



APPLE

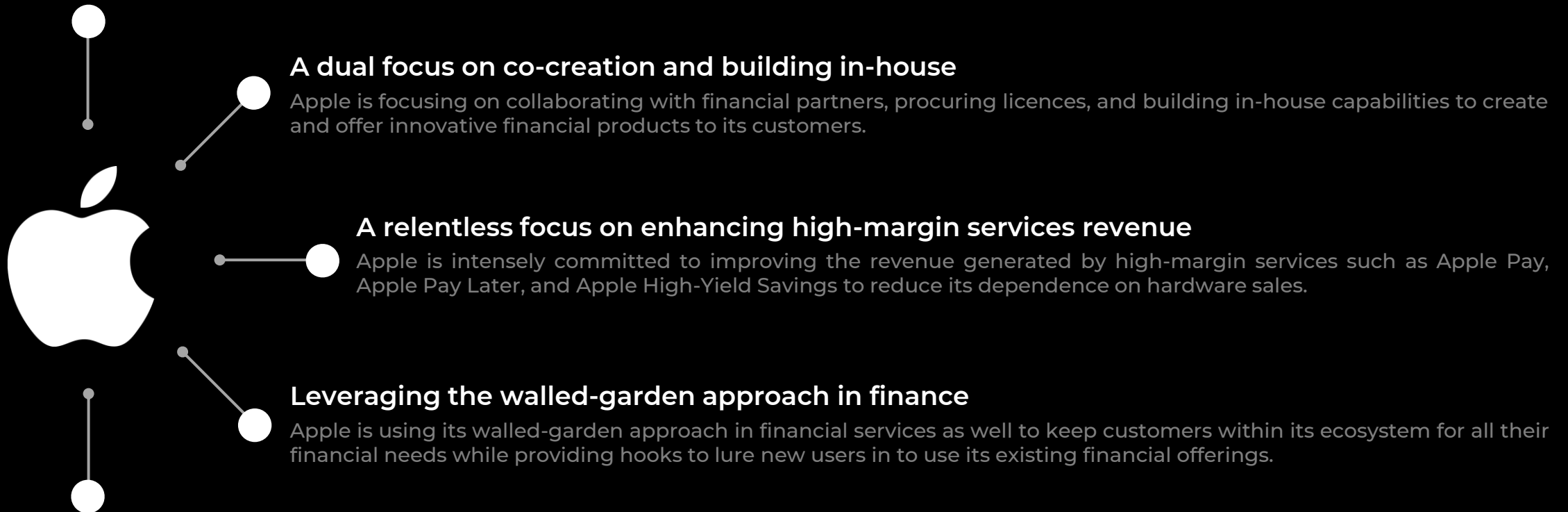
At the Forefront of the Embedded Finance Revolution

1. Research Methodology	03
2. Executive Summary	04
3. Product Evolution	05
Product Evolution Product Strategy Lifestyle Finance Scale & Speed	
4. Procuring Licences	10
Payment Licences Lending Licences Collaboration Critical Capabilities	
5. Strategic Benefits	15
Monetisation Data Access Stickiness & Usage	
6. Unlock Ecosystem	19
Embedded Finance Unlocking Synergy Walled Garden Digital Wallet	
7. Diversification	24
Growth Ecosystem	
8. Further Reading	27

WS Executive Summary

Apple is all-in on embedded finance

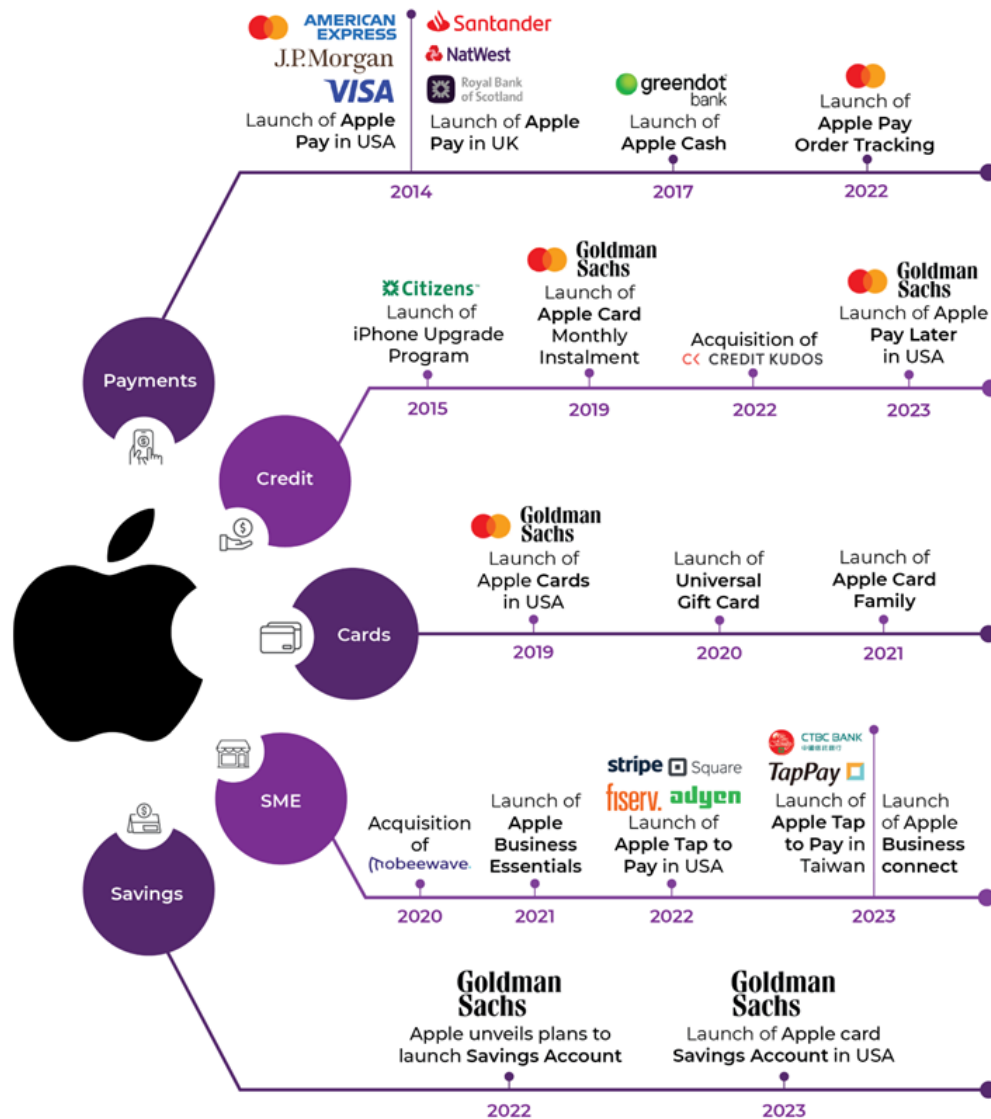
Apple is fully committed to the concept of embedded finance, which involves integrating financial products and services into its existing ecosystem of hardware, software, and services.



Unlocking synergies between a two-sided ecosystem

Apple is leveraging cross-product synergies between its customer-facing and merchant-facing ecosystems through its financial products, promoting the usage of multiple products together to improve customer experience and stickiness.

Apple The evolution of Apple's financial product offerings



Payments

Apple is strategically enabling mobile payments and digital wallet transactions through Apple Pay since 2014, and in 2017 launched Apple Cash for peer-to-peer payments using iMessage.

Credit

Apple is offering customers the ability to finance their purchases with Apple Card Monthly Installments and Apple Pay Later, providing more flexibility and convenience in payment options.

Cards

Apple is expanding its Card products with the launch of Apple Card and universal Gift Card, offering a range of card and gifting options for customers. Apple Card Family was launched in 2021, allowing multiple users to share a single Apple Card account and build credit together.

Small Business Offerings

Apple is expanding its presence in small business and merchant payment acceptance with the launch of Tap to Pay in 2021. In addition, Apple has introduced services like Apple Business Essentials (2021) and Apple Business Connect (2023) to further cater to the needs of small businesses.

High-Yield Savings

Apple is using a partnership with Goldman Sachs to promote stickiness among Apple Card users by offering a high-yield savings account that allows users to earn interest on daily cashback rewards.

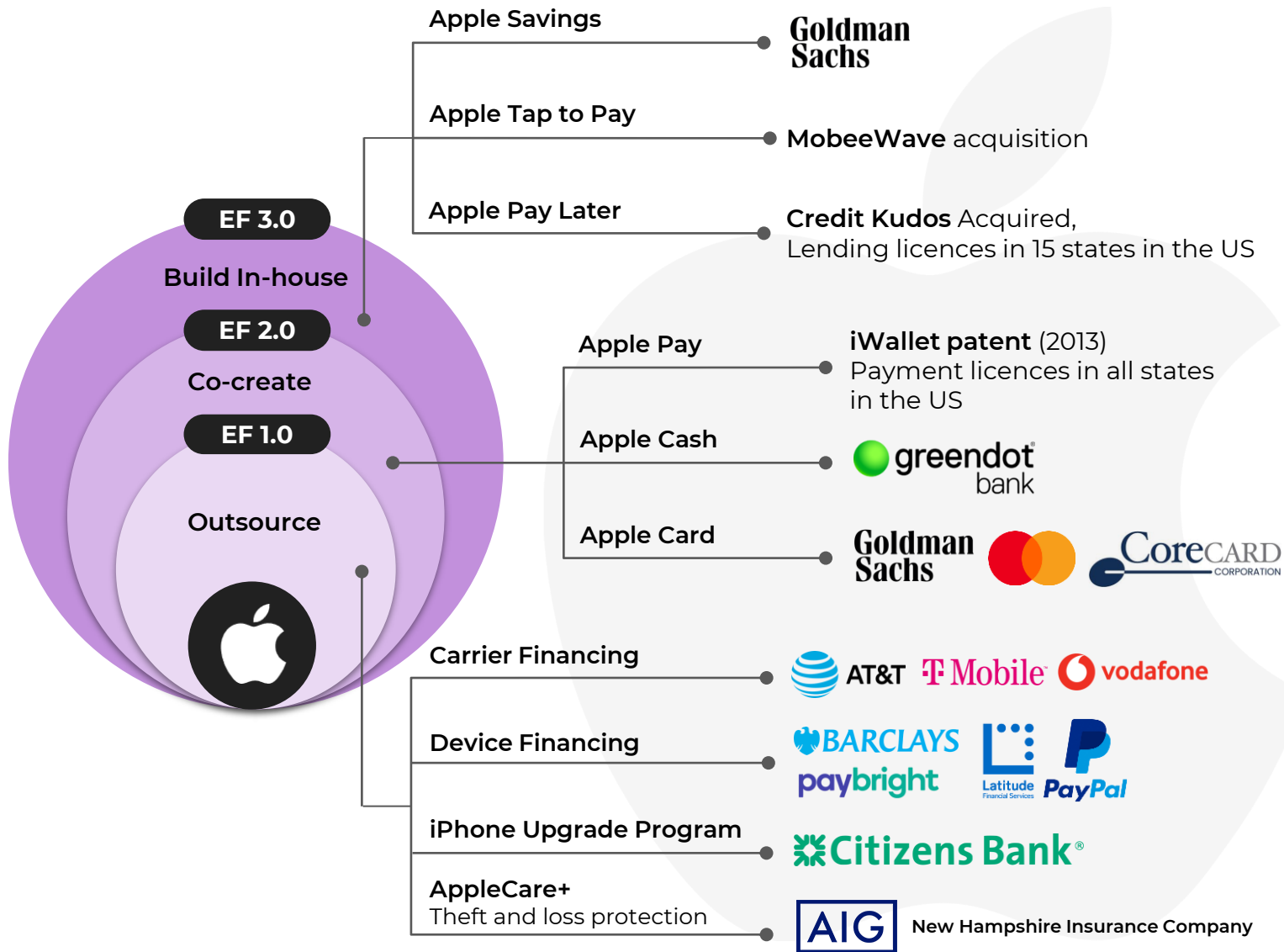
Apple Collaborative partnerships to launch financial products

Apple has taken a collaborative partnership approach with banks, payment schemes, and technology providers. By working together, Apple and its partners have brought new financial products to market more quickly and efficiently, while also providing a seamless and secure experience for customers. The partnership also benefits the banks and payment schemes by providing access to a large and loyal customer base to unlock new revenue streams from fees and interest on loans.

Financial Product	Financial Institution Partners	Technology and Fintech Partners
Apple Pay	CHASE, WELLS FARGO, VISA, Mastercard, AMERICAN EXPRESS	NA
Apple Cash	greendot bank	NA
Apple Card	Goldman Sachs, Mastercard	CoreCARD CORPORATION
Apple Pay Later	Goldman Sachs, Mastercard	CREDIT KUDOS*
Apple Savings Accounts	Goldman Sachs	NA
Apple Care+ Theft and loss protection	AIG New Hampshire Insurance Company	NA
Apple Tap to Pay	We Care Family CTBC BANK (Taiwan partner) 中國信託銀行	adyen, clover, fiserv, nobeewave*, Square, GoDaddy, TapPay, stripe

* Acquired by Apple

Apple's growing commitment to embedded finance



The Evolution of Apple's Commitment to Financial Products

Embedded Finance (EF) 1.0

A crush: Financial services to support Apple device purchase

In the early days, Apple outsourced device-financing plans to telephone carriers and financial institutions. Device protection benefits offered to consumers were also outsourced to insurance companies.

Embedded Finance (EF) 2.0

It's complicated: Partnerships & co-creation

From 2014 to 2019, Apple acquired patents and partnered with financial institutions and technology providers to launch products such as Apple Pay and Apple Card.

Embedded Finance (EF) 3.0

Commitment: Acquire licences and firms and build capabilities in-house

Since 2020, Apple has acquired several capability providers and payments/lending licences in the US. They are building financial infrastructure in-house, such as payment processors and fraud detection tools, to reduce reliance on external partners. Apple is growing more committed to financial services, evident from its strategic intent to improve financial products through data collection and ecosystem building.

This report has been authored by **WhiteSight**.

To access the underlying data with further coverage and references, please reach out to us at

hello@whitesight.net



WhiteSight is a FinTech research firm with a design-oriented and data intensive approach to research. WhiteSight brings unique and actionable intelligence to drive strategic growth and innovation agenda for its clients.



www.whitesight.net



[@whitesight_](https://twitter.com/whitesight)



[@whitesight](https://www.linkedin.com/company/whitesight)