Third-Party Banking Software Market: Global Trends, Market Drivers and Forecast 2035

The global third-party banking software market was valued at USD 36.1 billion in 2025 and is projected to reach USD 112.4 billion by 2035, expanding at a 12.4% CAGR from 2026 to 2035. Revenue is expected to reach USD 39.2 billion in 2026, supported by banking digital transformation, open banking APIs, real-time payments, cloud migration, financial-crime controls, and increasingly complex regulatory requirements.

Banks, neobanks, lenders, payment providers, credit unions, and government-linked financial institutions are sourcing more operational functions from specialist vendors. Third-party software is expanding beyond digital channels into core banking, payments, treasury, risk, compliance, analytics, lending, wealth management, customer engagement, and regulatory reporting.



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Core banking software generated USD 10.9 billion in 2025, representing 30.2% of market revenue, and is projected to reach USD 31.8 billion by 2035. Payment-processing software generated USD 7.3 billion and is expected to grow at a 13.3% CAGR, while compliance and risk-management software accounted for USD 6.3 billion.

Cloud-based banking software generated USD 14.2 billion in 2025, representing 39.3% of market share, and is projected to reach USD 51.3 billion by 2035 at a 14.1% CAGR. On-premises software held a 47.4% share in 2025, while hybrid deployment remains important for institutions balancing data-residency, legacy-system, and modernization requirements.

North America dominated the third-party banking software market in 2025, supported by mature financial institutions, high technology spending, established fintech ecosystems, regulatory-compliance demand, and large-scale cloud adoption. Asia Pacific is expected to be the fastest-growing region as instant payments, mobile banking, open banking, digital lenders, and financial-inclusion initiatives expand across China, India, Southeast Asia, Japan, and Australia.

Fiserv led the market with more than a 16.1% share in 2025. Its competitive position is supported by core banking platforms, payment processing, digital banking tools, cloud-native systems, financial-institution relationships, and integrated solutions serving banks, credit unions, lenders, and payment providers.

Some of the major players in this market are Finastra, FIS, Jack Henry, SS&C Technologies, Temenos, Oracle, SAP, IBM, Thought Machine, Mambu, nCino, and Tata Consultancy Services. The top five companies collectively held approximately 45.6% of the market in 2025.

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Contact Us:

Aashit Tiwari
Corporate Sales, USA
Global Market Insights Inc.
Toll Free: 1-888-689-0688
USA: +1-302-846-7766
Europe: +44-742-750-8484
APAC: +65-3129-7718
Email: sales@gminsights.com