Products, Predictions and Purpose

**Embedded Banking
Interview Series:**
Dan Williams

Why is Embedded Banking a priority for KeyBank?

There are two reasons embedded banking is essential. First, it's important for creating value for the end customer. When it's easier to reconcile, be efficient, accept money, and mitigate fraud, there's fundamental value created for them.

The second is our ability to reach more people, think differently, and think forward. We have everything you would expect in terms of reliability, management of money, management of risk, liquidity, depository products, and the ability to access networks. These are all fundamentally valuable to software. But, until today, there was too much friction in the process, and there's an opportunity to take market share by eliminating that friction for software platforms.

What does Embedded Banking look like for KeyBank in 2023?

It's about proving our value proposition and getting more clients to create with us. We have invested so much in the last two years into Embedding Banking. We sponsor third parties into the payment networks, we're live with the Real Time Payment (RTP) rails, we built APIs, launched a developer experience, and scaled the XUP onboarding platform.

In 2023, we will continue to invest in product development, but this year it's about materializing with clients, designing with clients, and delivering flagship success stories for them. Ultimately, if they're successful, we're going to be successful.

Dan Williams
SVP
Head of Embedded Banking

Dan Williams is an industry thought leader with over 25 years of experience in payments and financial services. His experience ranges from leading large scale product lines in financial institutions to creating and growing successful fintech startups.

KeyBank

What makes KeyBank unique in the embedded banking space?

If you're a software platform today, it's hard. Unless you are working with a one-stop-shop like KeyBank from the start, you'll probably end up with somewhere between 8 to 12 technology providers, all of which have some bank behind them somewhere that's very far removed, but that are all imposing things onto you that drive the customer experience. This wastes time, money, and resources.

If you compare KeyBank versus buying a bunch of individual intermediaries, we differentiate on having scale, having a multi-payment view, and being very good at fraud mitigation. Our clients are fundamentally closer to the source which means faster access to funds and more opportunity to simplify their customer experience across a wide range of services.

When you look at us compared to other banks, we've got a targeted scale in our industries. In our tech vertical and healthcare, we bring value-added capabilities like the XUP platform to the picture. If you put us up against peer banks, we're years ahead in our ability to solve jointly with a technology platform, provide them an integration experience, and an ongoing operational servicing experience that they can ultimately grow on. There is still a lot of work to do, but we have a standard we hold ourselves accountable to and that makes me excited about the future.

What is KeyBank implementing in 2023?

We're improving the overall experience and perception of what it means for a technology platform to work directly with a bank. That means you have a team taking you through the tradeoffs and risks of the different models. Our solution engineers come from fintechs, know how fintechs operate, and have sat in our customers' shoes. They help normalize what often gets fractured across many products and integration points.

We have a fresh mindset and new capabilities for what it means to onboard, support, and integrate a client into a banking infrastructure in a modern way.

What is the most important item for success when onboarding new clients?

That's an awesome question. First, you must have a genuine commitment to their success. At KeyBank, we strive for alignment of expectations in the sales cycle to know what really needs to happen; we prioritize transparency and create a solid foundation of understanding. The key to a great finish is a great start. The second is team cohesion. We have this by building out an end-to-end customer success program, creating a business and technical track, and working with experts who can implement it all.

Who will be the top players in the embedded banking world for 2023?

Companies need good providers who fundamentally simplify and scale access into the financial system, which is a regulated system. Tech platform winners will be the ones that get closer to the banking core and get rid of all the intermediaries who are driving up their costs and owning parts of the customer relationship and calling it "payments." The financial institution winners will embrace new models, focus on technology, and have the right mix of talent.

For more information, visit key.com/embeddedbanking

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