# Fintech in 2025: Embracing AI and regulatory changes



In the rapidly evolving landscape of financial technology (fintech), 2025 is anticipated to be a pivotal year characterised by significant advancements in artificial intelligence (AI), emerging regulatory frameworks, and a potential resurgence of initial public offerings (IPOs). Industry experts recently gathered for a discussion moderated by Ryan Woods, co-host of the Get Started Podcast, to explore trends shaping the future of fintech.

The panel featured prominent leaders in the sector, including Matt Bird, CEO and Co-Founder of Lemon; Alex Mifsud, CEO and Co-Founder of Weavr; Tamas Kadar, CEO and Co-Founder of SEON; Thomas Müller, CEO and Co-Founder of Rivero; Luke Trayfoot, CCO of Brite Payments; and Kimberley Waldron, Managing Director of Started PR.

Matt Bird reflected on the ongoing economic uncertainty and funding downturn, forecasting that fintech companies will increasingly focus on capital efficiency while integrating AI tools to enhance their value propositions. He indicated that advancements in AI could empower fintechs to challenge established players in major markets, promoting heightened competition and swift innovation.

Luke Trayfoot further emphasised the critical theme of speed and efficiency, particularly in the payments landscape. He noted that consumers and merchants are placing greater importance on faster transaction processes. As a response, solutions such as "Pay by Bank" are expected to become more widely adopted by 2025, providing immediate access to funds for merchants and improving cash flow management during peak sales periods. For consumers, this shift towards instant payments promises a more seamless shopping experience, particularly in the digital commerce sector.

The discussion then turned to AI, a subject of considerable attention in recent years. Tamas Kadar raised concerns regarding the current state of AI, stating that while it excels in specific areas, it is not universally reliable. He highlighted the risks of overly rapid integration of AI in critical systems, expressing concern that a failure in AI could lead to significant consequences, calling for human oversight and robust safeguards.

Alex Mifsud anticipates substantial changes on the horizon for Banking as a Service (BaaS) models. He predicted that new alternatives would emerge to replace existing frameworks, especially as compliance costs rise. Moreover, the impending implementation of regulatory measures—including the passing of PSD3, which pertains to Open Finance—could significantly impact the fintech landscape. He noted that the ongoing evolution of regulatory bodies would be scrutinised in their efforts to balance competition, innovation, and consumer safety.

Kimberley Waldron expressed optimism regarding the potential increase in fintech IPOs, particularly in the UK, aided by reforms in the listing process at the London Stock Exchange. She highlighted that these measures could entice a diverse range of fintech firms, from emerging startups to mid-sized enterprises, to pursue public offerings. This anticipated wave of IPOs is seen as an indicator of the sector's maturity and increasing investor confidence, signalling an energised environment for potential stakeholders.

Thomas Müller wrapped up the discussion by addressing the necessity for financial institutions to distinguish themselves in a competitive market. With the landscape of digital payments continually evolving, he stressed the importance of consumer protection rights and the need for financial institutions to adopt modern approaches to dispute management. He proposed that those who can provide frictionless customer experiences—particularly in resolving issues—would emerge victorious in the rapidly changing payment sector.

The consensus among the panelists was clear: as 2025 approaches, fintech is set to witness significant transformation, shaped by innovation in AI, regulatory shifts, and evolving market demands. Industry participants and observers alike will be keen to monitor how these changes unfold in the coming months.

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

1. <https://vlinkinfo.com/blog/ai-in-fintech/> - This article supports the claim that 2025 will be a pivotal year for fintech, with significant advancements in AI, such as enhanced customer experience, proactive threat detection, and AI-powered financial education.
2. <https://www.restive.com/blog/state-of-the-market-2025> - This source corroborates the expectation of a banner year for fintech in 2025, highlighting shifts in technology, consumer preferences, regulation, and the economy, as well as the potential for a resurgence of IPOs.
3. <https://www.restive.com/blog/state-of-the-market-2025> - It also supports the notion of a more open regulatory climate and ongoing consumer resilience, which are expected to buoy fintech companies in 2025.
4. <https://www.papayaglobal.com/blog/transforming-the-future-of-finance-fintech-innovations-of-2025/> - This article confirms that AI adoption in financial services is expected to drive efficiency gains, particularly through enhanced fraud detection and credit scoring in 2025.
5. <https://www.pymnts.com/news/fintech-investments/2025/janovers-123percent-leap-and-robinhoods-upgrades-lead-fintech-ipo-index-higher/> - This source supports the anticipation of an increase in fintech IPOs, noting the recent performance of the FinTech IPO Index and specific companies like Janover.
6. <https://vlinkinfo.com/blog/ai-in-fintech/> - The article discusses the integration of AI tools to enhance value propositions and promote competition and innovation, aligning with Matt Bird's forecast on capital efficiency and AI integration.
7. <https://vlinkinfo.com/blog/ai-in-fintech/> - It also highlights the importance of speed and efficiency in payments, such as through AI-powered security controls and enhanced transaction processes, supporting Luke Trayfoot's points on faster transaction processes.
8. <https://vlinkinfo.com/blog/ai-in-fintech/> - Tamas Kadar's concerns about the reliability and risks of rapid AI integration are echoed in discussions about the need for human oversight and robust safeguards in AI implementation.
9. <https://www.restive.com/blog/state-of-the-market-2025> - Alex Mifsud's predictions about changes in Banking as a Service (BaaS) models and the impact of regulatory measures like PSD3 are supported by the expectation of ongoing regulatory advancements in fintech.
10. <https://www.pymnts.com/news/fintech-investments/2025/janovers-123percent-leap-and-robinhoods-upgrades-lead-fintech-ipo-index-higher/> - Kimberley Waldron's optimism about the potential increase in fintech IPOs, especially in the UK, is corroborated by the recent performance and regulatory reforms mentioned in this article.
11. <https://vlinkinfo.com/blog/ai-in-fintech/> - Thomas Müller's emphasis on consumer protection rights and modern approaches to dispute management aligns with the discussion on the importance of frictionless customer experiences in the evolving payment sector.
12. <https://news.google.com/rss/articles/CBMikgFBVV95cUxNMktQNGI2UTNZU0R1Q1ZRZ1kwV29aeHl0bzhXLVRZd29PNjdpTHhveV9xdk9qZnlvRjBCUkxGOTgtdTRDazQ1MTR2ejFGc0Y4Q2xTaHIxYVJrc2pJVkJhSTFMQk9EVkpGRWp3NW0xdThJenZibmc2OWZhUGtSNDJpODIzVUpMZlJVNXVpQWY2ZmJtZw?oc=5&hl=en-US&gl=US&ceid=US:en> - Please view link - unable to able to access data