

# INNOVATION: OPEN BANKING, EMBEDDED FINANCE

## Reclaiming the Mortgage Broker's Role in Open Banking and Embedded Finance

Innovation in financial services has never progressed so rapidly. From Open Banking APIs to embedded mortgage journeys within digital ecosystems, the rate of change is considerable. However, as mortgage brokers from around the world discussed at the IMBF World Summit, speed alone does not define progress.

True innovation, they argued, is not about flashy tools or gimmicks. It involves achieving better outcomes for clients, enhancing mortgage broker capabilities, and restoring clarity and confidence in the mortgage journey.



The message was clear: it's time to place purpose back at the centre of innovation.

## Innovation Has Become a Buzzword—And That's a Problem

Participants expressed a common frustration: innovation is often characterised by superficial changes that generate noise rather than delivering value. New features are added without addressing real problems.

Mortgage brokers receive tools they did not request, yet are expected to incorporate them into already overstretched workflows.

*"Much of this technology is designed to demonstrate progress to investors, rather than to simplify our jobs or enhance our clients' experience."*

This disconnect has caused fatigue. Mortgage brokers stated that the innovation agenda should move from prioritising speed to emphasising verifiable impact.

*"Mortgage brokers don't fear innovation – we fear being left out of it. Let us shape the tools we're expected to use."*

**Carla Giles**  
CEO, CMBA-BC

## Open Banking Is the Sleeping Giant

Across different markets, mortgage brokers acknowledged the substantial potential of Open Banking to improve important parts of the mortgage process.

- Income verification.
- Expense monitoring.
- Real-time affordability assessment.
- Automated analysis of bank statements.

Where implemented, the benefits are already clear: faster file preparation, fewer document errors, and quicker lender responses. However, adoption remains slow due to platform gaps, regulatory fragmentation, and a lack of clarity among clients.

*“We need Open Banking integrated into our CRMs and workflows, rather than being standalone apps.”*

For Open Banking to succeed, it must be frictionless, secure, and standardised. Equally important, mortgage brokers need to feel confident in their ability to explain it to clients.

## Embedded Finance Is Here-But Mortgage Brokers Still Belong

Embedded mortgage offers are on the rise, surfacing in real estate portals, neobanks, payroll platforms, and other digital environments. These one-click solutions offer speed and simplicity, but they also risk bypassing the advisory role that mortgage brokers play in ensuring client understanding, suitability, and long-term financial well-being.

However, the roundtable provided a more strategic perspective: mortgage brokers should not oppose embedded finance—they should instead reframe it.

- As a lead generation tool, rather than a complete substitute.
- As a means to involve clients earlier in their decision-making process
- As an opportunity to highlight the broker’s value: personalised guidance, advocacy, and in-depth market insight.

A one-click offer may attract interest, but it does not replace the human element required in major financial decisions. One Australian participant noted:

*“Our regulations require that the client receives a suitable offer tailored to their situation, which means a human must be involved in the process.”*

This isn’t merely a safeguard; it’s a reaffirmation of the mortgage broker’s role as a trusted interpreter of complexity.

As Open Banking technologies continue to expand, mortgage brokers will remain essential in clarifying edge cases and exceptions—those moments when data alone falls short. This interpretive layer secures their ongoing relevance, even as fintech rivals seek to simplify or automate parts of the mortgage process.

*“Open Banking can streamline the journey—but brokers are the ones who explain the why, not just the what.”*

To remain central, mortgage brokers must ensure they are visible, embedded, and essential, not excluded from the digital ecosystems that are evolving around them.

## Innovation Must Serve the Client, Not the Code

Participants frequently reverted to a key principle: begin with the client journey, not the tech stack.

*“True innovation,” they said, “addresses genuine pain points:”*

- Minimising form fatigue.
- Providing clear guidance in simple language.
- Offering real-time insight into application progress.
- Building trust via transparency and speed.

Many mortgage brokers criticised innovations that add unnecessary complexity, such as double handling, fragmented systems, and unclear benefits. Instead, they supported co-designed features that genuinely improve the experience for both the mortgage broker and their clients.

*“If a feature doesn’t make it easier for me to serve my client, it’s not innovation.”*

## Mortgage brokers Must Be Co-Architects of Innovation

One of the main themes was the importance of involving mortgage brokers in the innovation process. Too often, platforms and Fintech’s develop in isolation and then push their solutions downstream.

**The result? Poor adoption, wasted investment, and frustration at the frontline.**

Mortgage brokers seek:

- Participation in product testing.
- Feedback loops with software vendors.
- Innovation councils or working groups at the association level.

*“We observe the challenges clients face daily. Let us help shape the tools we use.”*

Innovation thrives when it is co-created rather than dictated.

## Five Calls to Action: Innovation That Elevates

- 1. Redefine Innovation Around Client Impact:** Shift success metrics from feature delivery to measurable outcomes for clients and mortgage brokers.
- 2. Accelerate the Integration of Open Banking:** Integrate Open Banking tools into mainstream customer relationship management (CRM) systems for mortgage brokers. Simplify consent procedures and standardise data formats.
- 3. Embrace Embedded Finance Without Fear:** Develop playbooks for mortgage brokers to collaborate with embedded platforms and demonstrate their value within the advisory layer.
- 4. Co-Design With Mortgage Brokers, Not Just For Them:** Make involving mortgage brokers a normal part of product development.
- 5. Assess Innovation by Usage and Utility:** Concentrate on what is broadly adopted, effectively utilised, and truly assists mortgage brokers in providing excellent service.

## Innovation Must Be Grounded in Relevance

Innovation isn’t about being the first to market; it’s about being the first that matters.

Mortgage brokers at the IMBF World Summit were clear: they want tools that improve their role, boost their impact, and make the journey for clients smoother, faster, and more transparent.

The future of mortgage broking is not focused on disruption for its own sake. It is about working together to create a better system.

Ultimately, the most influential innovations are those that improve scalable trust, personalise services, and make complexity invisible.