

THE GERMAN BANKING & FINTECH MARKET IN 2025



CONTEXTUAL
SOLUTIONS

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Untapped Growth Potential

Germany's Fintech Evolution

Germany is often seen as a nation of precision engineering and industrial might, but an untapped technology and digital finance potential lies beneath the surface. This transformation is driven by cultural nuances, rigorous regulations, and a uniquely resilient ecosystem. At Contextual Solutions, we've been fortunate to play a role in this evolution, working with local and foreign companies and entrepreneurs and helping them navigate their entrepreneurial journey in Germany.

If you can make it in Germany, you can make it anywhere—but success doesn't happen by chance. It requires strategic planning, cultural awareness, and a deep understanding of what makes businesses thrive in this unique market. This report is a combination of all our first-hand learnings.

This report goes beyond the obvious, uncovering the key factors driving success for local and 'localized' companies. We explore emerging trends, 2025 market predictions, and invaluable insights from industry experts. To bring these insights to life, we've also highlighted inspiring success stories from those who have effectively navigated the German business landscape.

A heartfelt thank you to all the experts who contributed their knowledge and perspectives - your input has been instrumental in shaping this report.

Let's explore this dynamic landscape together. Wishing you all a successful year!

Best wishes from Berlin,
on behalf of
Contextual Solutions GmbH



Şebnem Elif Kocaoglu Ulrich,
LL.M., MLB

Managing Director & Founder

Executive Summary

MARKET DYNAMICS

In 2024, tight budgets put a lid on new product innovation, leading to fewer start-ups and even fewer new unicorns. Yet, it was the year of scale-ups and SMEs - many seized the moment to accelerate growth and solidify their market positions (See: 5-8)

TRENDS AND RECOMMENDATIONS

In 2025, German fintechs should prioritize low-risk, value-driven financial products that stand out through uniqueness and a strong focus on customer education. Meanwhile, banks must carve out a distinct identity to ensure long-term success. Innovation that drives new revenue streams while optimizing costs will be key to strengthening their brand and staying competitive (See: 16-21).

GERMAN MARKET CASE STUDIES

What gives Raisin and Pliant their competitive edge? And which misstep knocked Solaris off its BaaS throne? Check out our case studies throughout the report.

Ecosystem Focus and Fintech Unicorns



* Solaris likely lost its unicorn status after the latest funding round in 2025. Several sources reported a significant valuation drop. However, the current valuation remained undisclosed when this report was finalized. Thus, Solaris is still included in this overview.

GERMAN FINTECH LANDSCAPE: FROM 2024 TO 2025

H1: VC FUNDING AND DEBT FINANCING SPEEDS UP

Q1

- Trade Republic reported its first annual profit
- Neobroker Lemon Markets received a license from BaFin
- Berlin-based Pliant raised funds and enters a growth phase
- BaFin released its IT outsourcing risks report
- **Bitkom study:** digitalization as a lever for achieving climate targets
- Anti-money laundering authority coming to Frankfurt
- BaFin: Deutsche Bank must fix its money-laundering controls again
- Deutsche Börse launched a crypto spot trading platform for institutions
- **Bundesbank:** "The digital euro is a critical infrastructure for Europe"
- Germany's VC ecosystem lagging behind
- BaaS Solaris loses Grover as a customer
- N26 launches instant savings
- Mondu secured €30M debt financing
- Monite raises €5.5M
- Creditshelf filed for insolvency
- Solaris raised €96M

Q2

- Bundesbank partners MIT for CBDC privacy research
- Commerzbank missing its sustainability targets
- LBBW forms crypto partnership with Bitpanda
- Fintech-Festival FIBE kicks off with BaFin's pop-up stand
- British SME fintech Tide launched in Germany
- BaFin lost its patience with Solaris
- Germany's most active VCs investing only at seed and below
- LIQID closed its second venture capital fund, reaching €130M
- Berlin-based Cloover secured €105
- lemon.markets raised €12M for EU expansion
- FFWD24 conference hosts the Wirecard whistleblower Pav Gill

H2: INSOLVENCIES & NEW CRYPTO LICENSES

Q3

- EPI launches its M2M payment solution WERO
- BaFin's new MiCA opinion piece went live
- PBA's German fintech map updated
- BaFin considers many life insurance policies to be too expensive and nonsensical
- Bitpanda selects Solaris KYC solution for onboarding in Germany
- Düsseldorf-based Compeon filed for insolvency
- Delivery Hero's lending plans are revealed
- Dock Financial filed for insolvency. Later, police raided Dock Financial's offices as part of a money laundering investigation
- Ride Capital files for insolvency, gets acquired by a family company
- Wirecard verdict extends the personal liability to the former management board members
- Investment app Forget finance started looking for a buyer
- Pliant won Volksbank as a partner

Q4

- Neobank Tomorrow raised a €5m round
- Berlin-based UnitPlus raised €4.7m
- Germany announces European digital identity wallet plans
- Boerse Stuttgart tested the use of blockchain settlement solutions
- Solaris started seeking fresh funding
- BaFin withdraws special representative at Deutsche Bank
- German neobank N26 reported its first-ever profitable quarter in Q3
- Deutsche Bank acquired a stake in AI start-up Aleph Alpha
- Solaris sold its UK entity
- German bank DekaBank received a crypto custody license from BaFin
- Cashlink secured a custody licence from BaFin
- Deutsche Bank and Crypto.com sign corporate banking deal
- Scalable Capital launched a unified investment platform
- Mambu acquires French payment technology provider Numeral
- Smava entered an acquisition process

GERMANY'S FINTECH MARKET SHOWS STRENGTH DESPITE ECONOMIC PRESSURE

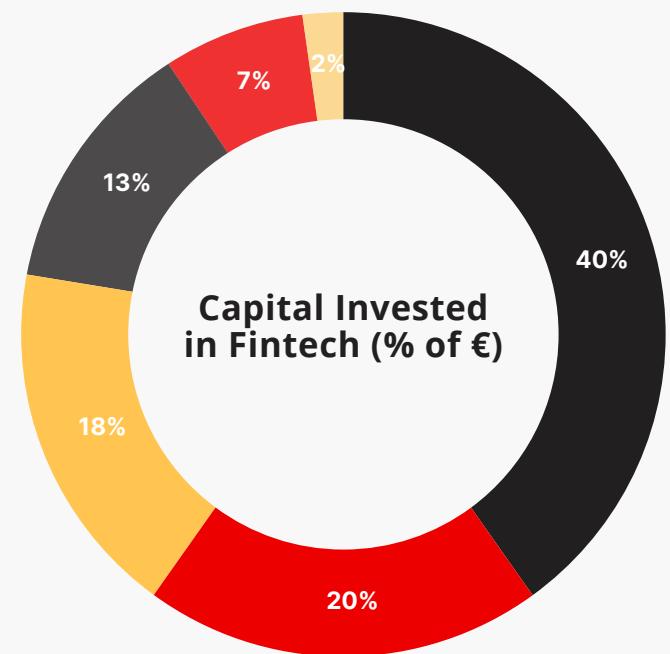
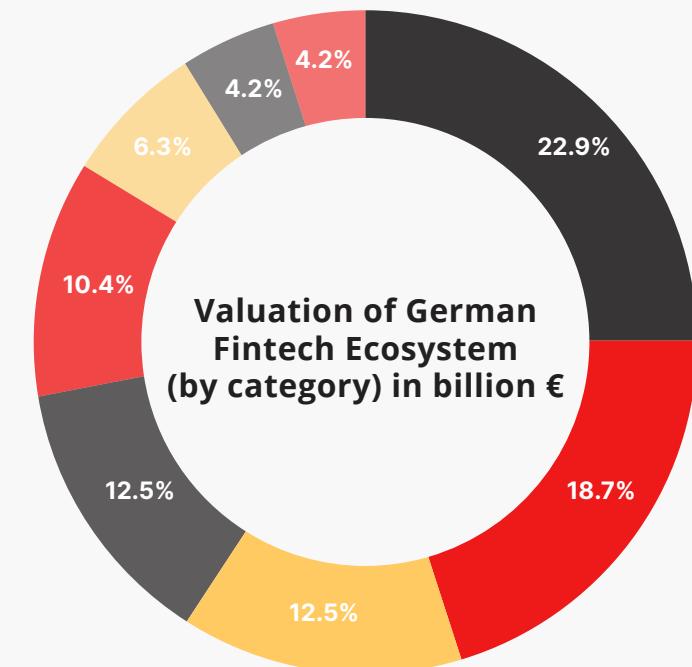
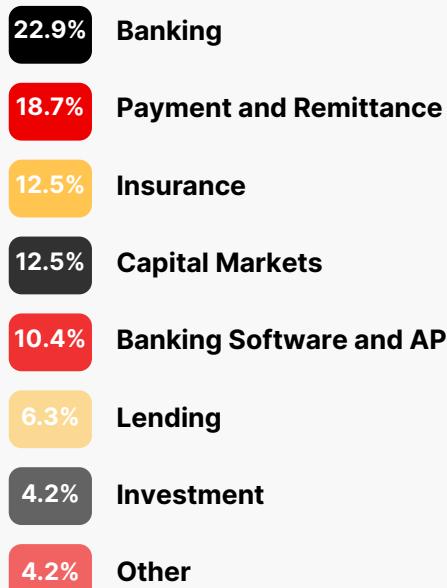
AI and embedded finance lead Germany's fintech resurgence

Germany's fintech market showcased resilience in 2024, with total startup funding reaching \$8.2B, a 4% increase from 2023, reflecting a stabilizing ecosystem despite global economic challenges.

Fintech-specific funding in H1 2024 amounted to \$482.06M, with a 21% increase compared to H2 2023, although H2 funding dropped by 43%.

The startup ecosystem experienced growth, with 2,766 new startups founded, an 11% increase from 2023, making 2024 the second-strongest year for startup creation in Germany after 2021. Berlin and Munich continued to dominate as fintech hubs, while Munich saw a 13% growth in VC investment, driven by key deals.

Key focus areas included AI-driven solutions, embedded finance, and software startups, with the software sector growing by 33%, reaching a record 618 new companies. Corporate Venture Capital (CVC) investments grew 81% year-over-year, fostering strategic collaborations and supporting scalable fintech models.



MID-SIZED DEALS AND PARTNERSHIPS DRIVE FINTECH GROWTH IN 2024

Late-stage scaling remains a test for FinTech

Partnerships between banks and fintechs flourished in 2024, emphasizing innovation in credit services and embedded finance.

M&A activity in Germany saw a 9.4% increase in deal value, with mid-sized deals leading the consolidation trend despite an overall drop in deal volume.

The broader startup ecosystem benefited from a record 33% growth in the software sector, which likely bolstered fintech B2B and SaaS solutions.

However, economic challenges such as rising insolvencies in B2C-heavy sectors continued to create headwinds. (1,3) Top-performing fintechs like Finanzguru (+168% CAGR) highlighted the ecosystem's potential for consumer-focused innovation. (3,6)

The ecosystem's ability to scale late-stage startups will depend on overcoming regulatory hurdles and increasing collaboration across regions.

Germany's Top FinTech Performers by 2-yr revenue CAGR

1	Finanzguru	Personal Finance	168.67% CAGR
2	Circula	CFO Tech	140.48% CAGR
3	Bezahl.de	Payment Solutions	102.96% CAGR
4	Timeless Investments	WealthTech	76.27% CAGR
5	Spotixx	Data and Analytics	73.21% CAGR
6	ProNobilis	Insurance	66.40% CAGR
7	Prestatech	RegTech	41.42% CAGR
8	PAIR Finance	Debt Collection	35.32% CAGR



Finanzguru

Personal Finance App

AI powered

Finanzguru helps users manage subscriptions, optimize contracts, and gain full transparency over personal finances.

📍 Frankfurt

📅 2015

👤 ~80

Largest Fundraise

2-Year CAGR

€13 million (2023)

+168.67%

	Deal Type	Investment Size	Strategic Focus	Key Differentiator
Cloover	Seed Funding	\$114M	Renewable Energy	Climate Tech FinTech
Pliant	Series A Extension	\$8M	Corporate Finance	AI-driven Credit Cards
Lakestar	Fund Closure	\$600M (Fund Total)	Multi-sector Growth	Multi-sector VC Focus
Allianz	Innovation Fund	Undisclosed	Innovation Ecosystem	Institutional Leadership
TIS	M&A Majority Stake	Undisclosed	Payment Solutions	Payments and Liquidity
Finmid	Early-Stage Funding	\$35M	SME Financial Tools	SME Platform Tools
Finom	Series B Funding	\$50M	SME Banking	SME Banking Reach



GERMAN MARKET SPECIFICS

SOLARIS' STORY: SCALING BAAS SUCCESS MEETS REGULATORY REALITY

BaaS: More Compliance, Less Tech

Germany's leading BaaS provider showcases the opportunities of embedded finance and the risks of rapid growth. Solarisbank's journey offers a lesson for fintechs entering Germany's competitive market.

With €96 million raised in 2024 and over 1.3 million credit card accounts under management, its role in embedded finance is undeniable.

Yet, regulatory scrutiny from BaFin over anti-money laundering controls and operational challenges with key partnerships highlight the fine line between growth and compliance. Solarisbank's case demonstrates the importance of balancing innovation with infrastructure and regulatory rigor.



Solaris SE

Banking-as-a-Service

API solutions

Solarisbank provides APIs that enable companies to integrate financial services into their platforms.



Berlin



2016



~450

Largest Fundraise

€190 million (2021)

2-Year CAGR

N/A

Founded in Berlin Germany as a Banking-as-a-Service (BaaS) platform offering APIs to integrate financial services into partner ecosystems.

Partnered with Samsung Pay to provide digital payment services in Germany and Europe.

Appointed a special monitor by BaFin due to concerns over anti-money laundering (AML) compliance.

March
Raised €96M in Series F funding to support scaling initiatives like the ADAC credit card program.

September
Operational challenges surfaced with the ADAC partnership including difficulties in data migration and card issuance delays.

2016

2018

2020

2021

2022

2023

2024

2025

Expanded services across Europe leveraging the EU's regulatory passporting framework to reach multiple markets.

Raised €190M in Series D funding achieving unicorn status with a valuation of €1.4B.

Initiated a high-profile partnership with ADAC managing 1.3M credit card accounts.

July
Faced BaFin fines and extended regulatory oversight highlighting continued AML compliance issues.

After facing economic turmoil, including layoffs, a vital €140M series G funding was secured. Solaris is believed to have lost its unicorn status as the valuation dropped substantially.



PLIANT'S STORY: GERMANY AS A EUROPEAN LAUNCHPAD FOR AI POWERED SOLUTIONS

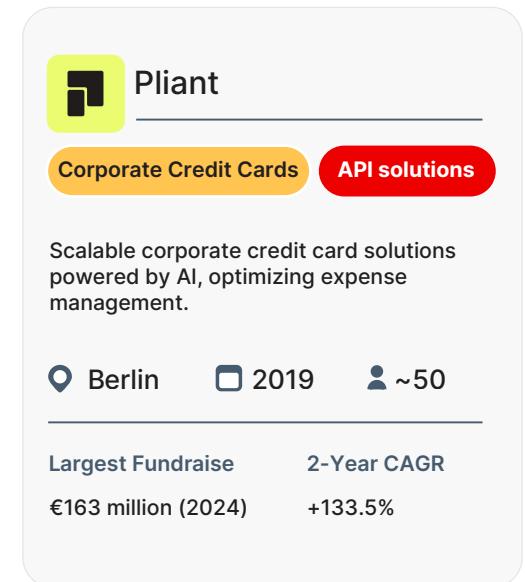
Scalable Corporate Credit Card Solutions

Berlin-based Pliant has established itself as a key player in the European fintech ecosystem, showcasing the potential of specialized corporate credit card solutions.

Founded in 2020, Pliant leverages AI-driven tools to streamline expense management, catering to industries like hospitality. Its anticipated Annual Recurring Revenue (ARR) of up to €28 million in 2024 underscores its ability to meet market demands. In 2024, Pliant achieved two major milestones: securing an Electronic Money Institution (EMI) license in Finland and obtaining Visa Principal Membership, enabling it to issue corporate credit cards independently.

These developments solidify its leadership in the embedded finance sector while enhancing its capacity for international expansion. Strategic partnerships with Commerzbank and Vereinigte Volksbank have further expanded its reach, enabling innovative features like multi-currency credit options.

Germany, despite its stringent regulatory landscape, serves as a powerful launchpad into the broader European ecosystem. Pliant exemplifies how businesses can harness the unique strengths of even the most demanding environments to drive global expansion and establish a strong brand presence.



GERMAN BUSINESS CULTURE – THE OVERLOOKED SUCCESS FACTOR

BACKGROUND

Newcomers to the German market often perceive the German way of doing business as procedural, cold, or static but also as professional, honest, or determined.

Depending on the origin, the culture gap can be enormous when starting operations in Germany. However, adopting the local business culture is essential.

Finding business clients, collaborating with partners, or communicating with relevant authorities – German business culture must be mastered.

RISK APPETITE

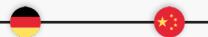
Germans are risk-averse, resulting in a high degree of formalism and reluctance towards change and innovation.

Valuing proven ways  Embracing change

Focusing on risks  Focusing on opportunities

COMMUNICATION

Germans say what they mean and mean what they say. This directness can be considered rude but reflects a strong need for efficiency.

Direct, unfiltered feedback  Indirect, sugarcoated feedback

Concise, simple, clear  Multilayer, extensive, subtle

OPERATIONS

Germans follow a clear, thorough, and detailed plan. This can ensure perfect results but often lowers flexibility and pragmatism.

Planning  Exploring

Static order  Flexible order

LEADERSHIP

Most German organizations are hierarchically organized, with decision-making power being attributed to the top management.

Consensual  Approachable

Distant  Top-down decisions

GERMAN CONSUMERS ARE SLOWER TO ADOPT DIGITAL SOLUTIONS

BACKGROUND

Risk aversion also characterizes German consumer behavior, which is reflected in a strong need for data privacy, transparency, and trust.

Hence, German consumers are hard to convince, especially concerning digital solutions. Consequently, adoption rates are lower compared to other nations (see selected examples).

Despite Germany having the largest population in the EU, it is, therefore, important not to overestimate the market size for digital solutions and to pay attention to brand- and trust-building.

SHARE OF CASH TRANSACTIONS (% POS)



SHAREHOLDER RATE



ONLINE AND MOBILE BANKING USAGE



CRYPTOCURRENCY OWNERSHIP RATE



E-COMMERCE PENETRATION (% OF RETAIL REVENUE)



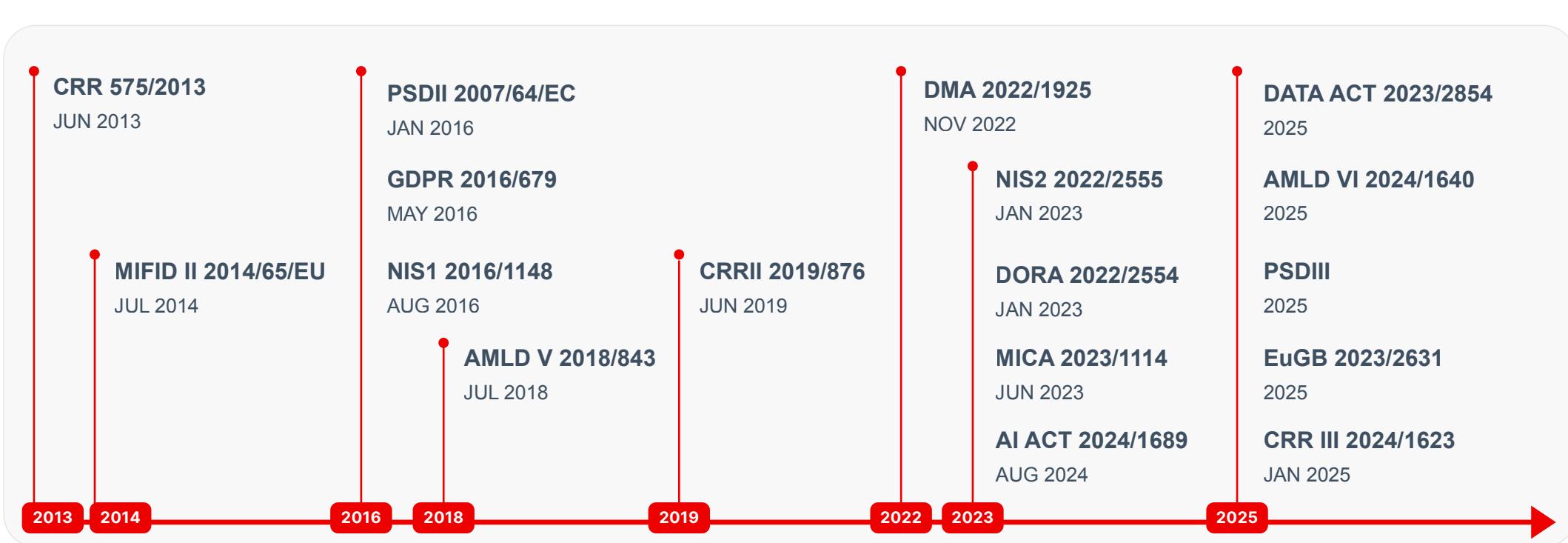
REGULATORY CLIMATE REMAINS COMPLEX AND RESTRICTIVE

BACKGROUND

Regulation in the EU remains extensive and complex (see graph), affecting not just banks but several companies engaged in financial services and IT in multiple ways.

Additionally, BaFin's approach of financial supervision remains tight. This leads to many FIs main priority being compliance with new rules rather than seeking its innovation potential.

Therefore, acting in the German market will likely result in increased compliance efforts. However, licenses obtained in Germany can be considered a 'gold standard.' Additionally, embracing the innovation potential of regulations can provide competitive advantages.



2025 TRENDS AND OPPORTUNITIES

2025: CHALLENGES CONTINUE, REQUIRING ADAPTIVE STRATEGIES

More companies
going bankrupt

Layoffs continue

Consolidation
among neobrokers
and neobanks

Decrease in customer
risk appetite

More brands
becoming banks
(embedded finance)

More systematic
cyberattacks on
German companies

Consumers become
less loyal and more
pragmatic

Increased cost
cutting & revenue
pressures for banks

BANKING TRENDS: MARKET GAPS REVEALED FOR NEW MODELS AND APPROACHES

HYPER-PERSONALIZED SERVICES AND PRODUCTS AS THE NORM

Generic banking products fail to address today's customers. For a future-centric product strategy, German banks should invest in hyper-personalized services that know the user better than the user.

BANKING-AS-A-SERVICE BECOMES MORE "BANK" LESS "FIN"

BaaS models are a must, but should they be offered by FinTechs? Or are banks more prepared for such offers? In 2025, BaaS brands will need to focus more on compliance. There will be a natural selection among the providers.

LIFESTYLE BANKING EMERGES AS A REVENUE-GENERATION CHANNEL

As Asian and American banks prove, banking isn't limited to regulated activities anymore. Banks that embrace lifestyle services can enjoy lucrative margins while improving customer engagement and loyalty.

INCREASED TOKENIZATION PROJECTS

The projects converting real-world assets into digital tokens are gaining popularity and will likely increase speed with MiCA. In addition, groups of German banks are known to be working on a PoC for tokenized deposits - the first results look good.

HYBRID BRANCH MODELS TESTED

Hundreds of bank branches in Germany have been closed in the past year due to digitalization and cost-cutting measures. Nevertheless, the f2f service is still in demand in some regions, and banks should consider testing hybrid concepts, such as mobile and pop-up branches.

A-LIST FRAUD INFRASTRUCTURE

Consumers and businesses are not the only groups embracing AI; fraudsters do, too. Amid a lower digital and financial literacy spectrum, consumers in Germany are increasingly exposed to cyber threats, which will likely force banks to invest in state-of-the-art fraud prevention tools and approaches.

FINTECH TRENDS: USP IN THE TIMES OF CONSOLIDATION

AI, AI, AND EVEN MORE AI

This trend is evident, but it still needs to be highlighted. Due to the privacy and governance-related concerns of the German banks, advanced, innovative AI use cases will likely be led by FinTechs and RegTechs instead of banks.

SAVINGS PRODUCTS

Contrary to the past years, B2C customers want to save and create side hustles due to the market conditions. Products that provide economic benefits, discounts, cashback, or encouraging savings would be in demand.

EMBEDDED FINANCE

Major retailers are looking into diversification and embedded finance as well as embedded security, and cloud solutions will emerge as additional retail revenue channels, eventually heating up the competition. Fintechs can connect the dots by offering embedded finance solutions for retail.

NFC BASED PRODUCTS

Apple opening its NFC technology to third-party-providers in 2024 will finally enable German FinTechs to integrate NFC features into their apps and offer contactless in-app transactions based on NFC, enabling various wallet use-cases.

DIGITAL ASSETS & CRYPTO 2.0

As of JAN 25, MiCA is fully in force, unifying the EU crypto market. Amid the increased entry barriers and standards, MiCA might re-establish consumer trust in crypto products. Three companies in Germany, Boerse Stuttgart, Bitpanda, and Crypto Finance, are already licensed as CASPs and counting.

ALTERNATIVE INVESTMENTS AND WEALTHTECH

The political and economic instability urges customers to seek alternative investment and wealth management methods. Enhanced open banking offers can create additional value for new WealthTech use cases.

CHALLENGES AND OPPORTUNITIES



LIMITED OUTSOURCING BUDGETS

Economic pressures will force banks and SMEs to focus on cost-cutting and limit their outsourcing budgets.



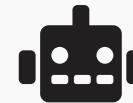
DECREASED MARKET COMPETITION

The economic pressures will consolidate the market, cutting down the unnecessary noise.



LONGER SALES CYCLES

Upcoming regulatory requirements deprioritize innovation and prioritize compliance for the FinServ industry. It's an opportunity for RegTech companies, but it can prolong the sales cycles for TechFins.



COST-CUTTING AND AUTOMATION

Advanced AI productivity tools could help SMEs thrive, decreasing costs increasing efficiency.



SOCIAL FABRIC CHANGING

Last year's learnings are not applicable anymore due to the change of social fabric. FinServ must invest in understanding the changes in user needs and problems.



M&A AND GROWTH OPPORTUNITIES

Value-driven, consistent, and creative companies will have many growth or investment opportunities this year.

HOW CAN BANKS & FINTECHS MAKE THE BEST OF 2025?

Conduct and repeat user research

Invest in localization and your German market trust building over sales

Understand the regulations' impact on your customers (B2B) and your business

Ensure that you are 150% compliant to avoid waiting times and long sales cycles

Collaborate with competitors

Attend smaller events

Less generic more specific services

Invest in areas your end customers care about to show that you care

TL; DR: SUGGESTIONS FOR BANKS AND FINTECHS

BANKS



STOP UNDERUTILIZED CHANNELS

As market developments and competition pressure banks, they need to be more specialized and stop underutilized services and channels.



INVEST IN RELATIONSHIP BUILDING

The value of some business models has been questioned in the past year. Banks can create a competitive advantage using their market trust if they invest in brand and relationship building.



USE MONETIZATION OPPORTUNITIES

It's never too late for banks to dive deeper into the existing data sets to find monetization, cost-cutting, and operational efficiency opportunities.

FINTECHS



FOCUS ON ORIGINAL MODELS

As European competition gets heated, formerly hot business models such as neobanking and neobrokerage gets harder to crack, unless there is a unique edge.



CHERRY PICK EVENTS

The number of relevant industry events keeps on increasing, but at times, attending only the events that address potential investors, customers, or partners and avoiding basic PR could help you focus on clients and gain momentum.



EMPHASIZE YOUR CUSTOMERS

What do your customers think? What are their current pain points? If you only assume the answers, it might be time to engage in user research.

CASE STUDIES

CASE STUDY: RAISIN'S SUCCESS STORY

'DO ONE THING, BUT DO IT WELL.'

Learnings

- Raisin's success story began with identifying a clear user need and the relevant success factors (e.g., strong and trust-worthy partners), ensuring 'product-market-fit.'
- While some of Raisin's competitors focused on fast growth, Raisin improved its core product by prioritizing user feedback.
- Having become the market leader in a specific domain, Raisin entered new segments strategically and with the market requirements in mind, allowing Raisin to grow the core business and acquire new skills and revenue streams such as embedded finance.

Challenge

- German consumers are highly risk-averse. Hence, low-risk investments such as fixed-term or overnight deposits are highly popular.
- However, due to the ECB's low-interest rate policy in the past decades, the return rates of such products in the German market reached a historic low.
- Additionally, consumers could not access foreign offers as there was no European Single Market for traditional saving products.

Solution

- Raisin established partnerships with European banks that offer higher returns on deposit products and gave German consumers access via their platform 'Weltparen.'
- Over the years, the platform was strategically grown by entering new markets, extending partner banks, and offering additional investment products such as ETFs.
- Additionally, 'Weltparen' was offered as an 'Investment-as-a-Service' solution, and in 2019, Raisin acquired its former banking partner, MHB-Bank AG, now a leading BaaS provider, operating under the name 'Raisin Bank AG.'
- Today, Raisin is a global savings & investments marketplace serving the US market, the UK, and Europe.



Michael Stephan

Co-Founder/COO at Raisin

Since its founding in 2012, Raisin has grown into a global fintech leader, making savings and investments more accessible across borders. With a strong international footprint and a scalable business model, we continue to expand, innovate, and shape the future of banking. Looking ahead, we remain focused on driving sustainable growth, entering new markets, and offering smarter financial solutions to meet evolving customer needs.

AI IN BANKING: FROM HYPE TO USE CASES

Despite Trump's push to dominate AI, Germany remains a strong contender in the global race. With 208 AI university programs launched in just two years and a consistent top-ten ranking in AI patents, the country is doubling down on innovation.

The [German AI Association](#) boasts over 400 members, including 15 leaders in Finance & Insurance, while startups and SMEs are fueling AI-driven disruption. Even the Bundesbank has been actively testing AI use cases, regulatory uncertainty, and [BaFin's questions](#) aside.

Several banks have tested and invested in AI, but there is nothing "headline-worthy" yet. The big question is: **Which German banks and SMEs will seize the opportunity, lead the charge, and bridge the market gap in AI?**

Let's take a closer look at the test cases.

Bank Use Cases

- Last year, Sparkassen announced that it would operate AI models in its own data center, not the cloud. This year, they are planning to enable AI assistants for all their employees until the summer of 2025.
- Landesbank Baden-Württemberg (LBBW) launched its own GenAI solution for its employees with blue.gpt. It enables the bank to design products and services as well as customer communications.
- Commerzbank launched a project with Microsoft Azure OpenAI Service to implement a banking avatar.
- German private bank Metzler partnered with Swiss start-up Unique to leverage AI technology for streamlined workflows and enhanced productivity.
- Baader Bank launched a first-of-its-kind 'AI-enhanced' active ETF.
- In 2024, Deutsche Bank [published a white paper with Kodex AI](#) about Gen AI in Banking. In addition, they became a strategic investor of the Heidelberg-based AI start-up Aleph Alpha.
- DZ Bank [showcased a GenAI platform](#) as a holistic approach for the entire bank during Frankfurt Digital Finance 2025.

MARKET ENTRY CHECKLIST

OUR PLAYBOOK FOR A SUCCESSFUL GERMAN MARKET ENTRY



Assess Country Fit

Evaluate if Germany aligns with your growth strategy by analyzing market size, cultural nuances, and economic conditions.



Validate Business Resources

Ensure you have the required budget, staff, and operational capacity for a successful market expansion.



Analyze Competition

Research competitors and alternative solutions used by your target audience to identify your unique positioning.



Confirm Timing Readiness

Align market entry with favorable economic, political, or regulatory conditions and internal strategic priorities.



Ensure Regulatory Compliance

Familiarize yourself with BaFin regulations, licensing requirements, and other compliance standards in Germany.



Tailor Value Proposition to Market Feedback

Refine your product or service offering based on feedback from German customers and stakeholders to build trust and relevance.

EXPERTS' 2025 PREDICTIONS

EXPERTS' 2025 PREDICTIONS



Jochen Biedermann

Managing Partner,
FinTech Consult

The financial industry is experiencing rapid transformation, driven by the widespread adoption of digitalization and significant advancements in artificial intelligence (AI). These technological shifts are reshaping the provider landscape and unlocking new opportunities for financial service users, notably through the emergence of intelligent agents.

This evolution presents considerable prospects for FinTech companies but also necessitates the development of new regulatory frameworks and enhanced international collaboration, particularly concerning the secure and compliant transfer of AI training data across borders.

In addition, we are witnessing the rise of new financial hubs, particularly in regions such as Africa and Asia. Countries like Indonesia, Nigeria, and Kenya are at the forefront of this change, spearheading innovation and growth. As a professional supporting FinTech companies' global expansion, I view these developments as highly encouraging.



Michael Stephan

Co-Founder/COO,
Raisin

In 2025, the global fintech market will enter a new era of maturation. Many companies will continue to place a stronger focus on profitability and consolidate their business models to maintain sustainable growth. This sometimes goes hand in hand with centralizing operations and developing more in-house solutions, such as launching their own products.

While valuations are high and some fintechs are preparing for public listings, growth will continue, but success will depend on how fintechs navigate the regulatory environment and create long-term value.

This development signals a shift from pure disruption to sustainable innovation. Established fintechs must - and will - find a balance between competitiveness and resilience in an ever-changing global landscape.



Jochen Siegert

Co-Founder & Partner,
Payment & Banking - PBA
Experts GmbH

For the year 2025 we will see a significant impact from changes on governmental policies for fintechs. The crypto-push by the Trump administration in the US will elevate DLT-, stablecoin-and web3 business models on a complete new level.

At the same time traditional financial institutions will embrace DLT based models both via in-house developments as well as via fintech partnerships. We also see clear signals towards lighter regulation both in the US and the new EU. The EU commission is following the recommendations by the Draghi Report towards a higher competitiveness of Europe.

Especially fintechs targeting multiple European states will benefit from one harmonized setting of rules and regulations. I would expect pan-EU fintech category leaders to embrace and leverage this opportunity very swiftly. This means a faster execution of internationalization. Last but not least the ongoing cuts on the interest rates on both sides of the Atlantic, will ease the funding situation even more for Fintechs compared to 2024.

EXPERTS' 2025 PREDICTIONS



Karolina Decker

**CEO & Founder,
Finmarie**

Artificial intelligence will irreversibly transform the finance industry. In the years to come, particularly agile startups without outdated structures will have a decisive advantage.

They can develop innovative financial products faster than established banks and scale them globally. The future belongs to all-in-one solutions: a single app that integrates all payment functions and completely rethinks financial services. Investing in AI-supported fintech innovations now means investing in the next big revolution in the financial sector.



Achim Oelgarth

**Co-Founder,
Berlin Finance Initiative**

The German fintech sector is entering a phase of maturity, marked by growing consolidation, strategic collaborations, and a shift towards profitability. Key areas to watch include the expanding role of embedded finance in reshaping customer experiences, the integration of AI and data analytics for personalised services, and the increasing interest in green finance.

For fintech founders, 2025 will demand a laser focus on differentiation, robust compliance strategies, and scalable business models to thrive in a market that is becoming both more competitive and more collaborative.



Michael Offermann

**VP Growth & Strategy,
re:cap**

The SME FinTech space remains dynamic as different market players focus on similar target groups. SME neobanks are expanding into FP&A and accounting tools, expense management providers are issuing payment cards, and payment platforms are offering short-term working capital solutions, to name a few examples. This shows the ongoing fusion of finance and technology, which is likely to accelerate with AI.

The key question is whether established FinTech leaders can leverage AI to deliver smarter, outcome-driven solutions, or if this shift will open the door for new challengers to emerge. In that context, monetization & pricing strategies will potentially be thought differently than before.



Anne-Sophie Gógl

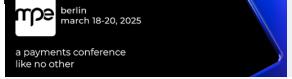
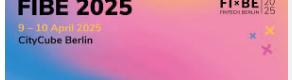
**Member of the Board,
Digital Euro Association**

A digital euro for wholesale settlements is the basis for a competitive digital financial ecosystem in Europe. The high number of participants in the ECB's wholesale settlement trials and experiments in 2024 has shown the need that banks have in this regard.

I assume that the ECB has also recognized the momentum and that we will take big steps in this area in 2025. In contrast, I assume that the retail digital euro will be delayed, because the proposal for the digital euro will not be finalized in 2025 and therefore the ECB will not be able to make a final decision on the introduction of the digital (retail) euro.

TOP FINTECH & BANKING EVENTS IN 2025

Here is a list of the top industry events for banks, fintechs and PIs eyeing the German market as well as exclusive discounts for our community members (applicable using the [link](#) and the code):

	Event	City	Date	Focus	Language	Discount Code
 FRANKFURT DIGITAL FINANCE #6 12 February 2025	Frankfurt Digital Finance (FDF)	Frankfurt	February (11-12)	Banking, Fintech	EN	FINTECH ISTANBUL (20%)
 European Fintech Day 13 February 2025						
 PEXtra Ordinary Tales Payment Exchange	Payment Exchange (PEX)	Berlin	March (12-13)	Payments	DE	FintechReportLovesPEX (20%)
 mpe berlin march 18-20, 2025 a payments conference like no other	Merchant Payments Ecosystem (MPE)	Berlin	March (18-20)	Payments	EN	fti10 (10%)
 DEC 25 Digital Euro Conference	Digital Euro Conference	Frankfurt	March (27)	Digital Euro, Stablecoins	EN	CS20 (20%)
 FIBE 2025 9 – 10 April 2025 CityCube Berlin	FIBE	Berlin	April (9-10)	Fintech	EN	FIBE_BFI (€450 discount)
 GITEX EUROPE Berlin	GITEX Europe	Berlin	May (21-23)	Technology, Start-ups	EN	Exhibitor passes are free
 FINANCE FWD BACKED BY Capital ONE	Finance Forward / OMR	Hamburg	May (6-7)	Fintech/Tech & Marketing	DE	
	Handelsblatt AI in Banking	Frankfurt	Sept (3-4)	Banking, AI	DE	
 CONF3RENCE & BLOCKCHANCE	CONF3RENCE	Dortmund	Sept (3-4)	Crypto, Web3, NFT, AI	DE, EN	
 Banking Exchange (BEX) BEX IN THE GAME	Banking Exchange (BEX)	Berlin	Sept. (24-25)	Banking	DE	FintechReportLovesBEX (20%)
	Handelsblatt BankenTech	Frankfurt	Dec. (2-3)	Banking	DE	

WHO WE ARE

Contextual Solutions is a Berlin-based strategy, innovation, product, and Go-to-Market consultancy with a tech and banking focus. At Contextual Solutions, we specialize in propelling businesses to success by crafting tailored go-to-market strategies that ensure product-market fit and effective market launches. Our agile marketing approach begins with defining your unique value proposition and positioning, enabling us to develop and implement branding, marketing, and sales strategies that resonate with your target audience. By focusing on product-market fit and leveraging agile marketing techniques, our team helps you reduce costs while maximizing visibility and engagement —partner with us to navigate the complexities of tech marketing and achieve sustainable growth.

Get in touch with us to simplify the German market.

The German market can feel overwhelming - but with our expert team, complexity becomes an opportunity. We'll help you navigate regulations, cultural nuances, and market challenges to unlock success.

Next Steps:

- **Download our free German Market Readiness Checklist:** Are you truly ready for the German market? Take control of your success! Download our free guide now and assess your market readiness in minutes.
- **Request a Market Readiness Assessment:** Ready to conquer the German market? Our experts will help you fine-tune your product, marketing, and sales strategy in just a few sessions. Secure your expert workshop today and start selling in Germany!

Are you German Market-Ready? Find out!



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Ready to move forward? Let's turn potential into progress.

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