

# PRESS RELEASE

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## **Buy, not build: Open Banking providers unlock growth potential for security conscious firms**

- 48% of businesses are worried about risks of implementing open banking and potential sanctions
- The risks holding businesses back from open banking adoption are significantly reduced when partnering with a Technical Service Provider (TSP)
- Study of 800 senior professionals from banks, lenders, personal finance management tools (PFMs) and retailers, in the UK and Netherlands

**London, 30th March 2021** – Despite nearly [three million British consumers](#) using open banking services, and the recent news that HMRC has now adopted Open Banking, payments many businesses are holding back from implementing the technology due to concerns around the cost of storing and protecting customer data, seemingly unaware of the option to partner with established service providers that can deliver these services and lessen the associated data risks.

In Yolt Technology Services (YTS)' most recent survey of senior professionals working in the sectors best positioned to benefit from the efficiency and cost savings, improved customer experience and security benefits of open banking (banks, lenders, personal finance management and retail), 48% believed the main risk involved with open banking technology centred on the cost and liability associated with processing consumer data.

Businesses are prohibitively concerned by perceptions they will have to take responsibility for large levels of personal and financial data, believing it is costly to both store and protect. This was particularly strong in the retail sector, with nearly two thirds (61%) feeling this way.

However, the security architecture of the Application Programming Interfaces (APIs) used by TSPs and which carry open banking data, is incredibly safe and meets the highest standards of data protection rules. In the case of YTS, which has FCA authorisation to deliver open banking services in the UK, businesses have the option to use the technology under the license of the service provider, greatly reducing the risk to businesses that wish to embrace this technology.

YTS applies advanced encryption on all data both in transit and at rest, with a double layer of encryption on the latter. They also conduct frequent penetration tests to ensure security measures are keeping the data safe.

As the experts who were at the forefront of bringing Open Banking technology to the wider UK market, YTS is working with businesses across the economy to allay any fears and educate companies about the benefits and inherent security of this technology which could revolutionise the way companies do business.

**Roderick Simons, Chief Technology Officer at Yolt Technology Services comments:**

*“Technical service providers like YTS make open banking not only accessible to every business, but also more cost-effective and with less risk than building a solution from scratch. It seems that many companies are unaware this choice exists and are therefore missing out on growth opportunities because of their misconceptions and misunderstandings about their role in keeping customer data safe.*

*“The reality is that TSPs shoulder all of this risk, with little downside for the adopting business. It’s clear there’s a knowledge gap which needs to be filled, and it’s not the fault of businesses that they have these beliefs – it’s up to our industry to change them.*

*“A core objective of our research was to understand how we can do this and how we can help businesses to adopt the technology and reap its rewards. Education and collaboration are at the heart of our approach, and we’re committed to spreading knowledge and educating businesses about how they can transform the way they operate with open banking.”*

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**Notes to editors:**

**About the findings:**

Yolt Technology Services conducted a survey of 800 businesses in the UK and Netherlands in 2020 to establish the main concerns around data security in open banking. It contains proprietary research on business perceptions of open banking and data security risks, information on how the technology protects data at all stages of the process, and how addressing the education gap is a vital obstacle to overcome in the journey towards open finance. It is available to download here:

<https://yts.yolt.com/whitepapers/data-security-in-open-banking>

## **About Yolt Technology Services:**

Yolt Technology Services unlocks its Open Banking expertise to other organisations through a single and secure API - building, managing, and maintaining AIS and PIS connections for top financial institutions and ambitious tech businesses. Yolt Technology Services is available throughout Europe and makes on average 25 million API calls each week, passing the 1 billion API call milestone in October 2020. Yolt Technology Services was recently recognised as the 2020 Alt-Fi Open Banking Provider of the Year.