is shared with and used by third parties



Ultimately, our survey found that the value of open banking-powered services that consumers receive in exchange for authorizing access improves comfort. Providers that deliver seamless and consent-driven access to personalized products and services will help to drive trust and increase interactions with their customers. In turn, adoption of open banking-powered services will continue to accelerate. The following section will analyze similarities and differences among consumer cohorts. Across them all, financial institutions, fintechs and other businesses that achieve higher levels of comfort will improve customer satisfaction, increase revenues, lower costs, and mitigate potential risks.

# Chapter II

## Consumer Personas

# Identifying three distinct consumer personas

Understanding how various preferences influence consumer behavior is essential to tailoring a personalized approach that meets customer demand for open banking-powered services. Visa's survey found distinct patterns in consumer preference, clustering into three types of consumer personas: Cautious and Careful, Steady Forward, and Full Speed Ahead.

## Steady Forward

## Cautious and Careful

## Full Speed Ahead



Open banking in the everyday lives of consumers

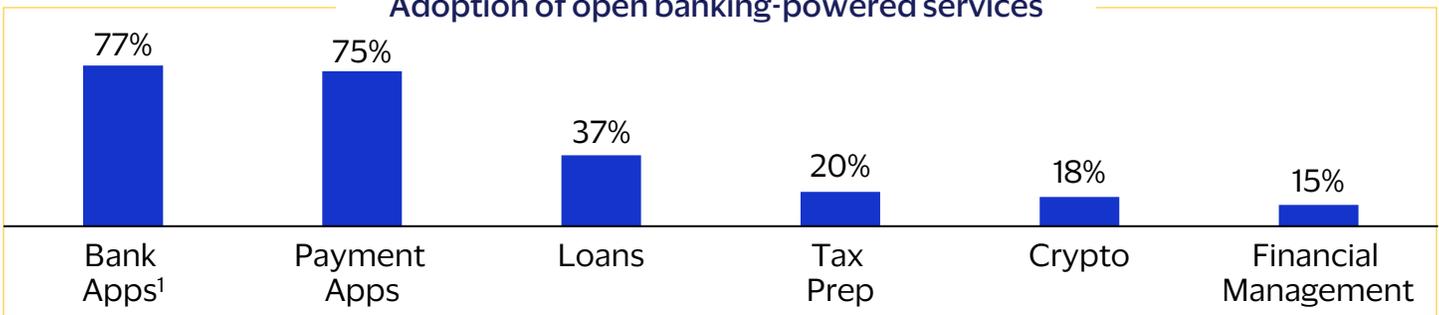
These personas emerge from analyzing data on consumer comfort, connectivity levels and propensity to connect to apps for various use cases. Each cohort is influenced by different preferences, revealing key observations on how innovation is driving better outcomes for consumers. As each persona represents a distinct customer cohort, this analysis helps financial institutions, fintechs and other businesses gain a clear view on how to design open banking-powered solutions to fit the diverse needs of their customers.

# The Cautious and Careful Consumer



The least comfortable with open banking practices, the cautious and careful consumer does connect financial accounts to third parties but is often more hesitant to do so. This consumer cohort skews older and is the most likely to reside in rural areas.

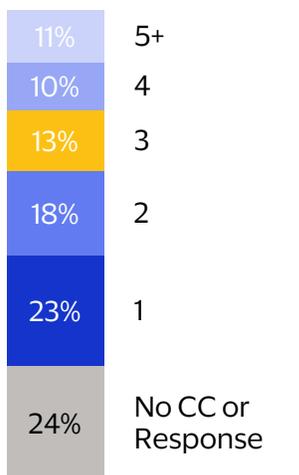
Adoption of open banking-powered services



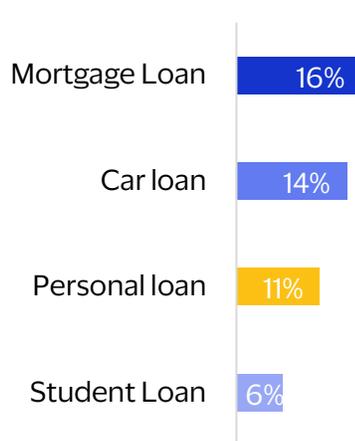
Open banking-powered apps



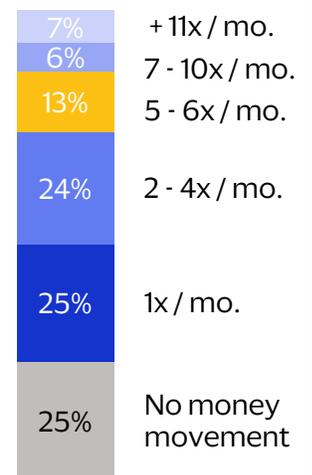
# of credit cards (%)



Connectivity to digital loan platforms



Movement of money via payment apps per month



Note: Total summation of charts may not equal 100% due to rounding.

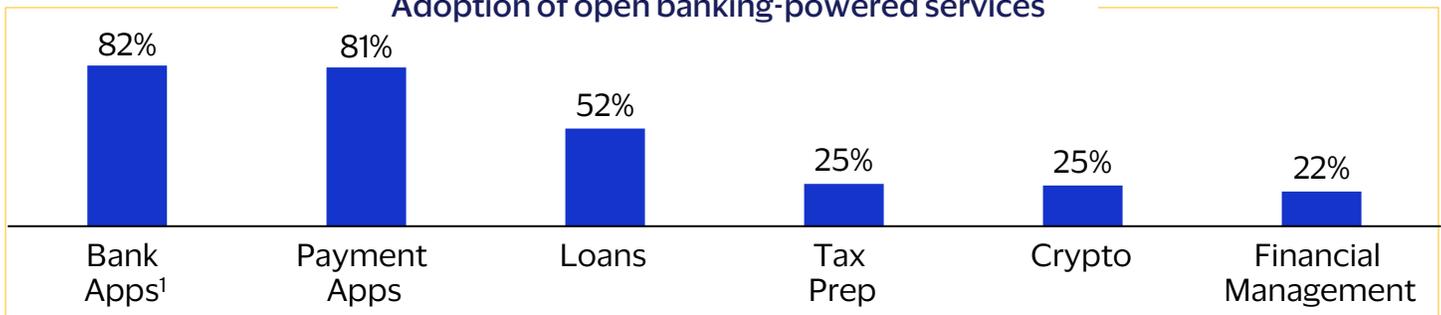
1) Bank apps are not always powered by open banking capabilities

# The Steady Forward Consumer



Expressing balanced comfort with open banking practices, the steady forward consumer connects accounts but is slightly hesitant to do so. This consumer cohort has the most even generational distribution and is the most likely to reside in suburban areas.

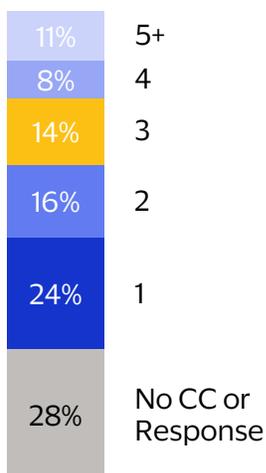
Adoption of open banking-powered services



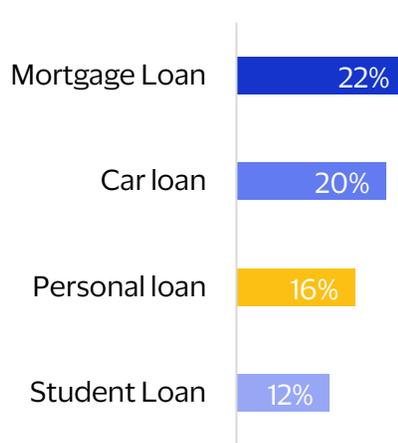
Open banking-powered apps



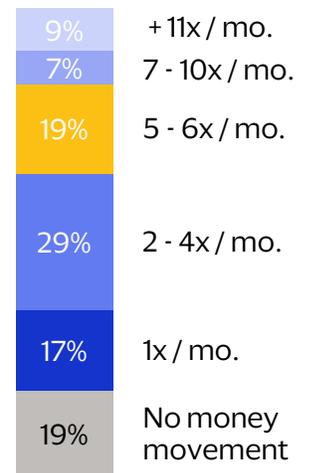
# of credit cards (%)



Connectivity to digital loan platforms



Movement of money via payment apps per month



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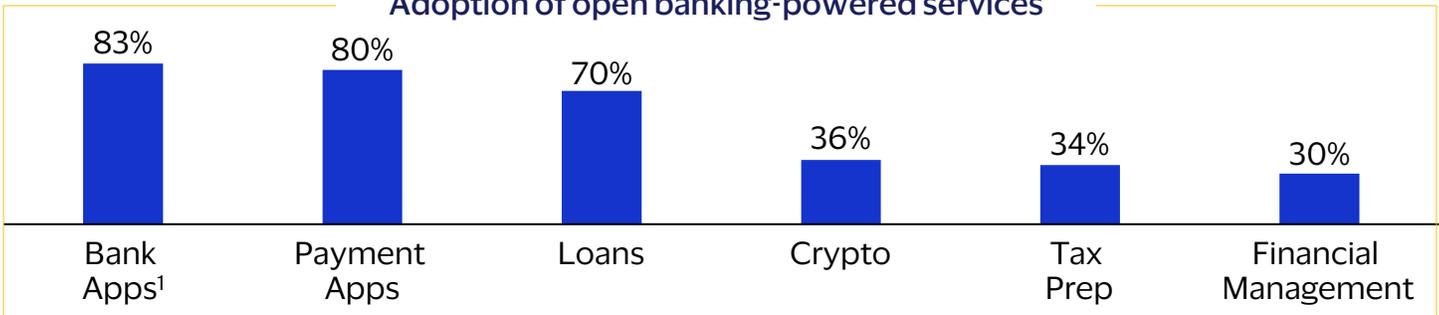
1) Bank apps are not always powered by open banking capabilities

# The Full Speed Ahead Consumer



The most comfortable with open banking practices, the full speed ahead consumer connects multiple accounts with minimal hesitation. This consumer cohort skews younger and is most likely to reside in urban areas.

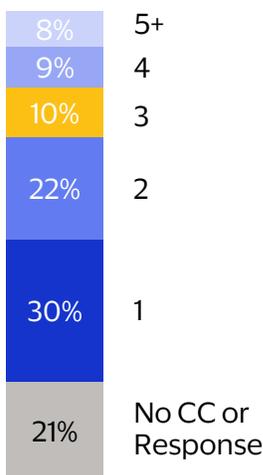
Adoption of open banking-powered services



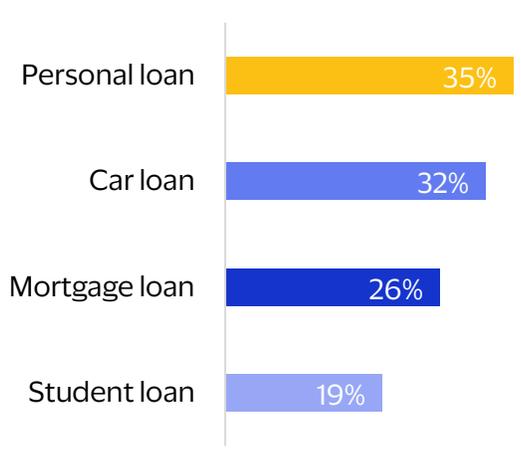
Open banking-powered apps



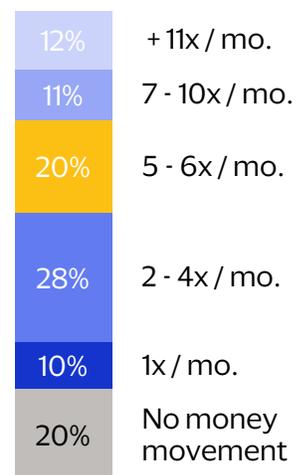
# of credit cards (%)



Connectivity to digital loan platforms



Movement of money via payment apps per month



Note: Total summation of charts may not equal 100% due to rounding.

1) Bank apps are not always powered by open banking capabilities

# Opportunities to engage with persona cohorts

## Cautious and Careful



### Personal Financial Management:

Averaging over five separate financial accounts, this cohort may benefit from budgeting and financial management tools that help to simplify and improve their financial lives through personalized insights, analytics and recommendations.

### Peer-to-Peer Payments:

Expressing the least amount of comfort with open banking, the Cautious and Careful consumer nevertheless reports high adoption rates of payment apps, which may serve as a foundational step towards advancing digital inclusion.

## Steady Forward



### Embedded Services Within Bank App:

Steady Forward consumers use bank apps at a similar rate to Full Speed Ahead but are less likely to connect to third party personal financial management, loan and crypto apps. Offering services within bank apps may drive higher engagement with this cohort.

### Consent Management:

This cohort has a high potential to adopt new digital services but reports lower levels of comfort relative to Full Speed Ahead consumers. Clear and consistent consent management practices may drive comfort and increase adoption of connected services.

## Full Speed Ahead



### Crypto On-Ramps and Off-Ramps:

As digital natives and early adopters, 36% of Full Speed Ahead consumers connect to apps for crypto or digital currency, suggesting substantial demand for connected services that simplify cost-effective access to digital investment opportunities.

### Loan Applications:

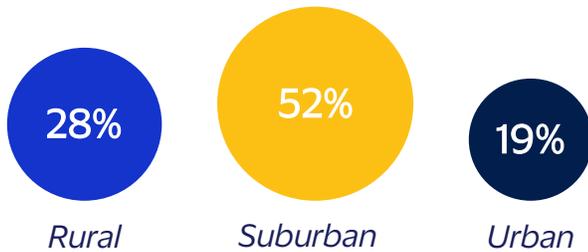
Full Speed Ahead consumers are most likely to have two or more loans and may benefit from a connected loan application process that allows them to link their accounts to fill out applications in an expedited fashion and receive responsible access to credit.

# The Unconnected Consumer

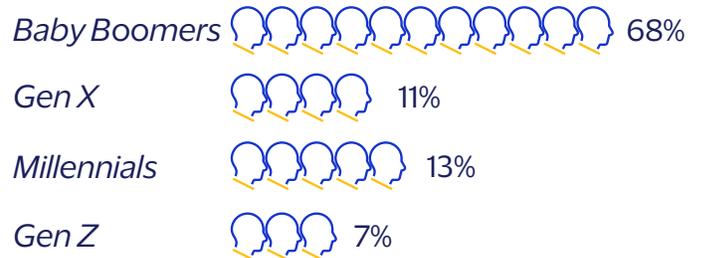
While the survey data indicated three connected personas, there is a fourth group reflecting those who are not currently connected. The below charts represent these consumers:

## The Unconnected Consumer<sup>1,2</sup>

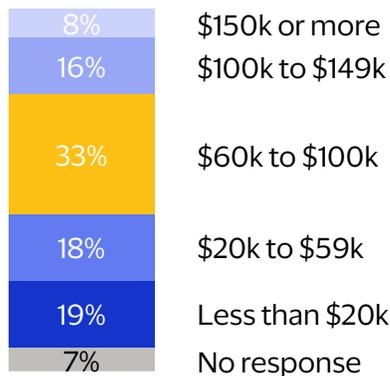
### Residence Location<sup>3</sup>



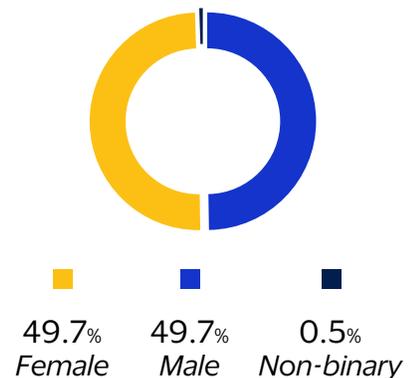
### Generational Distribution



### Household Income



### Gender Distribution



## The Unconnected



### Drive Inclusion by Improving Trust:

For the Unconnected Consumer, the most important factors for driving open banking adoption are being able to opt out of sharing data at any time and having full control over who can access their data. To improve access for consumers who aren't yet utilizing open banking services, providers must focus on ensuring consumers are aware and comfortable that they have full control over their data.

1) Sample details: n=1,500; Household income, gender and age distributions are US census representation; Reporting notes: Statistical testing conducted at 95% CI for data cuts and has been omitted for bases under n=30; Baby Boomers represents 55+.  
 2) Total summation of charts may not equal 100% due to rounding  
 3) Other residential location excluded due to minimal representation

# Chapter III

The Road Ahead

# The road ahead is built on collaboration and adaptiveness.

Understanding consumer behavior and preferences helps financial institutions, fintechs and other businesses focus on their most important driver: their customers.

## 1 | Consumer adoption is high, and consumers expect personalized value

A “one size fits all” model no longer addresses the evolving needs of consumers, who demand personalized, seamless and secure connected services from trusted brands. The survey shows how cohorts of consumers utilize applications at different rates for varying use cases. Solutions that offer basic and siloed products and services are no longer sufficient. Real value is unlocked when financial institutions, fintechs and other businesses rapidly innovate to address personalized needs and evolving consumer preferences. open banking powers the connected services that consumers seek.

## 2 | Consumer comfort and control are paramount to success

As institutions roll out modern products and services to meet surging demand, ensuring that consumers are in control of how they share their data will be key to consumer comfort and usage. The awareness gap provides a tremendous opportunity to empower consumer choice, build trust, and deliver meaningful value with customer consent.

# Open banking is powering the future of data and payments

With consumer adoption of open banking already high, attention is shifting to the products and services that will improve comfort levels while enabling seamless and enjoyable customer experiences. But the open banking, open banking, and open data journeys do not end there. Providers will need to actively innovate and address new use cases to keep up with evolving consumer demand for connected services.

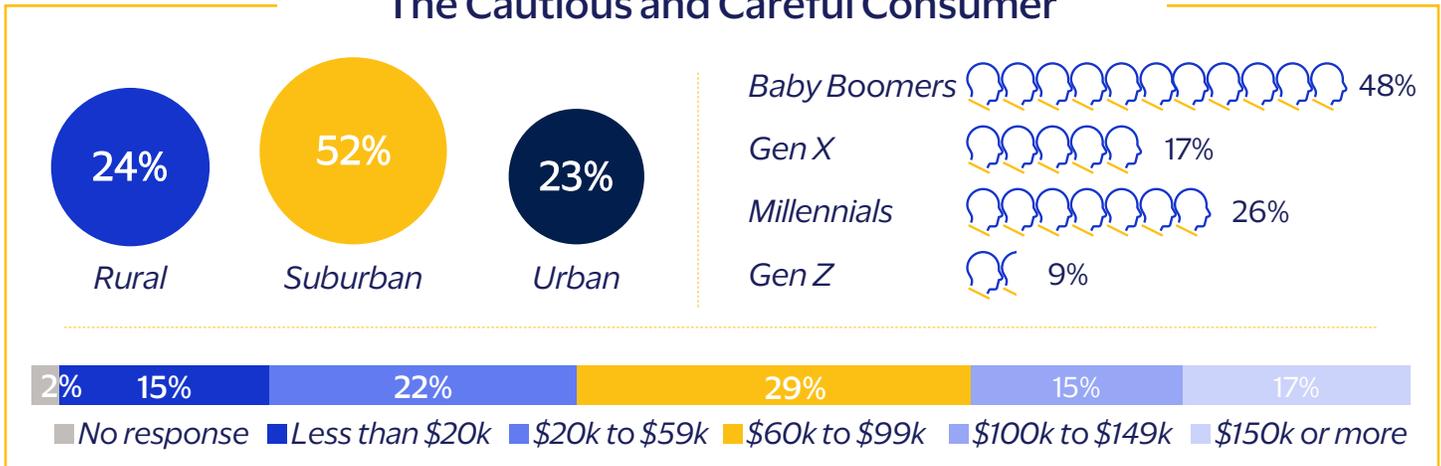
Financial institutions, fintechs and other businesses that deliver innovative solutions will be able to support better outcomes in a secure financial services environment, attract and maintain their target customer segments, and expand payment choice. Visa will help support clients along their open banking, open banking and open data journeys to deliver secure and differentiated experiences that empower consumers.



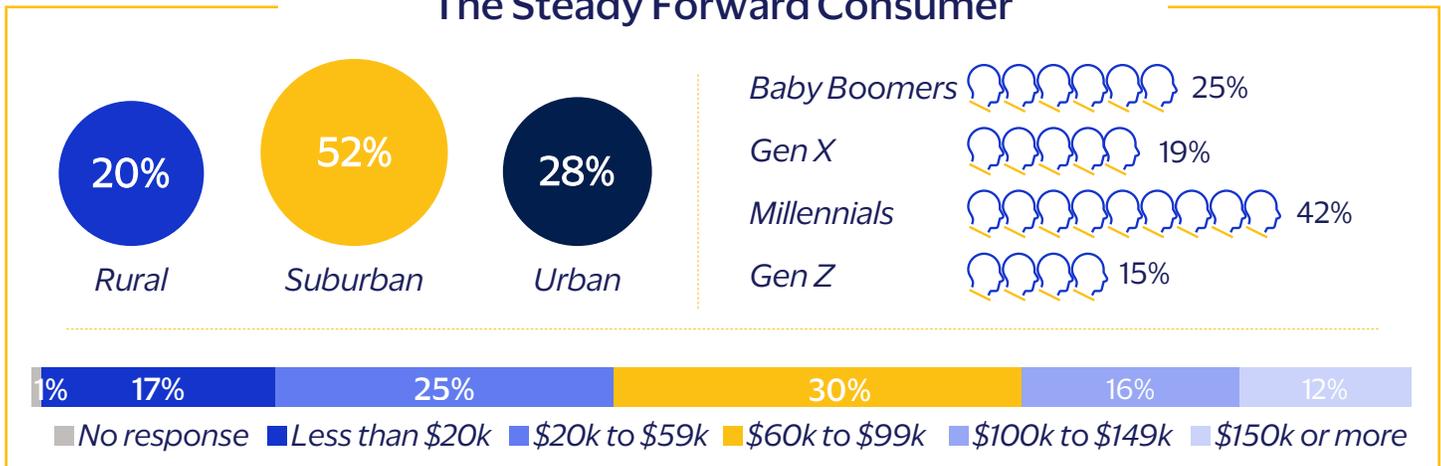
# Consumer personas demographics

The below charts represent the demographic characteristics of each consumer persona.<sup>1,2,3</sup>

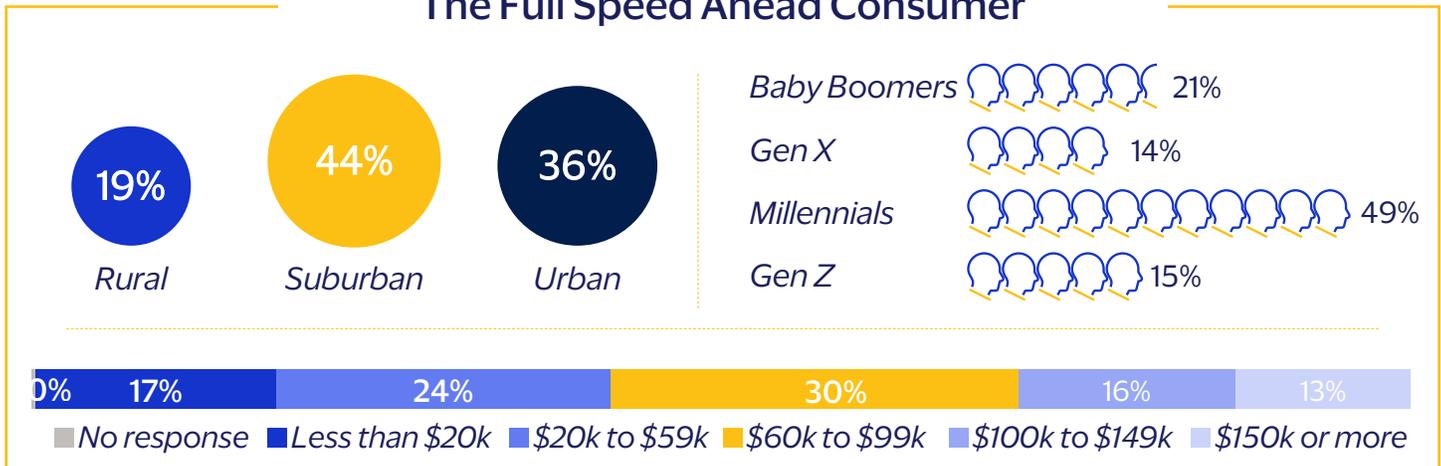
## The Cautious and Careful Consumer



## The Steady Forward Consumer



## The Full Speed Ahead Consumer



1) Sample details: n=1,500; Household income, gender and age distributions are US census representation; Reporting notes: Statistical testing conducted at 95% CI for data cuts and has been omitted for bases under n=30; Baby Boomers represents 55+.

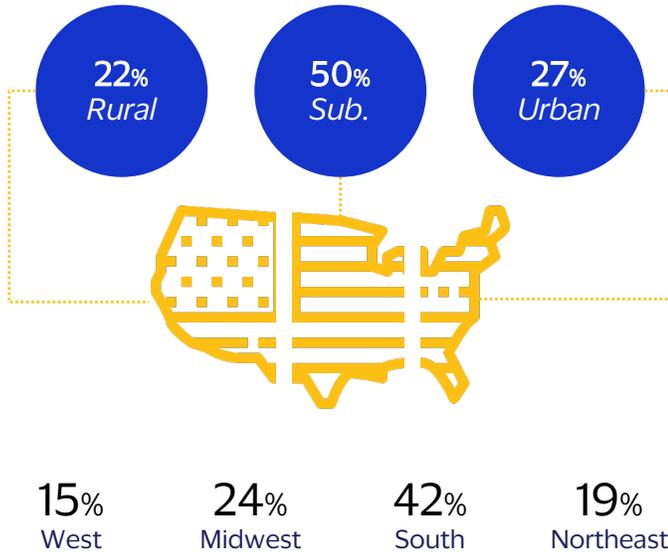
2) Total summation of charts may not equal 100% due to rounding

3) Other residential location excluded due to minimal representation

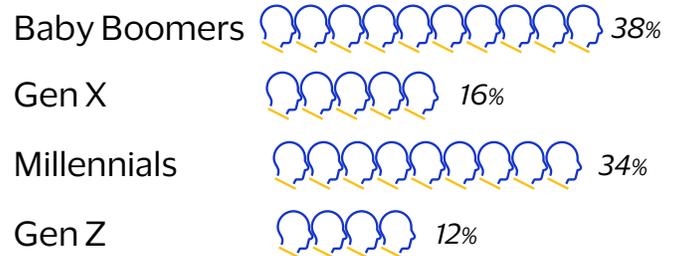
# About this survey

Visa conducted a consumer survey in April 2022 to determine the perceptions, preferences, and trends around how U.S. consumers interact with and use open banking. This survey was administered digitally, and captured 1,500 respondents reflecting the below criteria<sup>1,2</sup>:

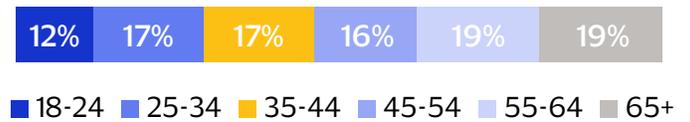
## Residence Location<sup>3</sup>



## Generational Distribution



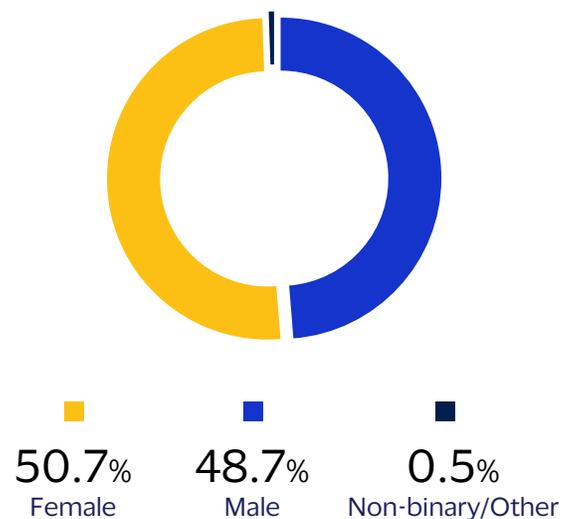
## Age Distribution



## Household Income



## Gender Distribution



1) Sample details: n=1,500; Household income, gender and age distributions are US census representation; Reporting notes: Statistical testing conducted at 95% CI for data cuts and has been omitted for bases under n=30; Baby Boomers represents 55+.  
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# About Visa

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Visa is a trusted network and world leader in digital payments, with a mission to remove barriers and connect more people to the global economy. Visa offers clients a suite of services that cover everything from open banking, fraud management and security to data products and consulting and analytics. Visa believes that economies that include everyone everywhere, uplift everyone everywhere, and sees access as foundational to the future of digital financial services.

Visa supports openness and innovation that drives the growth of digital financial services. In 2022, Visa acquired Tink – an open banking platform that enables banks, financial institutions, fintechs and other businesses to build financial products and services and move money. Through a single API, Tink enables its customers to move money, access financial data, and use smart financial services such as risk insights and account verification. Tink is integrated with more than 3,500 banks and financial institutions, reaching millions of bank customers.

## Curious to learn more?



Explore the opportunities that open banking unlocks for consumers, business and financial institutions at [Visa Navigate](#).



Discover a global perspective on how open banking is advancing financial services through a [Visa University Accelerate webinar](#).



Contribute to Visa's global effort to empower consumers to make informed choices about data sharing with the [Consent Management Guidelines](#).

For inquiries, please contact your Visa Account Executive or visit [Visa.com](#).

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