



**Euromonitor
International**

Embedded Finance Driving Growth of Digital Ecosystem: Part I . Key Drivers

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INTRODUCTION

Scope

Key findings

Why relevant for regulators, financial services, non-financial services and manufacturers?

Definition and framework for embedded finance

Embedded finance evolving from manual to digital, and from product to business

Digital embedded finance tapping into infrastructure and technology development

REGULATIONS AND INFRASTRUCTURE

Development of regulations supporting open banking

Advances in high-speed telecommunications

Cloud facilitates fast API connections

APIs build information connections among systems of embedded finance partners

CHANNELS

Shrinking branch networks require more digital touch points with customers

Contracting proprietary ATM network while embedding financial services into retailers

App channel to remain as top priority for embedded finance

Growing digital services driving demand for embedded finance

Growing online adspend globally and rise of Marketing Technology (MarTech)

TERMINALS

Growing adoption of smart electronics enables personal digital finance and tracking

Further growth of smart wearables dependent on telco charges

Metaverse finance depends on tech improvement and price stabilisation of AR/VR headsets

Connected appliances open up a new frontier for finance

Connected cars, in-car apps and conversational AI to support embedded finance

Android Auto and Apple CarPlay converting non-connected cars into connected ones

Telematics enable automotive tracking, fleet management and behaviour -based finance

Global growth of shared mobility and car rental to boost finance powered by telematics

KEY TAKEAWAYS

Key actions to tap into driving factors

APPENDIX

Euromonitor definition of levels of autonomy for light vehicles

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