



State of the Market for Third-Party Enterprise Platforms in Banking and Financial Services: Ecosystem Collaboration for Modernization at Speed and Scale

Banking and Financial Services IT Services

State of the Market Report – April 2020: Complimentary Abstract / Table of Contents

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- Benchmarking | Pricing, delivery model, skill portfolio
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- Locations | Cost, skills, sustainability, portfolio – plus a tracking tool
- Tracking services | Service providers, locations, risk
- Other | Market intelligence, service provider capabilities, technologies, contract assessment

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Background, context, and methodology


- Banks and other financial institutions are overhauling or completely replacing their obsolete legacy IT systems with third-party enterprise platforms
- Third-party platform vendors are continuously innovating and co-creating some of the state-of-the-art solutions, enabling close cohesion between banks and financial institutions, customers, and market disruptors such as FinTech start-ups
- This report explores the third-party enterprise platforms market and analyzes key demand and supply themes for various platforms and the corresponding service provider landscape across different business areas served by the platforms

Scope of this report







 **Industry**
Banking and Financial Services (BFS)

 **Market segment**
BFS enterprise platforms

 **Geography**
Global

 **Sources**
Everest Group's proprietary transaction intelligence database, public disclosures, and discussions with enterprises, technology vendors, and service providers

BFS enterprise platform segments analyzed in this report

						
Cloud-based core banking system	Digital experience platform	Anti-money laundering and financial crime	Loan origination system	Payments platform	Trade finance	Collateral management system

Platform IT services scope for this report

					
Data integration & management	Consulting, roadmap, and strategy services	System integration	Platform implementation & support	Platform security services	Value-added services

Summary of key messages

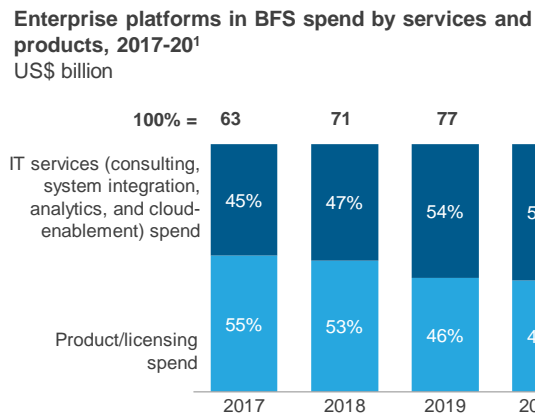
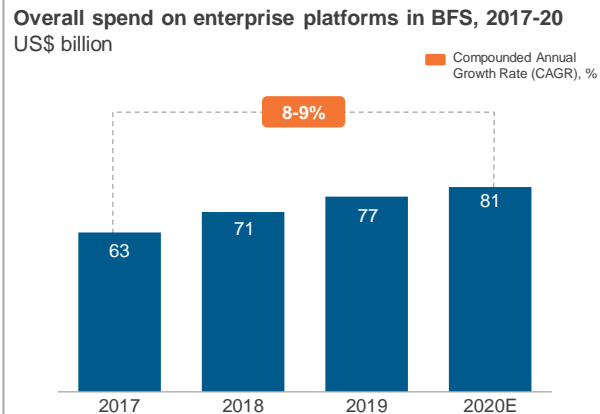
- As the BFS industry faces challenges from increasing technical debt due to obsolete legacy systems, talent shortages, and rapidly changing global and regional regulations, enterprises are inclined toward adopting third-party enterprise platforms to improve efficiency and lower overhead costs
- Third-party platform vendors are championing the cause of ecosystem-led innovation by building easily integrable solutions that can be integrated with existing systems as well as third-party products and services from market disruptors such as FinTech start-ups and data vendors
- The platforms provide standardized solutions across various LOBs in the BFS industry and are roping in service providers to reach a wider spectrum of customers across the globe through their existing global and regional networks and help customize the solutions as per regional regulatory compliances
- Microservices-enabled open architecture, agility, scalability, AI-/ML- powered data analytics capabilities, data security, customer experience, and regulatory compliances are key themes in the enterprise platform market, which is likely to witness more co-creation of solutions with joint efforts from platform vendors and service providers

This report offers insights on third-party enterprise platforms in banking and financial services and service provider landscape

Platform IT Services and Examples of Platforms by Line of Business



Spend on enterprise platforms in BFS



Third-party Platforms and Service Provider Landscape

Illustrative example



Stand out themes of platforms and service providers

Illustrative example



Research calendar – BFS IT services

Published
 Planned
 Current release

Flagship BFS IT services reports

Release date

Enterprise IT Platform Services in BFS – PEAK Matrix™ Assessment 2019	March 2019
Next-generation Infrastructure IT Services in BFS – PEAK Matrix™ Assessment 2019	April 2019
BFS IT Service Provider Compendium and Capability Snapshot 2019	November 2019
Application and Digital Services in Banking – Services Peak Matrix™ Assessment 2020	November 2019
Application and Digital Services in Capital Markets – Services PEAK Matrix™ Assessment 2020	December 2019
Open Banking IT Services PEAK Matrix Assessment 2020	Q2 2020
Risk and Compliance IT Services in BFS – PEAK Matrix Assessment 2020	Q2 2020
Open Banking IT Services Service Provider Compendium 2020	Q2 2020
Risk and Compliance IT Services in BFS Service Provider Compendium 2020	Q2 2020

Thematic BFS IT services reports

Establishing a Strategic Business Case for IT Automation in BFS	November 2019
Future-Proofing Credit Unions from the Digital Onslaught	February 2019
Guidebook for Blockchain Adoption in Banking and Financial	March 2019
Financial Risk Management Platforms Assessment and Vendor Profiles	March 2020
Assessing the Trade Life Cycle Management Technology Platform Landscape	March 2020
State of the Market for Third-Party Enterprise Platforms in Banking and Financial Services: Ecosystem Collaboration for Modernization at Speed and Scale	April 2020

Note: For a list of all of our published BFS ITS reports, please refer to our [website page](#)

Additional BFS IT services research references

The following documents are recommended for additional insight into the topic covered in this report. The recommended documents either provide additional details or complementary content that may be of interest

- 1. Enterprise Platform IT Services in BFS PEAK Matrix™ Assessment : Modernization at Speed and Scale** ([EGR-2019-31-R-3210](#)); **2019**. Global banking and capital markets firms are modernizing their IT systems by adopting enterprise platforms to create superior customer experience, reduce latency, improve efficiency and Straight Through Processing (STP), manage regulations, and adopt next-generation technologies. In this report, we have analyzed the vision and capability of 20 IT service providers for enterprise platform IT services specific to the Banking and Financial Services (BFS) industry
- 1. Assessing the Trade Life Cycle Management Technology Platform Landscape: Reimagining Pre-trade and Post-trade Operations for a Digital-first Mandate** ([EGR-2020-31-R-3612](#)); **2020**. As BFS firms are under burgeoning pressure from legacy systems, reducing margins, and ever-changing regulations, they are increasingly looking to leverage third-party platforms for managing pre- and post-trade operations. In this report, we have analyzed the vision, capabilities, and potential market impact of 10 trade life cycle management technology platform vendors
- 2. Financial Risk Management Platforms Assessment and Vendor Profiles – Cloud-enabled Modern Data Infrastructure for Intelligent Real-time Risk Management** ([EGR-2020-31-R-3632](#)); **2020**. Financial services firms are facing strong headwinds in managing their financial risks due to tightening regulations, increasing customer expectations, rising costs, and lack of employees with techno-functional expertise. In order to tackle these challenges, enterprises are looking to transform their financial risk management functions by leveraging Financial Risk Management (FRM) platforms. In this report, we have analyzed the vision, capabilities, and potential market impact of 10 financial risk management technology platform vendors

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