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The new growth equation: How AI, ecosystems and partnerships redefine growth in Financial Services

Insights from our latest research

November 2025

EUROPEAN DIGITAL FINANCE CONFERENCE

Cracking the new growth equation for Financial Services

AI × **Ecosystems & Embedded Finance** × **Collaboration** = **New Growth**

AI	Ecosystems & Embedded Finance	Collaboration	New Growth
Fuels innovation and smarter value creation	Extends reach beyond traditional banking	Turn speed and scale into competitive advantage	Accelerated, sustainable growth

New ventures are driven by AI and ecosystems

Type of new venture builds (NVB) in next 5 years (2025)

Types of new ventures[1]	**Financial Services**[2]
Data, analytics, and/or AI-driven businesses	68%
Digital and direct-to-consumer businesses	46%
Platforms, ecosystems, or marketplaces, i.e., connecting multiple different parties	30%
Environmental or sustainability-focused businesses	17%
Subscription or "everything-as-a-service" models	15%
Connected or smart products	13%
Other services	17%

68% of FS ventures **focus on AI or data-driven models** — intelligence is becoming the core value driver.

30% focus on platform or ecosystem models — connecting partners and customers in new ways

Let's unpack what's fueling this acceleration.

1. Q: Which of the following types of new businesses, if any, do you expect your organization will build in the next five years?
2. Includes Banking, Insurance, and Private Equity
3. Excludes Business, Legal, and Professional Services, and Public & Social sector

Source: 2025 New Venture Building (NVB) Survey

Emerging technology, growth focus, and customer change fuel the new venture wave

Financial Services only

Factors that motivated organizations for new business builds in the past 12 months[1], % of respondents (select all that apply)

AI and digital platforms are enabling **faster, more scalable innovation**

Technology isn't just automating — it's **unlocking new business models.**

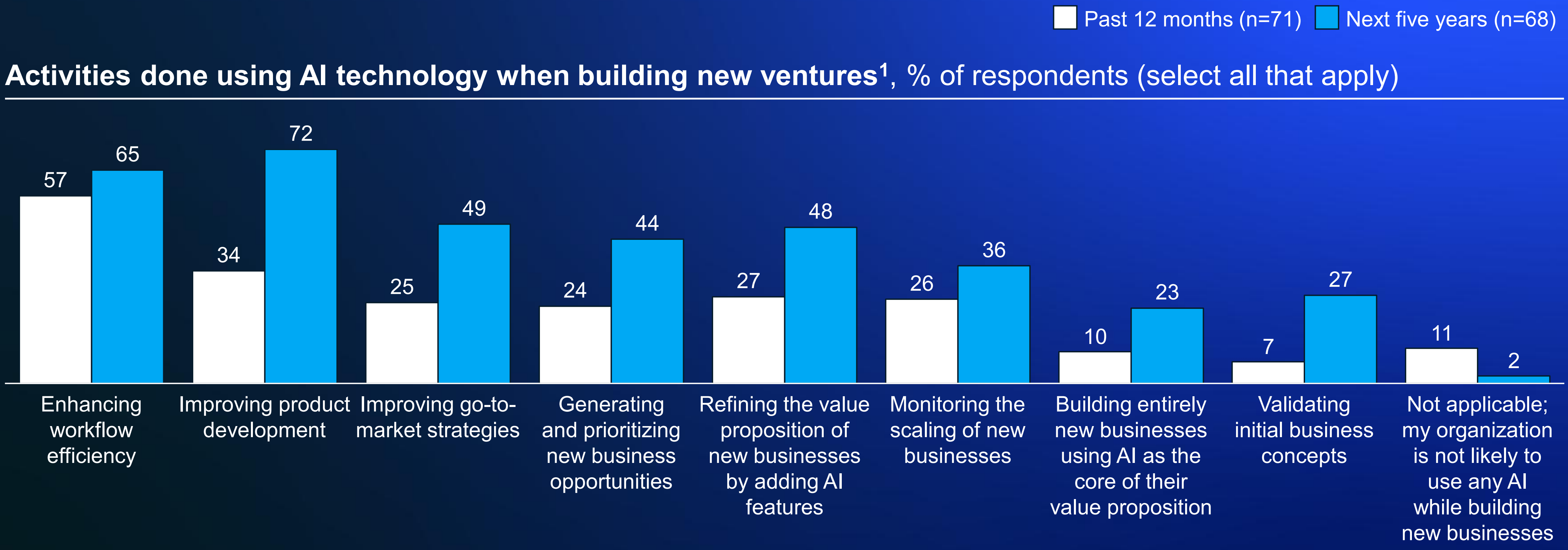
1. Q: What current or anticipated factors motivated your organization to increase its prioritization of new-business building in the past 12 months?

Note: Results exclude respondents who selected 'Don't know' or % of responses below 15% in the Overall responses

Source: 2025 New Venture Building (NVB) Survey

AI is reshaping value creation — from productivity to entirely new ventures

Financial Services only



AI changes how we build — but collaboration changes how we scale…

1. Q: In which activities has your organization used AI technologies in the past 12 months when building new businesses? In which activities, if any, do you expect your organization to use AI technologies when building new businesses in the next five years?

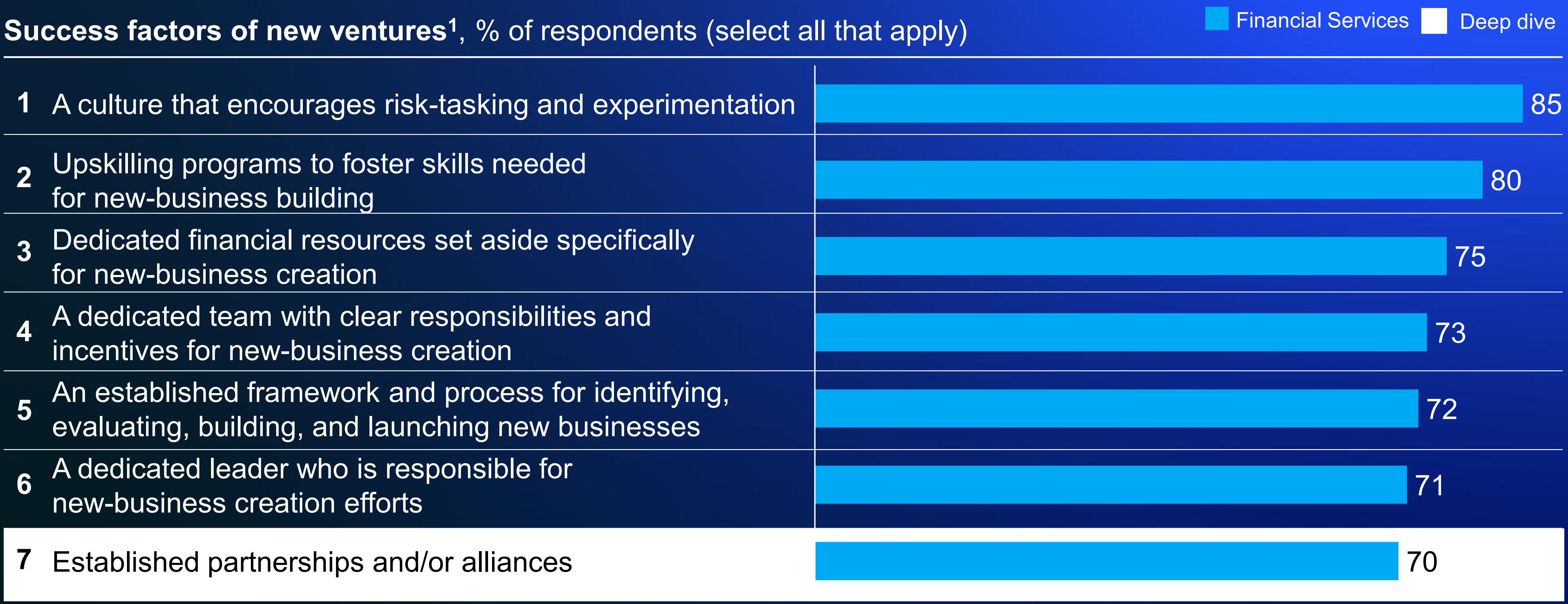
Note: Excluding the respondents for 'Other', ' Not applicable, no new business built in the past 12 months', or 'Don't know'

Source: 2025 New Venture Building (NVB) Survey

Top 7 success factors in building up new businesses

Culture, talent, and clear incentives separate winners from laggards

Success factors of new ventures[1], % of respondents (select all that apply)



1. Q: Which, if any, of the following elements are present within your organization?
2. Q: For one of the new businesses that has ceased to operate or is underperforming, which of the following factors contributed most to its closure or poor performance?

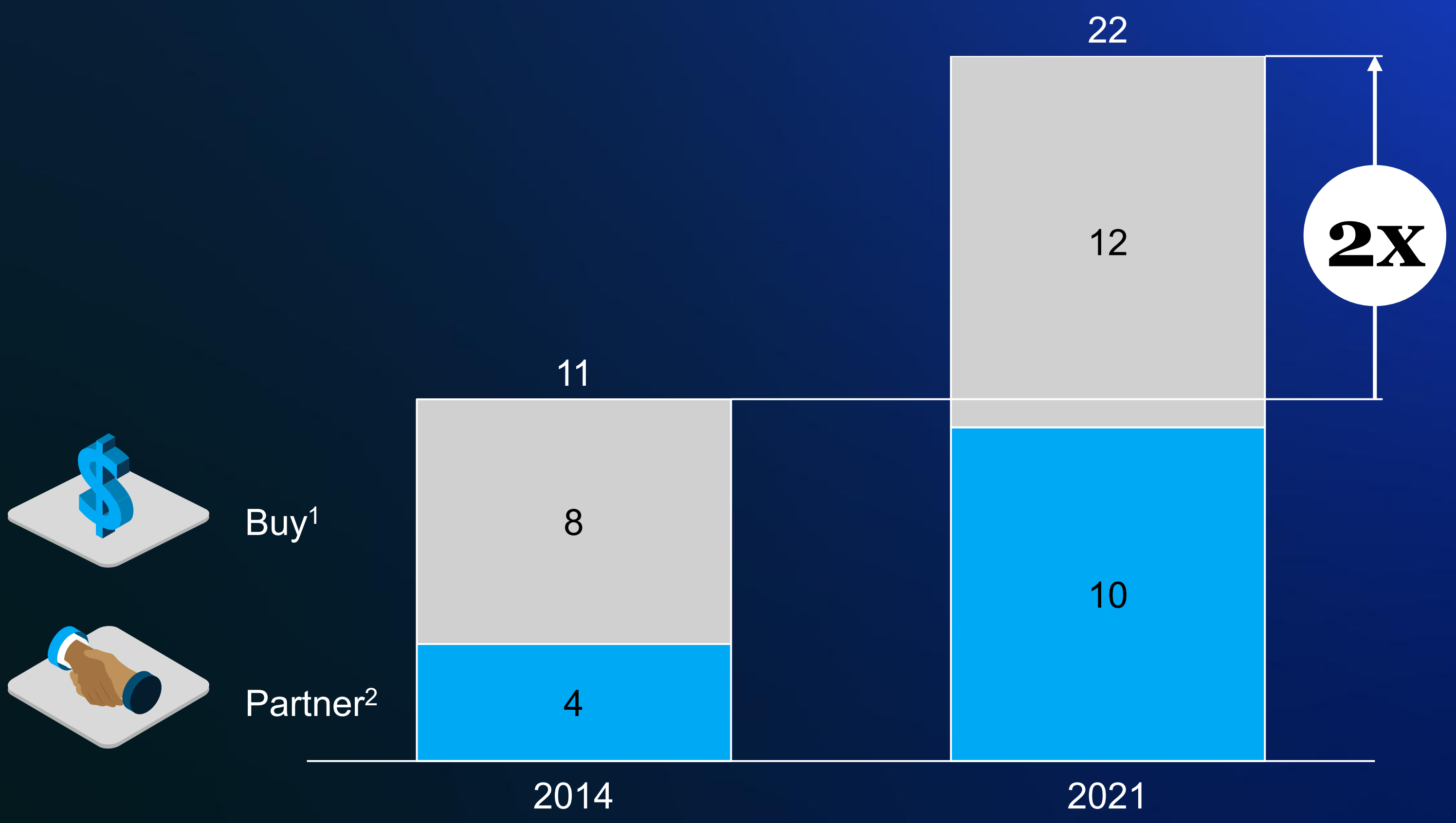
Note: Successful new ventures defined as ‘The business continues to operate and is performing in line with or exceeding expectations for scale and growth’; Results exclude respondents who selected ‘None of the above’ or ‘Don’t know’

Source: 2025 New Venture Building (NVB) Survey

Collaboration has become the new growth engine

Companies are increasingly required to serve customers together at scale

Number of deals / partnerships, Number in thousands



The number of partnerships and alliances has doubled since 2014. Partnerships specifically have tripled — signaling a shift from competition to collaboration.

But collaboration isn't random — it's strategic

1. Global number of M&A deals
2. Global number of strategic alliances/partnerships and joint ventures

Source: Dealogic, Thomson SDC, McKinsey analysis

Selecting the right path: Build, Buy, or Partner

The right answer depends less on cost — and more on speed, complexity, and scale

Build

Buy

Partner

1. Strategic considerations

- Time to market
- Flexibility of approach
- Execution risk
- Supplier risk
- Cost to build
- Cost to maintain

2. Market considerations

- Segment profitability
- Capital intensity
- Market concentration
- Speed of innovation
- Regulatory requirements

Source: McKinsey analysis

When speed, cost, and complexity converge — partnering wins

Simplified and disguised example

Non-exhaustive

Yes	Yes	No	Yes
Is **fast time to market** needed to meet customer demand?	Is it **costly to build** the idea on your own?	Is the target market **concentrated**?	Are market regulations **complex**?
Banks racing to launch new SME lending or instant payments solutions often face time pressure — partnerships with fintechs or BaaS players accelerate go-live by months	Building AI-driven credit scoring or digital KYC in-house is expensive — partnering with specialist data providers or regtechs cuts cost and risk	Retail payments and embedded finance markets are highly fragmented — collaboration helps reach niche platforms and non-bank ecosystems at scale	In regulated areas like cross-border payments or digital identity, compliance and licensing hurdles make specialist partners essential

Partner

Build

Buy

Note: The type and order of questions will depend on the context of the specific aspiration

Source: McKinsey Ecosystem Strategy Hub

Nine partnership models unlock value — from GTM to co-creation

Overview of partnership options by purpose and focus

Illustrative

Contribute to core business ↔ Incremental new value

Commercial / customer acquisition (channel)

GTM partnership
Collaboration to offer discounts for partner services to enhance experience of customer base and increase engagement

Lead generation
Providing leads for a fee or commission to partner who sells product / service

Distribution
Distributing partner products or services through own channels

New business co-creation / building
Collaboration to create a new business or product, sharing resources and expertise from different industries

Platform (capability)

API integration
Software system integration to share data & functionality

White label
Negotiating & selling tailored partner products with own brand & managing select parts of value chain

Platform-as-a-Service
Leverage technology, software, and investment from partners to deliver platform solutions

GenAI / data partnerships
Collaboration to make use of existing data assets more effectively / drive new insights

Technology co-creation
Collaboration to create a new technologies, sharing resources and expertise from different industries

Source: McKinsey Ecosystem Strategy Hub

What separates strong partnerships from failed ones

1. **Ensure senior sponsorship and ownership of partnership** – and commit adequate functional resources for partnerships to succeed
2. **Clarify your expectations for partnerships success** – be transparent with partners and choose the model meets your interest best
3. **Continue to invest in capabilities** after partnership is launched – and prioritize flexibility to adapt to changing market and partner demands
4. **Be pragmatic about partnership management** – plan for what you can handle and can't; be ready to sunset initiatives that don't work

Source: McKinsey Ecosystem Strategy Hub

The future of growth is collaborative — „Embedded Finance is the catalyst"

The next wave of FS growth will be **AI-enabled, ecosystem-led, and partnership-powered**

Competitive advantage will come from **collaboration at scale**

Leaders must shift mindset: from building alone to orchestrating networks of value

The winners will be those who open up — not those who hold back

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Global Banking Annual Review 2025

Why precision, not heft, defines the future of banking

Banks need to prepare for the next growth curve. Global Banking Annual Review 2025 shows how a targeted approach can help them thrive.

This report is a collaborative effort by Darius Imregun, Ido Segev, Jon Steitz, Klaus Dallerup, Marti Riba, Miklós Dietz, Pradip Patiath, and Saptarshi Ganguly, with Michael Kirchner, Suhas Gudhe, and Valeria Laszlo, representing views from McKinsey's Financial Services Practice.

October 2025

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McKinsey Business Building Practice

The way to win in corporate venturing: Serial building and AI

The results of our sixth annual survey show that repeat venture builders see the greatest ROI, benefiting from both experience and advanced uses of AI.

This article is a collaborative effort by Daniel Aminetzah, Jason Bello, Jerome Königsfeld, and Paul Jenkins, with Corinna Leist and Robin Martens, representing views from McKinsey's Business Building Practice.

October 2025

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