



Value-Added Services

The Game-Changer
in the Banking Sector

Strategies, Trends, and Insights on VAS
for Banks and Financial Organizations

This material is dedicated to showcasing the transformative power of value-added services in the banking industry, from their origins to their current role as digital game-changers.

At SPEEDNET, we have a deep understanding of the transformative potential of value-added services in the banking sector. As a software agency specializing in building software for banking and insurance industries, we collaborate closely with our partners to implement VAS and see first-hand the tangible benefits they bring, from enhancing customer engagement to driving revenue growth.

This ebook is a result of an extensive market research and analysis, incorporating data from Eurostat, ISOC, and Deloitte reports. It is designed for banking experts looking to implement and introduce VAS in their organizations, providing insights into the implementation process, the role of VAS in mobile banking, and real-world use cases from the EU.

We trust that this material will provide banking professionals with a better understanding of value-added services and inspire them to leverage these tools to drive innovation and enhance customer experiences in their organizations.

Connect with our experts

If you have any questions or would like to learn more, feel free to contact us on LinkedIn.



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 Let's talk →



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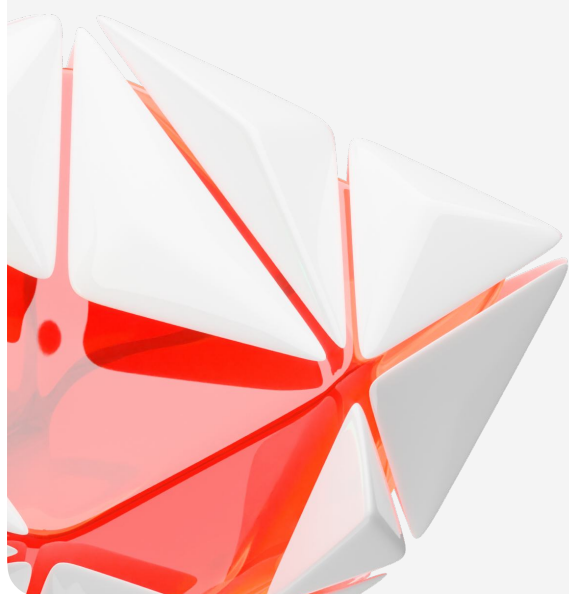
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1. Introduction – the history of Value-added Services

Value-added services (VAS) originate from the telecommunication industry, where operators would add supplementary services to their standard offer. Banks quickly started to notice that to stand out from the competitors, they have to bring more to the table than ordinary functionalities like payments, transfers, loans, and investments. Thus, they've decided to bet on non-core features as differentiators.

In Poland, the consumers' interest in additional services was already strong in 2019. According to Deloitte's "Digital Banking Maturity 2022" report, the COVID-19 pandemic accelerated the banking sector's eagerness to go through digital transformation and introduce innovation into internal and external operations. That's when VAS truly skyrocketed, contributing to banks' growing significance in the online space and making them multifeatured hubs for various services, including e-commerce, entertainment, mobility, security, and more.

This e-book showcases the most important:



1

numbers

2

trends

3

predictions regarding value-added services in the financial niche

It's a handbook for banks and other money-related organizations that want to approach VAS strategically and with awareness of potential benefits. Thanks to it, companies can make data-driven decisions when planning their next steps in banking app development.

2. The Growth of Mobile Channels as a Fuel for VAS Expansion

Mobile banking is becoming fundamental due to the widespread use of mobile devices as the main access point to the internet for the majority of European users. With 90% of EU internet users utilizing mobile devices to connect online in 2023, it's evident that people are gravitating towards the convenience of smartphones. In comparison, desktop computers were used to access the Internet by only 31% of EU Internet users. This highlights the increasing reliance on mobile technology for various aspects of daily life, including financial services. This behavioral trend highlights the necessity for businesses to adapt to the evolving preferences of their customers, and banks are no exception.

**90% of EU
internet users**

utilizing **mobile devices**
to connect online in 2023

**31% of EU
internet users**

utilizing **desktop
computers**
to connect online in 2023

Devices used to access the internet, 2023

	Mobile device	Mobile phone or smartphone	Laptop or tablet	Desktop computer	Other mobile devices (e.g. smart TV, smart speakers)
EU	90	85	63	31	33
Belgium	93	87	73	30	14
Bulgaria	80	78	38	20	7
Czechia	90	86	77	46	61
Denmark	98	93	81	30	44
Germany	90	83	65	32	28
Estonia	90	85	69	39	33
Ireland	97	93	72	28	:
Greece	83	79	47	29	20
Spain	95	95	63	32	55
France	90	85	69	32	23
Croatia	83	81	51	29	9
Italy	86	83	55	32	37
Cyprus	91	90	58	34	59
Latvia	90	85	59	34	33

Lithuania	86	83	58	23	25
Luxembourg	97	91	65	35	30
Hungary	89	86	59	35	26
Malta	92	88	66	30	47
Netherlands	99	98	88	40	60
Austria	94	92	68	43	38
Poland	86	83	59	21	15
Portugal	85	84	58	33	32
Romania	89	87	36	20	15
Slovenia	89	87	52	35	18
Slovakia	85	81	59	29	34
Finland	98	92	81	34	98
Sweden	97	94	78	32	49
Norway	99	98	87	31	71
Switzerland	99	98	81	47	41
Bosnia and Herzegovina	81	:	39	:	:
Montenegro	88	87	43	27	25
Serbia	83	81	41	39	23
Türkiye	86	85	28	13	22

Source: isoc_ci_dev_i

Looking at how the internet is used in 2023, by far a significant portion of EU internet users - 82% - reported using the internet for telephoning, video calls, or instant messaging. The highest percentage of people using the Internet for communication is in the Netherlands - as much as 98%, while the lowest

is in Poland (72%) and Slovenia (73%). Despite being the lowest scores, they are still above the halfway point. This shows not only the popularity of communication services but also the integration of mobile devices into daily social interactions.

Purpose of the use of the internet, 2023

	Telephoning or video calls, or instant messaging	Any of the learning activities	Civic or political participation
EU	82	31	18
Belgium	82	36	14
Bulgaria	76	15	19
Czechia	84	27	12

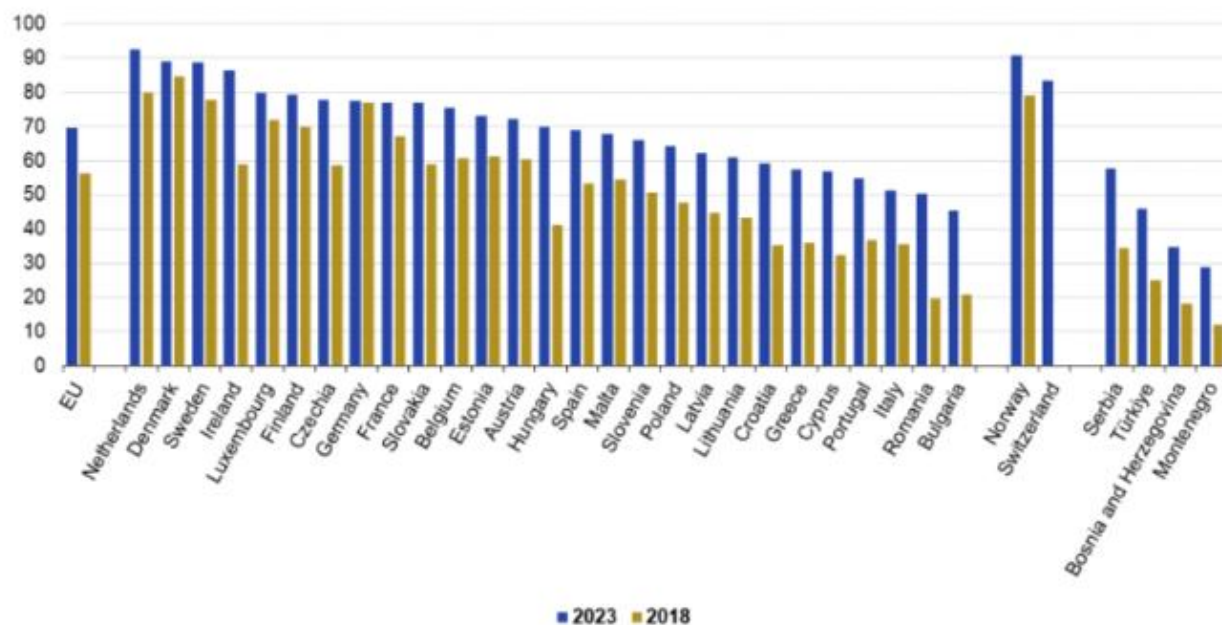
Denmark	94	46	25
Germany	79	25	14
Estonia	81	46	30
Ireland	86	45	18
Greece	75	16	20
Spain	94	49	21
France	77	28	16
Croatia	79	23	20
Italy	82	31	25
Cyprus	89	15	10
Latvia	84	31	22
Lithuania	80	33	16
Luxembourg	82	44	18
Hungary	86	29	30
Malta	89	41	34
Netherlands	98	57	29
Austria	91	30	23
Poland	72	18	13
Portugal	81	37	20
Romania	80	11	12
Slovenia	73	35	21
Slovakia	74	32	16
Finland	91	55	24
Sweden	86	49	16
Norway	94	52	21
Switzerland	94	41	25
Bosnia and Herzegovina	79	23	10
Montenegro	88	21	19
Serbia	84	27	3
Türkiye	85	16	14

Source: isoc_ci_ac_i

What's more, the rise of online shopping is showcasing the growing reliance on e-commerce platforms, with 70% of individuals aged 16 to 74 in the EU purchasing goods or services online for private use. As it can be seen on the graph, this is

a big increase from 56% in 2018. Consumers behaviour change towards digital transactions, and it presents a great opportunity for banks to enhance their mobile banking functionalities through value-added services.

Individuals who bought or ordered goods online, 2023 and 2018



Source: isoc_ec_ib20, isoc_ec_ibuy

eurostat

Figure 8: Individuals who bought or ordered goods online, 2023 and 2018

Source: Eurostat ([isoc_ec_ib20](#))



3. Definition of Value-Added Services (VAS)

Value-added services refer to features within banking software that augment main financial products and services. Unlike traditional banking functionalities, such as saving accounts, money transfers, or loans, VAS extend beyond basic functions, which makes banking apps more convenient and universal. Solutions proposed by banks may vary to meet diverse customer needs.

VAS Categories



Commercial

access to shopping platforms, discount codes, promotions, special offers, loyalty programs



Mobility

parking and public transportation tickets, flight and accommodation bookings, highway access payments, car registration and insurance



Public services

company registration, healthcare payments, social benefits applications, tax form submissions, tax support



Entertainment

cinema tickets, events access, subscription purchases, video-on-demand access, books and ebooks purchases



Additional services

insurance, credit scoring, password management, cybersecurity support, storage spaces, concierge, housing bill payments

4. Why Banks Should Embrace Value-Added Services?

We've already seen how mobile devices have become our go-to for almost everything, including banking. Mobile banking is on the rise because it lets us handle our money from anywhere, using just our smartphone or tablet. These mobile banking apps make it super easy to access our accounts and manage our finances on the go.

But it's not just about banking anymore. Nowadays, almost everyone with a smartphone is using apps for all sorts of things. It's not just the youngest users; it's almost everyone. According to Google Mobile Apps Report from 2017, at least 90% of people from each gender and from all age-groups use apps.

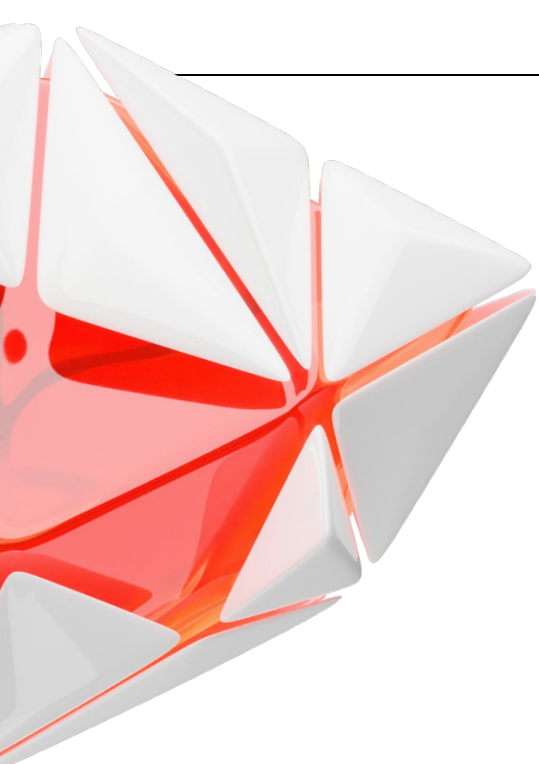
Penetration of app categories by age and gender

	Male	Female	18-34 M	18-34 F	35-54 M	35-54 F	55-64 M	55-64 F
Any app*	93%	93%	95%	95%	94%	92%	90%	90%
Games	42%	46%	51%	49%	40%	44%	26%	42%
Sport	29%	10%	32%	11%	28%	9%	27%	9%
Entertainment	26%	22%	51%	49%	40%	44%	26%	42%
News	36%	28%	31%	28%	40%	27%	41%	30%

* Used any of the activities asked about on app.

Base: Total smartphone users: 12,301

Source: <https://www.ipsos.com/sites/default/files/2017-08/Google-mobile-apps-report-2017.pdf>



On top of that - what do mobile users appreciate the most? Convenience. Due to overwhelmed schedules and the amount of information people have to consume daily, consumers desperately search for brands and software products that can meet multiple of their requirements and help them with several tasks. Customers don't want a multitude of accounts and hundreds of apps on their devices.

Benefits for banks

- Competitive edge
- Better customer acquisition and retention
- Additional revenue streams
- Higher profit
- Boost for brand reputation
- Future-proofing

Benefits for customers

- Improved overall banking experience
- Stronger customer engagement
- Increased customer loyalty
- Perks and discounts
- Fewer apps to install and use
- One account to rule them all

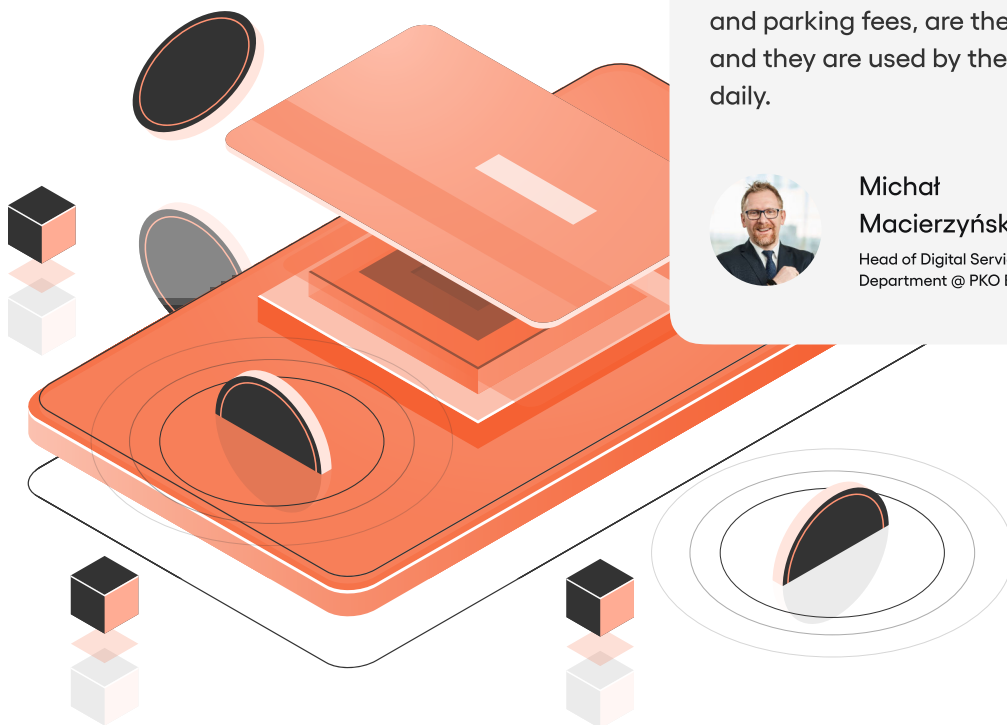
By offering more than just basic banking services, banks can attract and retain customers of all ages and backgrounds. Whether it's personalized financial advice, exclusive discounts, or seamless integration with other apps, there's something for everyone. And for the customers, it means a better banking experience. By embracing value-added services, banks can make their apps more useful and convenient for their customers.

The value-added services in the IKO application and iPKO service are a crucial part of building lasting relationships with customers and a way to differentiate PKO Bank Polski's offering from others. Thanks to our technological advancement and access to a large amount of data, we can offer customers a range of products they need in one place, quickly, conveniently and at a good price. We aim to build a marketplace of additional services to offer a wide range of them in many areas of life. Currently, services in the area of transportation, such as traffic tickets and parking fees, are the most popular, and they are used by the bank's customers daily.



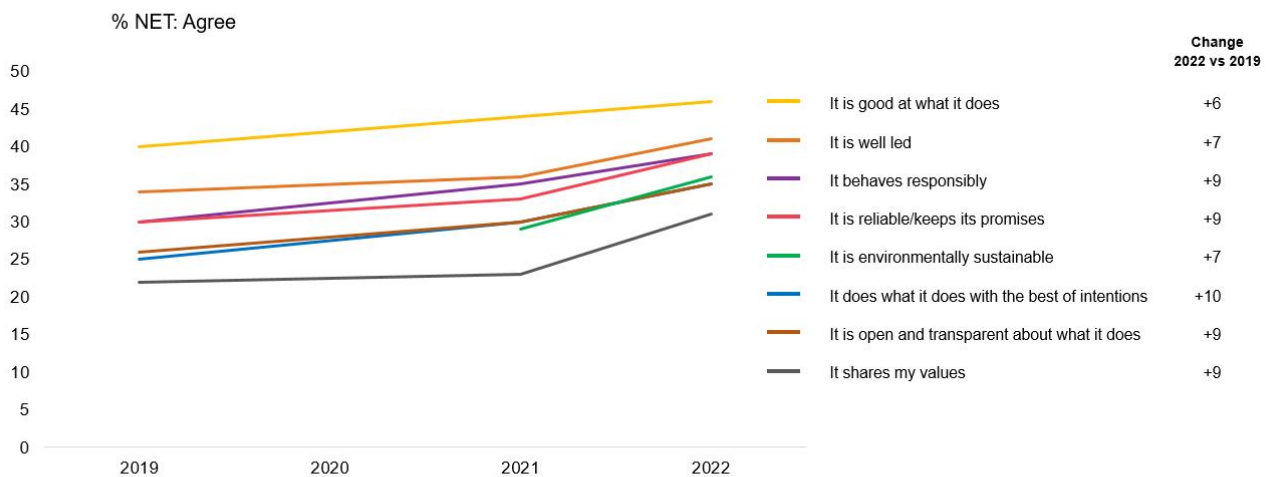
**Michał
Macierzyński**

Head of Digital Services
Department @ PKO Bank Polski



5. Introducing Value-Added-Services to Customers

When it comes to offering value-added services, banks already have an advantage – trust. According to Ipsos Trustworthiness Monitor, people are noticing that banks are trying harder to do things right. They're being more honest, open, and responsible, which makes people trust them more.



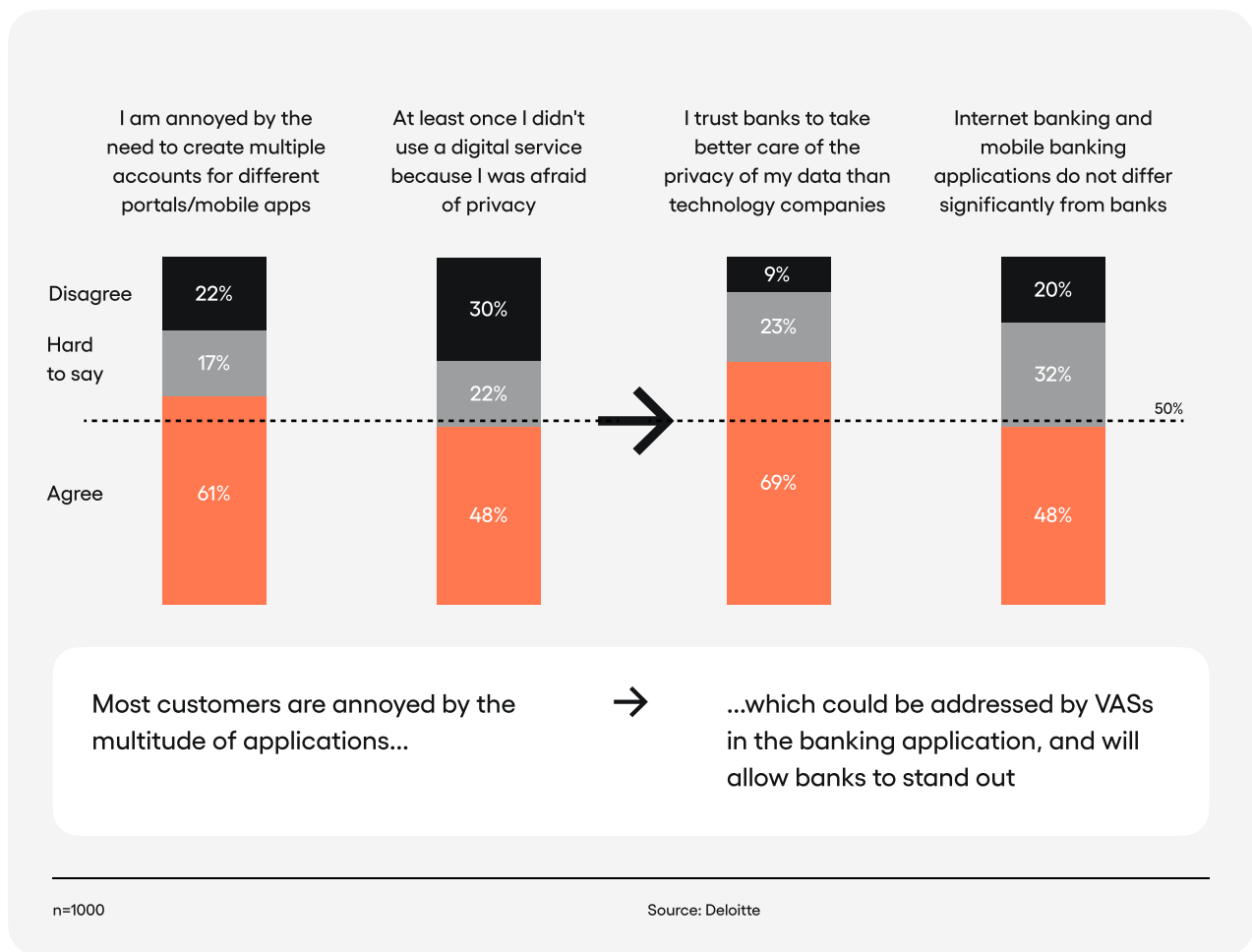
Source: Ipsos Trustworthiness Monitor
Base: Global Country Average of 16017-17500 online interviews across 21 countries c.500-1000 online interviews per country aged 16/18-74, 2019-2022

Source: <https://www.ipsos.com/en/trust/growing-trust-financial-services>

Customers already trust banks with their financial data and transactions, making them more receptive to additional services offered by their bank compared to other institutions. According to 2019 research done by Deloitte, 69% of people interviewed trust that banks take better care of privacy than technology companies offering applications. On top of that, nearly half of them are irritated that they need to set up multiple accounts for different portals/mobile applications.

69% of people

trust that **banks take better care of privacy** than technology companies offering applications



This natural trust forms a solid foundation for the successful introduction of VAS, as customers are more likely to engage with and adopt new services when they come from a trusted source.

Additionally, banks have extensive analytical capabilities thanks to quantitative data and customer interactions, enabling them to identify and respond to growing customer needs effectively.

It's important, however, to not take this trust for granted. As seen in the Ipsos Customer Privacy Research, bad handling of personal data decreased brand trust by 40% in the Netherlands. Bad privacy experiences were as damaging to brand trust as a serious data breach. So be careful when implementing VAS, especially in terms of clarity on how your customers' data is being used and whether it's shared with third parties.

6. Implementation Process

To determine what value-added services are truly valuable to our users, it's essential to **follow a structured approach** similar to launching any new product.

1

Collecting Ideas

Begin by gathering ideas from various sources, including within the bank (e.g., customer service team, innovation department) and externally (e.g., customer feedback, market research, fintech accelerators).

2

Sifting Out Ideas

Evaluate the collected ideas & check if similar solutions exist on the market or if there are comparable offerings, such as SaaS. Choose the ideas that are unique and have the most potential to offer something new and valuable to customers.

3

Creating a Strategy

Develop a product strategy that outlines the vision, target market or user demographics, position in the industry, key features, benefits, and the value the new VAS brings to the company.

4

Action Plan

Create a detailed plan that outlines what the service will do and when it will be ready. This plan should include all the functionalities, specific tasks, timelines, and goals to guide the development process and ensure everything stays on track.

5

Prototyping

Build prototypes or mock-ups of the VAS to visualize its functionality and user interface. Prototyping allows for early feedback and iteration, helping refine the VAS before full-scale development.

6 Testing

Conduct testing of the VAS to identify and fix any bugs, usability issues, or performance concerns. User testing, in particular, provides valuable insights into how the VAS is perceived and used by its intended audience.

7 Implementation

Roll out the VAS according to the action plan. This involves launching the service and integrating it with existing systems and platforms. Effective implementation is crucial for a smooth and successful launch.

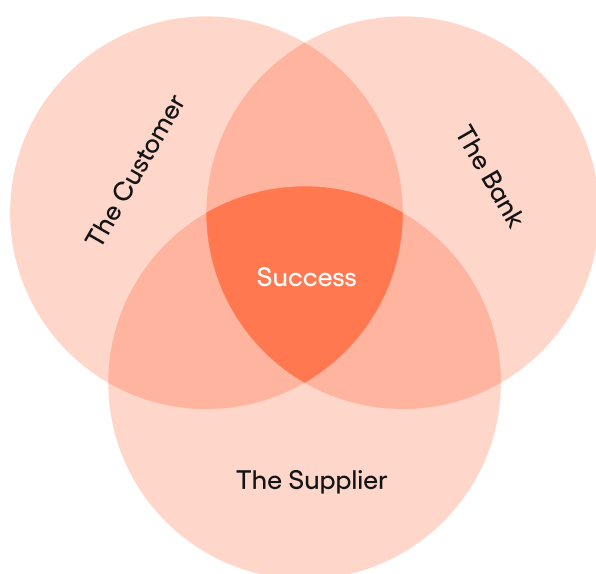
8 Feedback

Finally, ask for feedback from users and stakeholders to gauge satisfaction levels and identify areas for improvement. Regular feedback loops enable continuous refinement and enhancement of the VAS to better meet user needs and preferences.



7. How to Ensure Value-Added Services' Success?

To ensure the success of VAS, you must remember that you need to take care of three levels: the customer, the bank and the supplier of complementary services.



1. Customer Centricity

We can say that value-added services directly address evolving customer needs. Thus, we need to understand them first in order to properly implement VAS in any mobile banking application.

Qualitative research plays a crucial role in this process. Understanding your target segment is key, so engage with your customers through surveys, interviews, and feedback forms to gather insights into what they desire from their banking experience. By identifying unmet needs and potential solutions, banks can develop VAS offerings that truly resonate with their audience.

On top of that, designing the application with the customer's needs in mind, rather than focusing on the services being sold, is essential for building

trust and fostering adoption. Trust, convenience, and usability are the most important to customers when implementing new tools or services. Therefore, the application's interface should be user-friendly and intuitive, seamlessly integrated into the bank's mobile app.

Trust, convenience, and usability are the most important to customers when implementing new tools or services.

2. Bank Needs

In addition, banks must also address their own needs when implementing VAS. It's crucial for banks to ensure that the integration of VAS aligns with their overall business objectives and strategy. This involves evaluating how VAS can contribute to:

- revenue growth
- customer satisfaction,
- competitive advantages.

By offering value-added services that address the evolving preferences of customers, banks can attract and retain a loyal customer base. Satisfied customers are more likely to engage with additional products and services offered by the bank, leading to increased usage and higher revenue.

3. Supplier Relations

Cultivating strong partnerships with providers of complementary services is crucial for developing the VAS ecosystem. Collaboration with third-party service providers enables banks to offer a diverse range of value-added services that cater to different customer needs. Establishing mutually beneficial relationships with these suppliers enables access to innovative solutions and enhances the overall value proposition for customers.

When rolling out new features, it's all about putting the customer first. While our programmers can whip up a whole host of functionalities and pile on countless value-added services into the app, it's not about the quantity, but the quality that counts. That's why understanding the customer's needs is key. By conducting interviews and gathering data upfront, we lay the groundwork for a well-defined product strategy that truly resonates with our users.



Sławomir
Jakubowski
Project Manager

8. Overview of Value-Added Services Landscape

Take a closer look at the various examples, case studies, and general statistics regarding VAS in different parts of the world.

VAS in Global Perspective

According to the Global Mobile Value-Added Services (MVAS) Market Research Report 2022, the market witnessed remarkable growth in recent years. It underlines the increasing demand for innovative mobile services. Experts forecast sustained expansion and opportunities for all market players. Capitalizing on emerging trends, leveraging technological advancements, and making VAS an integral part of banks' strategies can be a success factor in the long run.

Current MVAS market value

\$392 billion

Expected market value up to 2030

\$629 billion

CAGR

6.5%

VAS in EMEA

Research shows that value-added services are especially popular among big players - established banks and recognized financial institutions. While smaller brands focus on digitization in general, leaders introduce VAS as a part of their innovative strategies to strengthen their market position by offering value beyond traditional banking services.

Becoming a digital ecosystem (Banking as a Service, BaaS) is imperative for many banks in EMEA. For example, a survey by PwC that researched 30 banks in Germany, concluded that 97% of respondents consider building a banking platform with a multitude of various products and services the most relevant goal for upcoming years.

In Hungary, an app called Simple, which was originally a VAS hub, became a hit software product with almost 2 million users. Its success allowed the company to add payment services to their offer.

- public and indoor parking tickets,
- purchasing highway stickers,
- mobile communication ticket,
- check payments,
- mobile phone device insurance,
- purchasing car accident insurance,
- touch mobile payment,
- purchase of theater and cinema tickets,
- ordering a taxi in Budapest,
- ordering food,
- Use SuperShop points,
- loyalty cards,
- ..and other additional services (topping up the OTP Health Bank balance, inquiry about the OTP SZÉP card balance, money transfers between OTP bank cards).

Nordic countries (Norway, Sweden, Finland, and Denmark) build value-added services around key consumer paths, for example by allowing customers to log in to banks and government platforms with the same ID and supporting real estate transactions. Banks in Singapore follow a similar strategy.

VAS in Poland

Poland is a European leader in digital banking. It's not surprising - fintech companies gladly run their operations in a country that can deliver a high-quality software development workforce. The most recognized fintech brand from Poland is BLIK - an innovative mobile instant payment scheme that soon will be introduced in other European countries.

According to Eurostat, online banking in Poland is becoming increasingly popular, with 55.55% of people using it compared to 59.56% in the whole EU. What's interesting is that the number of people using online banking in Poland has been growing faster than in the EU overall. From 2018 to 2022, the number of online banking users in Poland grew by 5.99%, while in the EU, it only grew by 2.35%. This shows that digital banking is really taking off in Poland.

Polish banks offer basic and more creative types of value-added services. The most popular ones are eGov access (for public services), insurance, and assistance. Many also provide discount programs and airport lounges access. However, there are areas for improvement.

According to research, Polish consumers desire the following VAS:

- Package tracking
- Parking tickets
- Cinema and theater tickets
- Medical appointments booking
- Loyalty programs

Some of these value-added services are not offered by any Polish bank, which means there's

space for pioneers to introduce these features and gain market advantage. However, they have to remember that they will compete with non-banks that also offer mobile VAS.

The crucial factor that distinguishes winning banking apps with value-added services from other players is exquisite UX design. Polish brands pay attention to consumer research, incorporate inclusive design principles, and provide accessibility features like a simplified registration process. They also promote eco-friendly initiatives - and using one app instead of dozens can reduce individual carbon footprint.

The Most Popular VAS in Poland



Mobility: parking and public transportation tickets, highway access payments



Personalized discount codes



BIK (credit information office) reports and alerts



Financial management assistance (e.g, budget setting, disposable virtual cards)



Subscriptions identification



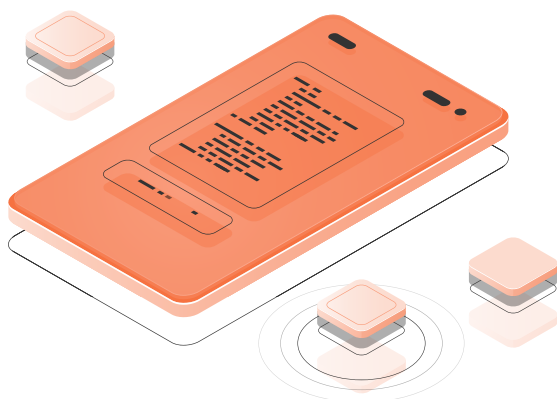
Direct access to bank support (via phone or chat)

9. The Future of Value-Added Services

The future of VAS in banking will be shaped by rapidly evolving consumer preferences and rising technological advancements. One of the most promising but also challenging trends is **personalization, increasingly demanded by customers in all industries**. Financial organizations will have to anticipate and deliver innovative value-added services that can be individually adjusted by their clients.

Looking ahead, VAS offerings will be expected to cover more lifestyle and wellness services, blurring boundaries between banking and other sectors even more. In some countries around the world (China, Hungary), multi-feature mobile platforms are extremely popular, and this tendency has the potential to reach a global audience, changing the way people use apps to handle their daily tasks. Banks and other brands will have to unite to build holistic ecosystems that will deliver the promised value to end customers.

To stay ahead, banks must prioritize customer-centricity and innovation. This involves continuous feedback collection, iterative app development processes, and a culture of experimentation. Investing in talent, technology, and strategic partnerships will be crucial for expanding VAS portfolios. Additionally, they will have to ensure data security, privacy, and regulatory compliance to build trust among their audiences.



We collaborate with clients across Poland, Europe, and the United States, and it's evident that value-added services are a must-have for modern banking. Traditional banks often fall short compared to neobanks and fintechs because they lack the latest features and innovations. But by embracing VASs, they can finally compete on equal footing, offering customers the innovation and user-friendly experience they expect.



Jakub Ciupiński
Head of Solutions

10. Final Word

We've explored the transformative power of value-added services in the banking sector. From their origins to their current role as game-changers in the digital realm, VAS have evolved into an essential element that empowers financial brands and contributes to elevated customer experiences.

As consumers increasingly seek convenience and seamless digital interactions, banks must embrace VAS strategically to stay ahead and grow their profits. By offering innovative services that go beyond ordinary banking features, they can drive loyalty and engagement while positioning themselves as trusted partners in various operations.

Value-added services are not just a trend. They are the future of banking. We believe that every bank and money-related business should leverage the power of VAS. This way, they can deliver a lasting sense of being taken care of on all possible levels to their clients.

We're Speednet



A software company from Poland specializing in web and mobile development, product design, and tech consultancy for financial brands.

With over 23 years of experience in fintech and banking, our team delivered more than 200 projects, including VAS-enhanced apps.

Our value-added services portfolio includes

Insurance cross-selling

Currency exchange

Ticketing services (events, public Transport, parking, highways)

Invoice scanner

Loyalty programs

Spending analysis

Split-a-bill feature

**Interested in exploring the possibilities
of value-added services?**

We're here to support you from initial planning through to deployment and beyond. Reach out to us to discuss your vision and objectives.

[Contact →](#)

Our website - speednetsoftware.com

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[f](#) [@](#) [in](#) [d](#) [X](#)

References and Further Reading

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