



Market Analysis

Banking Operations and Transformation

Transforming Core Banking Services

Report Abstract

January 2025

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102 pages

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Who is This Market Analysis For?

NelsonHall's "Transforming Core Banking Services" report is a comprehensive market assessment report designed for:

- Sourcing managers investigating sourcing developments within the banking industry
- Vendor marketing, sales, and business managers developing strategies to target service opportunities within the banking industry
- Financial analysts and investors specializing in the banking industry sector.

Key Findings & Highlights

The BFS industry is responding to new business conditions of tightening regulations (Open Banking, shorter settlement times, rigorous risk management, and more reporting), new financial products, new competitors, and declining margins.

New technologies, primarily GenAI, offer novel functionality but have been used mainly for POCs, which lack widespread operational delivery. The changing technology landscape creates new challenges to maintaining data and operational security, which has slowed the maturation and adoption of these new technologies.

Bankers will increasingly move their focus to:

- Accelerating their migration to a microservices, open banking architecture and experimenting with AI and FinTech solutions to identify ways to transform their businesses
- Deploying GenAI to support relationship managers and middle/back-office process execution
- Accelerating their move to the cloud and automation of manual processes
- Support for business model change to open banking
- Agile deployment of new functionality with DevOps to accelerate new product introductions.

Scope of the Report

The report analyzes the global market for technology and operations services for core banking platforms and addresses the following questions:

- What is the current and future market for core banking technology and operations services in the banking industry?
- What is the size and growth of the banking industry's core banking technology and operations services by market segment?
- Within the banking industry, which processes are emerging strongly?
- What are the market segments for core banking technology and operations services in the banking industry, and what are their characteristics? What are the drivers, benefits, and inhibitors for each segment? What are vendor capabilities by segment?
- What technologies and platforms are being utilized, and what are the implications for the market segment?
- What are vendor challenges and critical success factors by market segment?
- How are key vendors positioned within each core banking technology and operations services for the banking industry services market segment?

Additional topics covered include contract lengths, pricing models, partnerships, acquisitions, delivery center locations, the use of offshoring, and vendor targeting by client size, geography, and sub-industry.

About The Author

Andy is the Banking Sourcing Research Director at NelsonHall, where he has global responsibility for Retail and Commercial Banking and Capital Markets.

Andy assists both buy-side and vendor organizations in assessing opportunities and supplier capability across Banking services, including in the areas of Core Banking, Payments, Mortgages & Loans, and Securities Processing. In these domains, Andy covers professional services, hosting, and BPS.

Andy assists both buy-side and vendor organizations in financial services to assess opportunities and success factors in the application of technology and BPS. This increasingly encompasses all things digital.

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About NelsonHall

NelsonHall is the leading global analyst firm dedicated to helping organizations understand the “art of the possible” in digital operations transformation. With analysts in the U.S., U.K., Continental Europe, and Asia, NelsonHall provides buy-side organizations with detailed, critical information on markets and vendors (including NEAT assessments) that helps them make fast and highly informed sourcing decisions. For vendors, NelsonHall provides deep knowledge of market dynamics and user requirements to help them hone their go-to-market strategies. NelsonHall conducts rigorous, primary research and is widely respected for the quality, depth, and insight of its analysis.

We would be pleased to discuss how we can bring benefit to your organization. You can contact us via the following relationship manager: Guy Saunders at guy.saunders@nelson-hall.com

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