

# Open banking payments transactions to surpass \$330bn globally by 2027

Juniper Research's [report](#), predicts that the development of new use cases for open banking, such as bill payments, will drive adoption, given open banking's simplicity of use versus alternatives, such as card payments.



Source: iStock

This will see open banking payments transactions surpassing \$330bn globally by 2027.

The research entitled *Open Banking: Opportunities, Competitor Leaderboard & Market Forecasts 2023-2027* anticipates that efforts to educate consumers about the security and benefits of open banking will catalyse market growth; helping alleviate common consumer fears and misconceptions regarding the potential misuse of financial data to which third parties are granted access.

Research author, Jordan Rookes explained: "Open banking must overcome consumers' security fears surrounding the sharing of financial data if it is to fulfil its strong growth potential. Accordingly, open-banking vendors must educate consumers, and provide greater transparency surrounding data privacy and security by highlighting the procedures in place to protect financial data to ease security concerns and encourage greater adoption of open-banking services when marketing their solutions."

## New use cases to drive open banking growth

The research also predicts the development of new use cases will be instrumental to ensuring that open banking fulfils its potential. One of the most promising new use cases is the ability to use open banking payments to pay tax bills, as introduced in the UK. As bill payments using open banking expand outside of the UK, they are expected to account for more than \$59bn globally in transaction values by 2027.

Vendors in the open banking space must continue to invest in new high-potential open banking use cases, such as full integration within e-commerce marketplaces. This will help both further develop the open-banking market and attract a more sizeable user base; becoming more competitive in an increasingly saturated digital payments market.

For more, visit: <https://www.bizcommunity.com>