



***ISG** Provider Lens™

2022

Digital Banking
Technology &
Platforms 2022

imagine your future®

ISG (Information Services Group) (NASDAQ: III) is a leading global technology research and advisory firm. A trusted business partner to more than 700 clients, including 75 of the world's top 100 enterprises, ISG is committed to helping corporations, public sector organizations, and service and technology providers achieve operational excellence and faster growth. The firm specializes in digital transformation services, including automation, cloud and data analytics; sourcing advisory; managed governance and risk services; network carrier services; technology strategy and operations design; change management; market intelligence and technology research and analysis. Founded in 2006, and based in Stamford, Connecticut, ISG employs more than 1,300 professionals operating in more than 20 countries—a global team known for its innovative thinking, market influence, deep industry and technology expertise, and world-class research and analytical capabilities based on the industry's most comprehensive marketplace data.



Table of Contents

Definition	4
Quadrant Research.....	5
Quadrants by Region	8
Schedule.....	9
Partial list of companies being invited for the survey	10
Contacts for this study.....	11

© 2022 Information Services Group, Inc. All rights reserved. Reproduction of this publication in any form without prior permission is strictly prohibited. Information contained in this report is based on the best available and reliable resources. Opinions expressed in this report reflect ISG's judgment at the time of this report and are subject to change without notice. ISG has no liability for omissions, errors or completeness of information in this report. ISG Research™ and ISG Provider Lens™ are trademarks of Information Services Group, Inc.

Definition

Market-dictated imperatives have become the push factor for banks to overhaul their legacy platforms, and like everything else in the pandemic world, to digitalize them. As a result, banking technology platform providers have rushed to meet their client needs and unleashed new technologies to upgrade their offerings. As banks struggle with rapidly changing customer expectations, new business models and the rising challenge of FinTech firms, they are looking toward the platform players to support them with augmented capabilities. Componentized architecture, productized solutions, and hyper personalization are the hallmark features of the modern digital platforms.

Emerging technologies such as AI/ML/blockchain have revolutionized customer experience and brought banks closer to their customers. In a pandemic-torn world, with contactless delivery, remote working and flattening hierarchies becoming the new realities, banks have geared to the challenge by leveraging their technology platforms.

With more than 70 percent of banks moving to the cloud, most of these institutions have been able to substantially lower costs, increase agility and accelerate the time-to-market of their products. Also, the platform players are supported by a robust and vibrant ecosystem of third-party vendors.

Many banks are still undergoing transformation to build resilience in capital, talent and, most importantly, their technology. According to ISG, they are transforming their infrastructure in a phased migration approach. While several of them have already started this transformational approach, laggards may still be able to progress if they take swift actions to accelerate technology modernization.

ISG research reveals that while core banking upgrades are continuing to aim toward a complete digital platform, banks with legacy platforms are forced to deploy an open banking solution to be able to retain their customer contacts and not being pushed aside by FinTechs and other non-banking competitors. Banks that operate their own open platforms have several advantages such as retaining control over customer relationships. However, these initiatives face several challenges, including costly and time-consuming core banking system upgrades, overhauls, as well as agility and scalability issues.

Concurrently, the COVID-19 pandemic triggered an online shopping revolution. Electronic payments have gained tremendous traction and payment processing platforms need to build complete, manageable ecosystems to connect merchants, banks, credit card companies and customers seamlessly. At the same time, the platform needs to support multicurrency and multilingual, secured and compliant transactions. ISG Provider Lens™ Digital Banking Technology & Platforms 2022 study analyzes the solutions offered for banks in the global and European markets in select segments. The findings from the analysis help assess the product vendors operating in defined segments based on the strength of the portfolio and their competitiveness in the market. Further, increasing interest in goal based financial planning, alternative assets, automated advice, and increased focus on UX are revolutionizing the wealth management technology platform space.

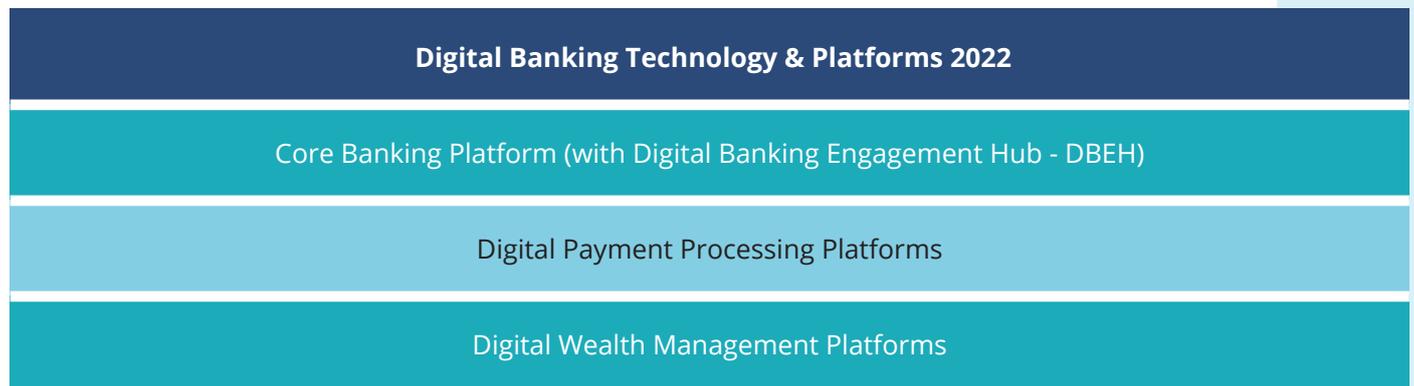
The ISG Provider Lens™ study offers the following to the IT decision makers:

- Transparency of the strengths and weaknesses of relevant providers
- Differentiated positioning of providers by segments
- A perspective on the global markets

Our study serves as an important decision-making basis for positioning, key relationships and go-to-market considerations. ISG advisors and enterprise clients also leverage information from these reports for evaluating their current vendor relationships and potential new engagements.

Quadrant Research

As part of this ISG Provider Lens™ quadrant study, we are introducing the following three quadrants on Digital Banking Technology & Platforms.



Source: ISG 2022

Core Banking Platform (with DBEH)

In this quadrant, ISG analyzes software vendors that offer solutions to support the digital core business processes of banking companies, including the digital banking engagement hub (DBEH). Digital Core banking is defined as the process that performs daily banking transactions and account activities, irrespective of the type of customer or channel. Hence, digital core banking software is the most crucial part of every bank. Banking software is the driving force behind the creation and management of accounts, balances, transactions and journal entries, along with the storage of client data, receipts and other reporting tools. The solutions can be provided both for legacy on-premise and cloud-based platforms. Platform players also provide DBEH functionalities.

While core banking is a system of engines and also functions as a book of records, DBEH is a system of engagement and functions as a system of experience, at the front-end. The DBEH helps banks to gain deep insights and deliver personalized customer experiences across applications, devices and channels.

The rationale for including the DBEH in the core banking quadrant is because the hub works seamlessly with the both the back-end core banking platform, and also with the channel applications such as online banking, mobile banking, branch solutions, and chat bots.

The DBEH can be decoupled from both the digital apps and core banking platform, to deliver banking and infrastructure services. Furthermore, the DGEH enhances user experience by providing functionalities such as AI/ML, blockchain, analytics, IoT and RPA among others. However, ISG believes that the traditional core banking solutions continue to be relevant at least for now. Therefore, this quadrant combines the core banking platform with the DBEH, since it is an important part of modern banking service delivery.

In essence, the DBEH creates an improved digital front office, leveraging AI/ML, chatbots, analytics and other solutions to enable complete digital engagement.

Existing legacy systems are being replaced by service-oriented platforms and cloud-native platforms.

A digital core banking software largely relies on a composable architecture connected by APIs that allow for decoupling distribution channels, products and client data. This particularly agile architecture helps make quick changes in banking software while providing a continuous digital customer experience. Hence, all transactions including on-boarding to account management are included in this quadrant.

Eligibility criteria:

- Demonstrate a strong core platform and DBEH strategy
- Exhibit processes and automation capabilities using modern technologies
- Possess a core agnostic API-driven architecture, channel administration, developer kits and marketplaces
- Provide enhanced security, tokenization and identity management
- Present reasonable evidence of meeting delivery timelines and according to stipulated contract terms
- Enable integration with digital ecosystems
- Support corporate, retail, transaction banking, treasury and cash management, payments, asset and wealth management, commercial lending and capital markets
- Enhance user experience and support front-end object services, leveraging AI/ML, blockchain, analytics, IoT and RPA among others.
- Enable open banking and ecosystems – integrating custom APIs and banking as a service
- Provide a robust partner ecosystem and infrastructure

Digital Payment Processing Platforms

Vendors positioned in this quadrant provide platforms and solutions specifically for supporting traditional and real-time payment transactions and processing from the perspective of all types of banks. The platform serves to establish communication and processing between banks (both issuing and acquiring), merchants and customers. It covers retail and corporate customers and acts as a holistic payment processing platform with enhanced functionalities such as low and high-value, real-time and cross-border or international payments. These platforms are also marketed as digital payment hubs which provides a comprehensive, singular platform for processing multiple payment business lines. Vendors also provide additional value-add solutions by integrating analytics, automation and enhanced security, as well as self-service capabilities to provide a superior user experience.

Eligibility criteria:

- Demonstrate a strong payment processing platform strategy
- Provide complete coverage over issuing, acquiring and digital omnichannel real-time payments including cards

- Provide coverage with multiple terminals, payment methods, and transaction support including cards
- Offer open banking and banking-as-a-service functionality with API security management features and payment tokenization
- Enable integration with other platforms
- Present reasonable evidence of meeting delivery timelines and according to stipulated contract terms
- Enhance user experience, leveraging analytics, AI/ML and automation
- Offer a robust partner ecosystem and infrastructure

Digital Wealth Management Platforms

Vendors positioned in this quadrant provide platforms and solutions that support portfolio management and securities trading platform for universal banks, investment banks and private banks with wealth managements services which include client-advisor engagements. The platform facilitates trading of wealth management assets such as mutual funds, equity, bonds, derivatives, private equity and commodities trading. It can be deployed across geographies and markets and multiple entities. These solutions are intended to serve mass affluent and high-net worth individuals via both cloud and on-premises models. Digital wealth management platforms provide automated tools and data driven analytics to help banks serve their wealth management clients. They help banks to better understand their clients' needs and render efficient advice.

Eligibility criteria:

- Demonstrate a strong wealth management platform strategy
- Support cash flow projections, risk management, tax planning, intelligent product picking, and risk profiling of wealth customers with omnichannel capability
- Offer complete coverage of trading of wealth management products and asset classes across multiple entities and geographies
- Provide coverage of portfolio and securities management, financial management and account management services including tax planning
- Deployed either as an integral layer of the core banking platform or as a niche standalone platform that is integrated into the core platform for secure anywhere and anytime transactions to ensure regulatory compliance
- Present reasonable evidence of meeting delivery timelines and according to stipulated contract terms
- Generate reports and advice in real time, especially region specific and in compliance with regional regulatory requirements
- Provide a full spectrum of products integrating front and back-office operations
- Enhance financial advisors' productivity by deploying robo advisors to deliver hyper personalized investment advice and facilitate dynamic asset allocation
- Offer a partner ecosystem that provides third-party solutions and supports remote automated onboarding and advisory

Quadrants by Region

This inaugural ISG Provider Lens™ study on Digital Banking Technology & Platforms 2022 includes the following regions:

Quadrants	Global	Europe
Core Banking Platforms (with DBEH)	✓	✓
Digital Payment Processing Platforms	✓	✓
Digital Wealth Management Platforms	✓	✓

Schedule

The research phase falls in the period between **June and August 2021** during which survey, evaluation, analysis and validation will take place. The results will be presented to the media in **November 2021**.

Milestones	Beginning	End
Launch	February 03, 2022	
Survey Phase	February 03, 2022	March 04, 2022
Sneak Preview	May 30, 2022	June 13, 2022
Press release	July 2022	

Please click this [link](#) to view/download the ISG Provider Lens™ 2022 research agenda.

Link to Survey

Your participation is just a click away. Please use our [IPL Portal](#) for submitting information. Use the credentials that you have already created. If you have not created them yet, please use your email ID as the user name and generate your individual password by clicking the "forgot password" option.

Research production disclaimer:

ISG collects data for the purposes of writing research and creating provider/vendor profiles. The profiles and supporting data are used by ISG advisors to make recommendations and inform their clients of the experience and qualifications of any applicable provider/vendor for outsourcing work identified by the clients. This data is collected as part of the ISG FutureSource process and the Candidate Provider Qualification (CPQ) process. ISG may choose to only utilize this collected data pertaining to certain countries or regions for the education and purposes of its advisors and not to produce ISG Provider Lens™ reports. These decisions will be made based on the level and completeness of information received directly from providers/vendors and the availability of experienced analysts for those countries or regions. Submitted information may also be used for individual research projects or for briefing notes that will be written by the lead analysts.

Partial list of companies being invited for the survey

Are you in the list or do you see your company as a relevant provider that is missing from the list?

Then feel free to contact us to ensure your active participation in the research phase.

ACI Worldwide	ebankIT	Oracle Financial Services
Addepar	EVO Payments	Prometeia
Adyen	Finantix	RIA In a Box
Ailleron	Finastra	Sandstone Technology
Alkami	FIS	SEI
Avaloq	Fiserv	SilverLake - Jack Henry
AdvisorEngine	i-exceed	Sopra Banking
Backbase	Infosys	SS&C Eze
Broadridge	Intellect Design Arena	Tagit
Coconet	InvestCloud	TCS BaNCs
Comarch	InvestEdge	Technisys
CR2	Lusis Payments	Temenos
Crealogix	Mambu	Thought Machine
CSI	Marqeta	Veritrans
Dorsum	NETInfo	Zenity
Data Center Inc.	Nucoro	

Contacts for this study



Sushma Kaza
Lead Analyst – Global



Arjun Das
Senior Research Analyst



Krishnanunni Payyappilly
Global Project Manager

Do you need any further information?

If you have any questions, please contact us at isglens@isg-one.com.