Time to compose.

A guide to composability, its benefits, core principles and real life examples.
People want better ways to manage their money.

Customers are looking for choice and convenience, and all this means change.

To connect with customers banks have to make financial change happen.

54% of consumers trust a big tech company with their money more than a bank.

Bain & Company
New offers, challengers and new standards are giving people more financial options than ever before. They are switching banks, using finance apps, trying alternative lenders and much more.

Banking has changed a lot over the last decade. But the next decade will make that pace seem glacial.

The problem is, it isn’t clear which companies will win, which customers will move or which products will win them over. No one knows what comes next.

To succeed in a market that keeps changing, you need to be able to create new, excellent financial products and services faster.

**The threat is real**

Finance app downloads spiked by 15% during the pandemic, with mobile fintech applications outperforming banks by a factor of up to 10.8x.

Liftoff & App Annie, The 2021 Mobile Finance Apps Report
In a market as dynamic and unpredictable as banking, agility moves from ‘nice-to-have’ to a survival issue. The only safe way to address it is to adapt the composable approach.

Mambu was born in the cloud, API-driven and delivered as a service. So you can build virtually any type of financial service and product. The only limit is your imagination.

This guide will introduce you to the concept of composability, showing you what it is, why it matters and what it looks like in action. Let’s dive in.
Composable is an approach to the design and delivery of financial services based on the rapid and flexible assembly of independent, best-for-purpose systems.

“rapid” Applying agile principles to build, test and release new capabilities in days or weeks.

“flexible” Pick and choose to combine systems in unique ways creating competitive advantage.

“assembly” Choose off-the-shelf cloud solutions, as well as custom-built value-generating IP, to differentiate in the market.

“independent” Avoiding massive monoliths or excessive dependencies on single companies as potential bottlenecks.

“best-for-purpose” Based on the need of the stakeholder and the problem set, be it customer-facing or an internal process.
Mambu helps banks, lenders, fintechs and others create modern digital customer experiences in order to grow, scale and differentiate – and helps them keep evolving to embrace change.

“modern customer experiences”
Pick and choose to combine systems in unique ways creating competitive advantage.

“differentiate”
The industry is more competitive than ever with the rapid infusion of tech-driven business models with lower operating costs and digital-only customer relationships.

“evolve”
Continuously change by adding, removing or redesigning which systems are used, and how they’re assembled.
Build for the change journey

Long term benefits of composability

Agility & flexibility
- Over 95% of customers go live within 2 months
- A truly cloud native and agnostic platform
- Configure in an API-enabled low-code way

Speed to market
- Up to 95% faster delivery of functionalities
- Get new products or whole new banks to market in weeks and months, not years
- Fast-track the design and built of your products and services

Lower TCO
- 70+% reduction in operating cost
- Fewer resources needed to go live
- Maintenance costs are lower and updates are automatic

Innovation
- A blank sheet of paper to design truly customer-centric services
- Focus on the front-end experience not the back-end stack
- Explore the ecosystem and deliver future trends

Great customer relationships
- Choose or build the best customer on boarding and digital channel apps
- Optimise for UX, simplicity and speed
- Focus the resources on your customers’ needs

Scalability
- Scale up and down in seconds
- Scale horizontally and vertically
- Expand internationally
10 principles of composability

01 Ecosystems beat pre-integrated suites
No single vendor can innovate on every front as effectively as a healthy ecosystem of vendors each with its own focus.

02 Think cloud-first
Composable components are cloud-based, where they’re always-on, accessible, and can scale infinitely and securely.

03 Everything is exposed via open APIs
High-quality, well-documented APIs are the essential connectors of a composable architecture.

04 A self-service developer experience is essential
Developers should be able to work with open, public APIs and components must be easy to trial and test.

05 Scaling happens elastically & horizontally
Scaling from one to ten million customers should mean adding servers, not loads. Scaling back down should be just as easy.

06 Continuous delivery beats big upgrades
Instead of maintaining a core system, choose one built for change so you can focus on new, better services and customer experiences.

07 The commercials are as flexible as the software
Connecting price to a single metric, like usage, removes the need for a new license just to invoke or scale a component.

08 Building new connectors is simple
Integrating a new service with an existing platform, should be straightforward and independent from any vendor.

09 Every component is self-contained
Each module takes care of one specific business process, end-to-end, and is designed to be integrated.

10 Start with a composable platform
Instead of maintaining a core system, choose one built for change so you can focus on new, better services and customer experiences.
Enter Mambu

A SaaS, cloud-native, API-driven banking and financial services platform.

The SaaS financial engine
The heart of the Mambu platform is an engine that supports lending, deposits, current accounts, transactions and accounting in actually agile, truly cloud-native way. But rather than requiring complex, expensive customisations, all you need to do is configure the engine to create new products and services.

The Mambu Process Orchestrator
A single pane of glass from where you can rapidly create custom business logic, manage your integrations and design whole new processes in a low-code visual designer. The MPO gives you a point of control from which to manage a solution landscape that will always be evolving and expanding.

The Ecosystem & pre-built connectors
Every minute spent away from building new experiences, products and services is a minute wasted. Choose from a host of best of service partners and deliver and expand your products and services. Mambu’s pre-built connectors give you comprehensive control over your data and solutions – without the need for days and weeks manually integrating them. And we’re rapidly adding new ones.
New10

A speedboat by ABN AMRO

New10 is a small business lending start-up by ABN AMRO, offering a strikingly modern mobile user experience including a 15-minute credit decision and fast on boarding – all online.

To launch quickly, New10 took an entirely cloud-native approach, choosing Mambu as the composable banking platform and deploying on Amazon Web Services. The composable architecture let them choose the best, most innovative technologies available, including:

- Front-end origination
- Customer portal
- Know Your Customer profiles
- Credit scoring and decisioning
- Anti-Money Laundering

All components were easily integrated into a complete service via APIs, hosted in the cloud (on AWS) and built in complete isolation from the parent company systems. They launched in record time with a minimum viable product in 4 months and the full launch in 10.

Bringing a fully digital approach to life meant an entrepreneurial approach and a fully cloud-native environment. As lean and agile as the business itself.

Co-founder & CTO, New10

The result

Within the first six months of launch, New10 signed on more than 2000 accounts, resulting in more than 100 new loans. More than 65% of customers are new to ABN AMRO. And they’re happy: with a Net Promoter Score of 60+.
ZestMoney

India’s biggest & fastest-growing consumer lender

Focused on bringing affordability to the masses, ZestMoney built a future-ready AI-enhanced consumer lending platform that instantly approves and disburses small-ticket loans without human interference.

Aiming to be fastest at product iteration, ZestMoney was looking for:
- High level of infrastructure responsiveness
- High flexibility
- Reliability
- Rapid speed to market

Mambu was one of the most glitch-free implementations of any kind of software we’ve ever experienced.

CEO, ZestMoney

The result

In just under 4 months ZestMoney implemented Mambu as its main loan origination and loan management system. Over the past years, ZestMoney designed and launched new products, often in a matter of just a few days. 89% of all ZestMoney disbursals are made without any human interference and in record time. Today, the lender’s staff of 350 services more than 7 million clients that can choose from over 3000+ different merchants.

Composability in action
N26 takes off

The rise of a digital banking pioneer

Speed to market was critical to N26. Headquartered in Berlin, it’s the first pan-European mobile only retail bank, offering a free basic current account and debit MasterCard plus overdraft facilities, investment products, a savings account and premium current accounts.

Armed with a German banking license, N26 took the conscious decision to build in the cloud. N26 chose Mambu and built a production MVP in under 6 months. The launch was quick, cost-effective, and instrumental in helping N26 achieve its strategic goals.

In mid-2016, N26 had 200,000 customers, and it has grown this customer base to more than 7 million in 2021. The new composable architecture also enabled significant geographic expansion, N26 is currently active across 25 countries.

The result

Today, N26 has more than 7 million customers in 25 countries (and growing), and is valued at $3.5 billion.

Mambu allowed us to cut our core processing costs fivefold.

CEO, N26
ank

Banco Itaú’s record-breaking speedboat

ank provides solutions for banked people who want to manage their finances in a simple, intuitive and secure way. ank is Argentina’s first open app that allows its users to send money from any bank to any bank account or virtual wallet.

ank needed a cloud-native partner that would: be quick and easy to configure, allow integration through APIs, keep their maintenance costs low.

ank chose Mambu because of a great technical fit. As an extremely tech savvy team, ank required very little assistance with integrations and APIs.

Mambu’s highly flexible composable platform is easy to configure and supports all of ank’s requirements, some of which are:

- P2P transfers
- Configuration-as-a-code
- Specific third-party integrations

The alliance with Mambu allowed us to maintain the agility we want in ank, permitting us to start from a proof of concept and reach the final product in just 3 months, with quality, robustness and safety.

CTO, ank

The result

ank released an MVP just after a record 13 days, and the final product in 3 months. After launching a digital wallet ank will be expanding their product offering further by including debit cards and loans.
Grameen America began as a nonprofit in 2008 to provide small loans, credit-and asset-building, and financial education programs to women who live below the poverty line to help them build small businesses, empowering them to provide better lives for themselves and their families.

Until 2013, Grameen America relied on a custom-built legacy software. Although it supported the microfinance institution’s unique lending model, it was not scalable. Grameen America’s tech team recommended migrating from the legacy server-based system to a cloud native system that is easily accessible from a mobile device and that could ensure less or no downtime.

Grameen America chose Mambu because of the platform’s high flexibility and the scalability of the systems, and the rigour on the team and processes.

The result

- Loan transaction time reduced by 50%.
- Caseload benchmark grew by 25%.
- The organisation has become more than 60% financially sustainable.
- 100% digital disbursements and repayments.
- Improvements in loan processing, overall borrower experience, field operations.
- Enhanced internal and external auditing capabilities.

Mambu is the cornerstone of the innovative transformation and expansion of our operations across the United States.

CEO, Grameen America
Make change your biggest advantage

No one can predict the future with any degree of confidence. But few doubt that the pace of change will only increase.

Whether you’re an incumbent bank rising to the challenges of disruptors or a new challenger taking aim at a slice of the market, size and scale will not be your greatest assets, without doubt, the new killer advantage is agility – the ability to change.

Wherever you’re going, you’ll need to respond quickly to changes in markets, customers, competitors, regulations and technologies.

Composability can give you that competitive advantage and help you secure your place in the market.
It’s all change.
Are you ready?

Your customers want better ways to manage their money and businesses want faster decision making. Composability enables you to build financial products and services your customers actually need.

We make financial change happen.
mambu.com
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