

ING says goodbye to Yolt and hello to a B2B-focused open banking strategy

Article

The news: ING will shut down its consumer-facing open banking app, dubbed Yolt, to focus on its B2B arm, Yolt Technology Services (YTS), per a press release.

Why's it closing Yolt?

- ING launched Yolt, which helps users track their finances, in **2016** to re-enter the UK retail banking market with a free mobile app after selling ING Direct UK to **Barclays** in 2012. In the following years, Yolt expanded to France and Italy.
- After evaluating business activities, including whether they had achieved the preferred scale in their market, it decided to shutter Yolt.
- **Yolt only acquired 1.5 million users as of 2020**, suggesting the app couldn't compete against the wide range of neobanks with advanced PFM tools and personal finance apps like **Chip** and **Moneybox** that expanded beyond PFM to include investment services.

What's next for ING? It will now funnel resources to its proprietary open banking platform, YTS, to help businesses build out their respective capabilities and aid the wider adoption of open banking.

To that end, **YTS recently secured a PSD2 license from the UK's Financial Conduct Authority**, which means it can take full control of its open banking operations rather than relying on its clients' licenses. The license also puts it on the same footing as competitors like **Yapily** and **TrueLayer** that already have FCA licenses.

The bigger picture: Open banking adoption is accelerating, but competitive pressure among industry players points toward consolidation.

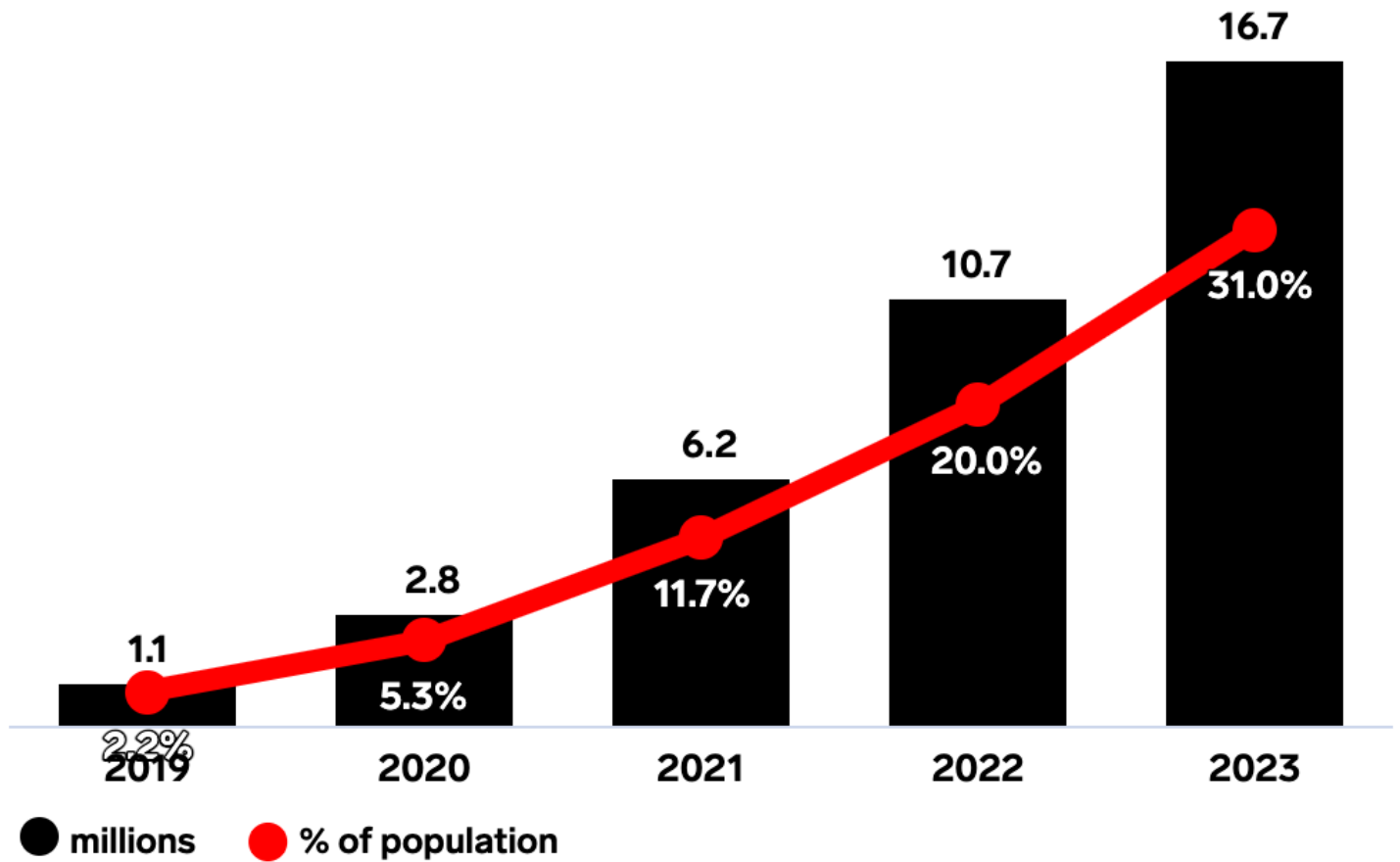
More than 2.5 million UK bank customers now connect their accounts to trusted third parties, up from 1 million in January 2020. **And while 29% of UK consumers still have no idea what open banking is**, adoption is soaring: Experian's Open Data Platform saw **more than 188 million data sharing requests in February 2021, up from 47 million in February 2020.**

As the industry heats up, players are doubling down on consolidation, which may challenge YTS' future growth:

- **Mastercard acquired** European API-based open banking technology provider **Aiaa**.
- **Tink acquired FinTechSystems**, its **fourth** acquisition in a year, shortly before getting purchased by **Visa**.
- Germany-based **Finleap Connect**, with offices in Italy, France, and Spain, **bought MyValue Solutions**.

Open Banking Users

UK, 2019-2023



Source: eMarketer, August 2021

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