Housing ecosystem

Building the bank of the future

The housing ecosystem is a ~\$5.2 trillion value pool



~\$200-300T

in value of homes globally, 2020



~\$5.2T

global housing ecosystem value pool, 2023



>\$0.8T

total outstanding mortgage revenue pool, 2023

Banks are facing various challenges ...

Mortgage digitization and commoditization

resulting in margin compression

Uncertain macro-economic
environment
(ie, interest, credit worthiness)

Increased competition from FinTech and Big Tech

Rising customer expectations (ie, personalization, immediacy)

... and must leverage natural strengths to deliver on customer experience

Strong existing role

(ie, mortgages, financing)

Trusted Customer relationships

with large number of customers

Existing partner network

(ie, real estate, construction, insurance)

Data access and benefit

data to create tailored offerings and reduce risk

Potential housing ecosystem value creation for banks

~20-35%

share of leads from ecosystems

~15-25%

share of mortgage originated through ecosystems

~2X

customer satisfaction score improvement

Planning to launch within next 12 months

Banks globally are placing their bets in housing

Share of banks offering property search capability within digital mortgage ecosystem

June 2022, % of total



Developed Asia

North America

24

Currently offering

Central Europe

14

Source: Finalta by McKinsey, banking benchmark study, June 2022 (benchmarked to leading banks and fintechs)

6 learnings from a decade of housing ecosystem building

Think big, act small

Tailor value propositions to pain points of specific customer segment

Take it step-by-step Even marginal improvements can build

a positive spiral

Partner with a clear vision

Balance build/buy/partner approach

There is no one-for-all solution

Go for a portfolio of innovations

Find the optimal execution zone

Adopt a cross-functional team

Sharing is caring

Exchange information and leads with partners

