Kyckr

The State of Business Banking Onboarding in 2026

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Foreword

In the five years following the COVID-19 pandemic, the digitisation of banking accelerated dramatically. For many small businesses, March 2020 marked the last time they would – or, in some cases, could – visit a bank branch in person.

Both traditional banks and newer, digital-only players have invested heavily in improving the onboarding experience. What once meant branch appointments, paper forms and days of administration can now, for many businesses, be completed digitally in a matter of days.

This is a positive shift. But our research suggests that not all businesses are benefiting equally.

In November 2020, Kyckr ran a version of this survey focused on small business owners. Nearly six years on, we asked again, this time deliberately including larger businesses with more complex ownership structures.

It will perhaps be unsurprising to those working in the sector that the more complicated a business's structure, the harder it remains to identify and compliantly verify its ownership.

57% of the simple businesses we surveyed could use their new banking product within three business days, and 69% completed the process entirely online or by phone. For businesses with more complicated ownership structures, however, the picture looks very different. They wait longer, handle more documentation and face repeated requests for information. More than a third of complex businesses were asked for additional information three or more times.

As a sector, we have become very good at digitising processes. But digitising a process isn't necessarily the same thing as solving the underlying problem. Asking a business to upload the same shareholder certificates through an online portal rather than hand them across a branch counter is an improvement. But there is still considerable friction if that business must reconstruct and prove its identity every time it begins a new financial relationship, and if the institutions on the other side must repeatedly gather and verify much of the same information.

83%

of the businesses surveyed said they would pay for a digital company ID.

There is, however, an interesting indication of what might come next. 74% of the businesses surveyed said they would adopt a reusable 'digital company ID' today if offered or widely accepted by financial institutions. Among businesses with complex structures – the group experiencing the greatest friction – that number rose to 87%.

The ecosystem required to make this a reality is still emerging, and understanding remains shallow. Only 28% of respondents said they understood the concept well. Their concerns are revealing, too: who can access their data, what happens if the infrastructure fails, and whether any one provider might hold too much control. These are important questions to answer, but also useful design principles for what comes next.

New technologies are beginning to make a different model possible: one in which trusted business information can be verified, controlled and reused, rather than reconstructed by every institution. No single organisation can create that future alone. Banks, fintechs, company registries, regulators and identity providers will all have a role to play.

This report doesn't claim to have all the answers. But I hope it helps sharpen the question facing our industry: now that we have moved business onboarding online, how do we make proving business identity genuinely digital too?

Steve Lamb
CEO, Kyckr

About this report

Kyckr commissioned Vitreous World to conduct an online survey in August 2026 of 403 UK business decision makers who had applied for a UK business banking product in the last two years. Respondents were split evenly across three ownership tiers: simple, moderate and complex.

Methodology

Respondents

403 respondents.

Sectors

All.

Location

Businesses based in the UK, ranging from SMEs to multinational organisations.

Type of bank

Global banks, regional banks, digital-only, building societies or mutuals.

Business structure types

- 134 'Simple' structures (referred to in the report as 'simple businesses') – sole traders or single-owners with simple, UK-only ownership structures.
- 134 'Moderate' complexity structures (referred to in the report as 'moderate businesses') – UK-owned companies with multiple UK-based directors or owners.
- 135 'Complex' structures (referred to in the report as 'complex businesses') – companies with overseas shareholders, multi-jurisdictional structures, trusts, or parent/holding company relationships.

Respondents

The primary decision maker for the product (73%) or the person who led the application or onboarding (27%)

Business banking products

Business current account, multi-currency account, business loans, business credit cards, asset finance, commercial mortgage, and business savings account.

Comparisons have been made to the findings of a similar survey Kyckr conducted in November 2020 to analyse trends over a six-year period. It must be noted that the datasets of the two surveys do not provide a complete like-for-like comparison, and therefore only a trend analysis can be provided.

Respondents were sampled in equal numbers across the three tiers to allow direct comparison by cohort. This means all respondent figures describe the sample, not the UK business population, in which sole traders and simple companies predominate. Margin of error is ±4.9 percentage points on the full sample and roughly ±8.5 points on each tier at 95% confidence.

A note about the 2020 report

The 2020 study did not classify respondents by ownership complexity and contained few businesses that would be classed as complex today. Where comparisons are drawn, they are made against the 2026 simple and moderate tiers as the closest match and are indicative only. The 2020 study also only focused on business current account onboarding, while the 2026 study included current accounts, savings accounts and other business banking products. However, onboarding processes and identity checks are often consistent across these products, meaning comparisons are valid, but figures should be interpreted as trend comparisons only.

Executive summary

Kyckr's research suggests that the positive effects of digitisation on onboarding have been unevenly felt among British businesses. The onboarding process has moved online for businesses that banks find the easiest to verify, but not for the businesses they find hardest to. Digital company IDs emerge as a potential solution, with customers ready and willing to engage.

1 Digitisation hasn't reached the hardest cases

Tougher AML obligations have raised the burden of proof required to verify ultimate beneficial owners, even as digitisation cut the need for in-person visits over the last six years. 91% of applicants were asked to provide additional documents or information at least once after submitting. Onboarding remains a slow process for the businesses hardest to verify.

2 Complex businesses say that ownership verification is the biggest delay to onboarding

28% of complex businesses named gathering and sharing shareholder and beneficial-owner information as their single biggest delay, the top answer in that tier. Across all tiers, half of complex businesses named a documentation step, against a third of simple businesses.

3 Awareness of digital company IDs as a concept is broad but shallow

77% of businesses have heard of the concept of a digital company ID, but only 28% say they understand it well. The complex, hard-to-verify businesses understand it best and are the most willing to adopt.

4 Most businesses would pay for digital company IDs

83% of respondents said digital company IDs would have enough value to justify paying for it. Three quarters (74%) would adopt one now in some form, 48% if it were widely accepted by financial institutions, a further 26% if offered free-of-charge.

> “The challenge has always been meeting justified regulatory requirements designed with simpler structures in mind, and businesses get frustrated repeating the same checks again and again.”
>
> **Ray Blake,** The Dark Money Files

Since Kyckr’s last report in 2020, remote onboarding has become the norm for the simplest business structures. The survey suggests that the benefits of remote onboarding – faster onboarding and fewer in-person visits – have been unevenly felt across the other tiers.

Lastly, complex businesses with multi-jurisdictional ownership structures face significant onboarding friction, citing long wait times and additional requests for documentation, particularly those relating to ownership and control.

Business environment changes 2020 – 2026

- Banks have had a strong focus on digitising their onboarding processes, reducing in-person visits and the need to physically sign documents.
- The adoption of new technologies, such as AI and machine learning, by financial institutions has driven productivity benefits in KYC, AML and fraud processes, particularly in document collection, verification and fraud detection.
- AML obligations have tightened, with higher evidential standards for identifying and verifying beneficial owners. Since the CJEU ruling of November 2022, public access to EU beneficial ownership registers has been restricted. Obliged entities retain access, but through fragmented national legitimate-interest procedures that add time and cost.

Business onboarding in 2026

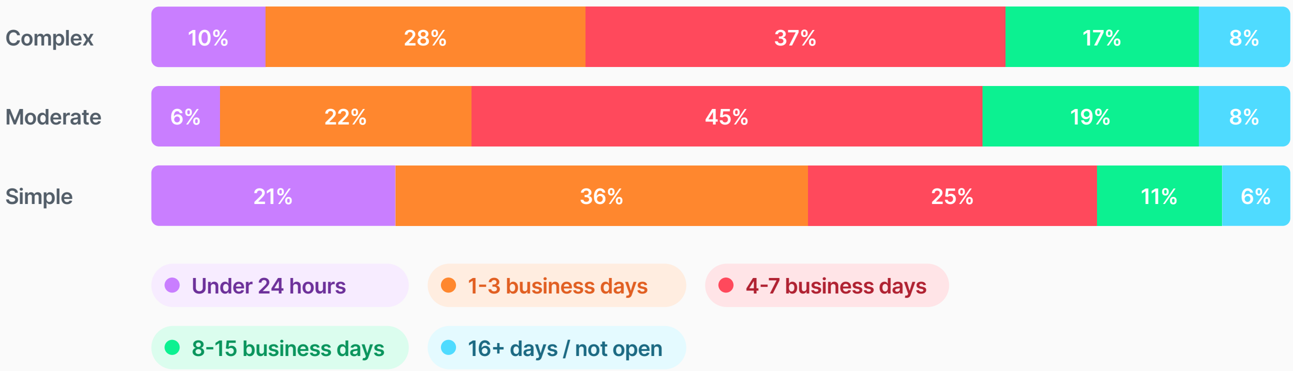
The first half of the survey asked about UK business owners' most recent experiences of onboarding at financial institutions for multiple banking products, including current accounts, multi-currency accounts, loans, and asset finance.

Complex businesses have a longer onboarding process

Three quarters of all respondents (76%) were able to use their new banking product within a week of applying. Nearly a quarter (23%) waited longer.

Moderate businesses were the slowest tier: 45% took four to seven business days, against 25% of simple businesses, and only 6% had access within 24 hours, against 21%. The gap between moderate and complex is within sampling error. Therefore the divide is between single-owner businesses and everyone else.

How long did it take from starting the application to being able to use the product?



Two other cuts confirm this: businesses with 250 or more employees were a third as likely as businesses with one to nine employees to have access within 24 hours (7% vs 20%), whilst businesses with overseas shareholders waited the longest (30% over a week). Digital-only banks offered the fastest route (27% of their customers had access within 24 hours, against 10% at global banks) but served a quarter of simple businesses and 2% of complex ones.

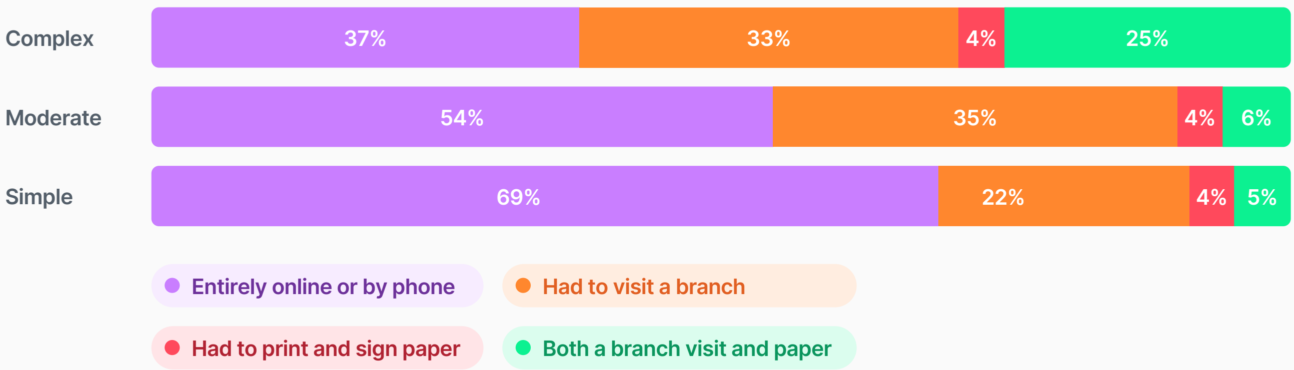
Kyckr's data suggests that there is no evidence that onboarding has become faster since 2020. Kyckr's 2020 survey found 88% of respondents – almost all UK-owned businesses – opened their account within a week. In 2026 the equivalent figure for simple businesses was 82%.

58% of complex businesses visit a branch to complete their application

Just over half of total respondents (54%) completed their most recent application remotely, online or by phone; 30% had to visit a branch.

58% of complex businesses had to visit a branch or office, and 25% had to both visit and print and sign paper documents, against 27% and 5% for simple businesses. However, it is not that complex businesses prefer the branch; they were sent there.

How did you complete your most recent application?



Businesses with overseas shareholders fared the worst, with 44% applying remotely, and 25% having to visit both a branch and to sign a paper document.

Regardless of structure, 83% of respondents who applied with a digital-only bank were able to complete the application remotely, whilst only 51% of those applying with a global bank were able to.

Since 86% of complex businesses bank with a global bank, the two effects compound.

What this does not show

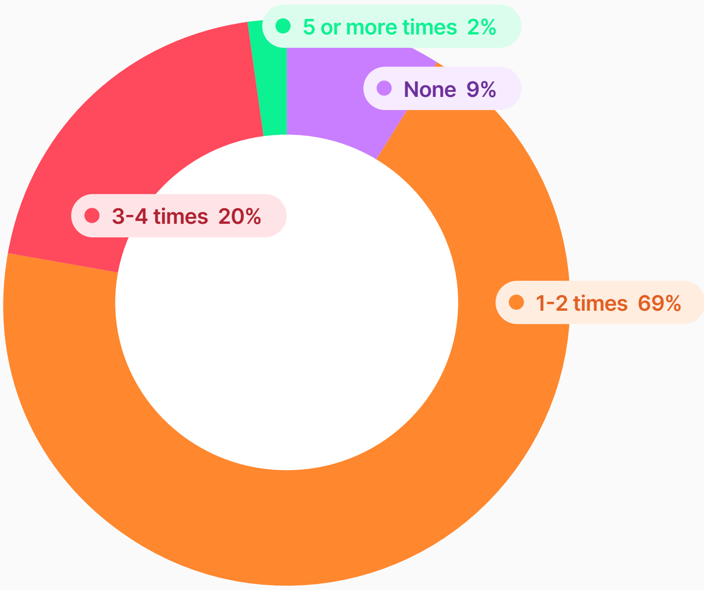
This survey measured where onboarding happened, not why. Branch visits and wet signatures may be how banks resolve verification questions that they cannot resolve from the application alone. This is consistent with the next two sections but not proven by the data.

Nine in ten businesses are asked for more documents after they apply

91% of respondents were asked to provide additional documents or information at least once after submitting their application. For most, it happened once or twice, but for complex businesses it happened repeatedly, with 35% being asked three or more times, three times the rate of simple businesses (12%).

In 2020, 51% of respondents said they had been asked for further information after applying, whilst in 2026, 91% of respondents reported being asked for at least one additional document. One possible explanation for this is that although onboarding processes have digitised, the burden of proof for business identity has risen. Compliance teams face tougher AML obligations, and higher evidential thresholds, particularly for identifying and verifying beneficial owners – and the ownership chains that must be evidenced are longest for the businesses in the complex tier. Kyckr's analysis of 22 FCA AML enforcement cases (**The Data Blind Spot, March 2026**) found that 68% involved failures related to customer data or documentation.

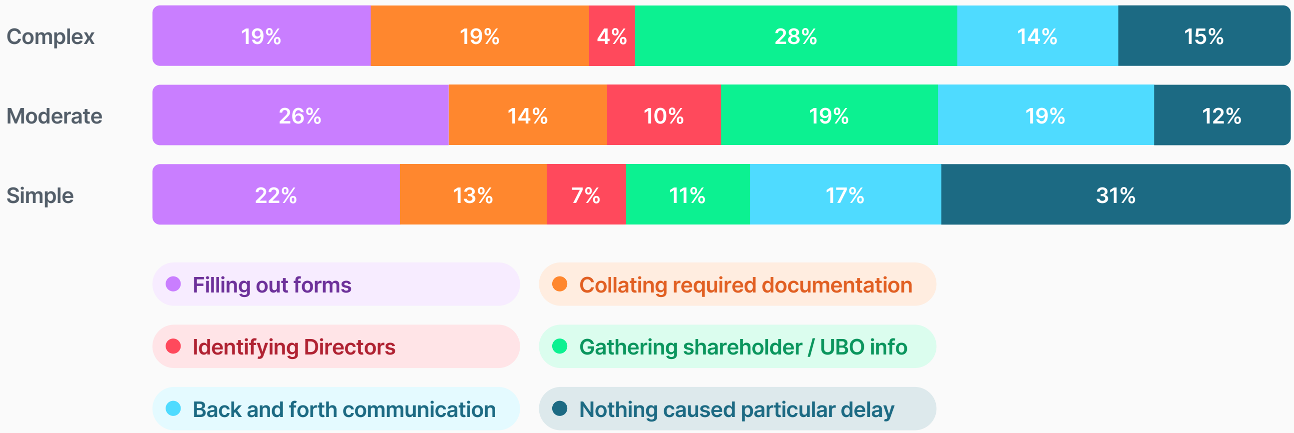
After submitting, how many separate times were you asked to provide additional documents or information?



Ownership documentation is the biggest bottleneck for complex businesses

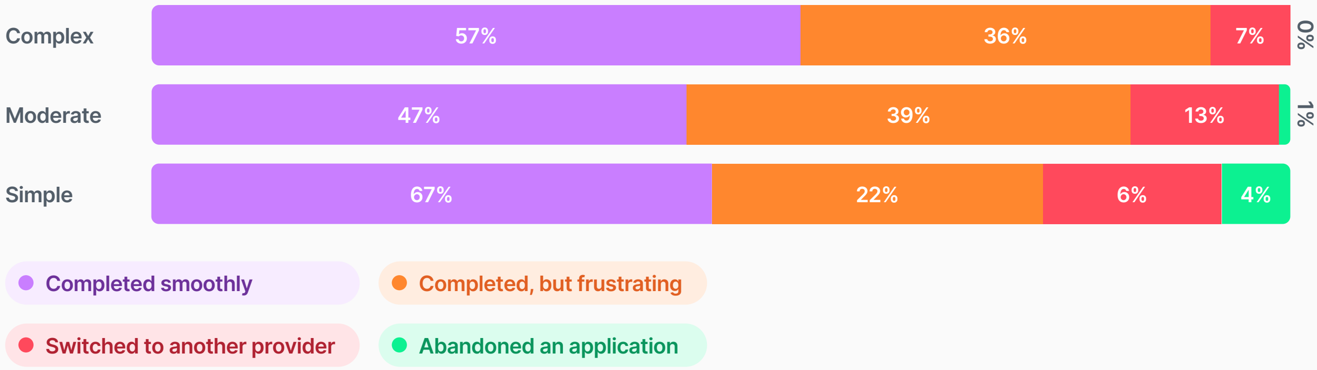
22% of all respondents named filling out forms as the biggest delay that they faced during onboarding, whilst 19% named gathering information about shareholders and beneficial owners. 19% said nothing caused any particular delay.

Which step in the application / onboarding process caused the greatest delay or difficulty?



The ranking inverts with complexity. For complex businesses, shareholder and beneficial-owner information was the top answer (28%). For simple businesses it was 11%, and their most common answer was that nothing caused particular delay (31%). The three documentation steps together – collating documents, identifying directors and shareholder or UBO information – account for 51% of complex businesses' biggest delay, 43% of moderate and 31% of simple.

Has the onboarding experience with a bank ever led you to abandon the application or switch provider?



Businesses with overseas shareholders and businesses with trust ownership were the most likely to name ownership information as their biggest obstacle (31% respectively). These are the structures hardest for a bank to verify from the customer's self-supplied evidence alone.

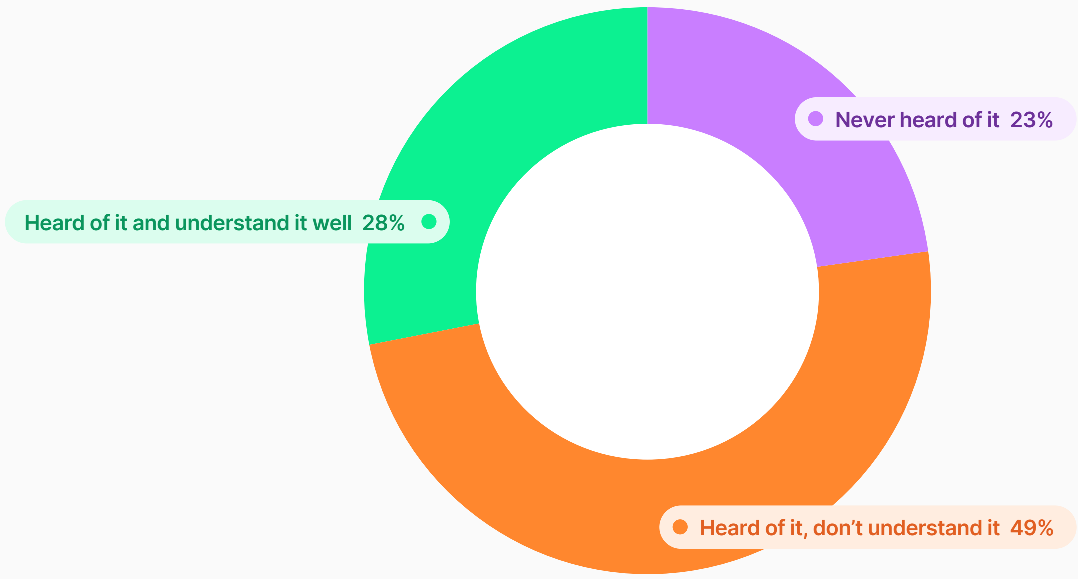
Are digital company IDs the solution?

The second half of the survey asked about digital company IDs: a verified digital credential that a business holds and presents once, with its consent, to any institution that needs to know who it is and who owns it.

Most businesses have heard of a digital company ID, but few understand it

77% of respondents were familiar with the concept of digital company IDs, and the more complex the business, the more likely it was to have heard of it. Nine in ten complex businesses had heard of the concept. However, only 28% of all respondents reported a deep understanding of them, suggesting awareness is broad, but shallow. Understanding rises with complexity: 39% of complex businesses and 42% of businesses with overseas shareholders said they understood the concept well, against 17% of simple businesses.

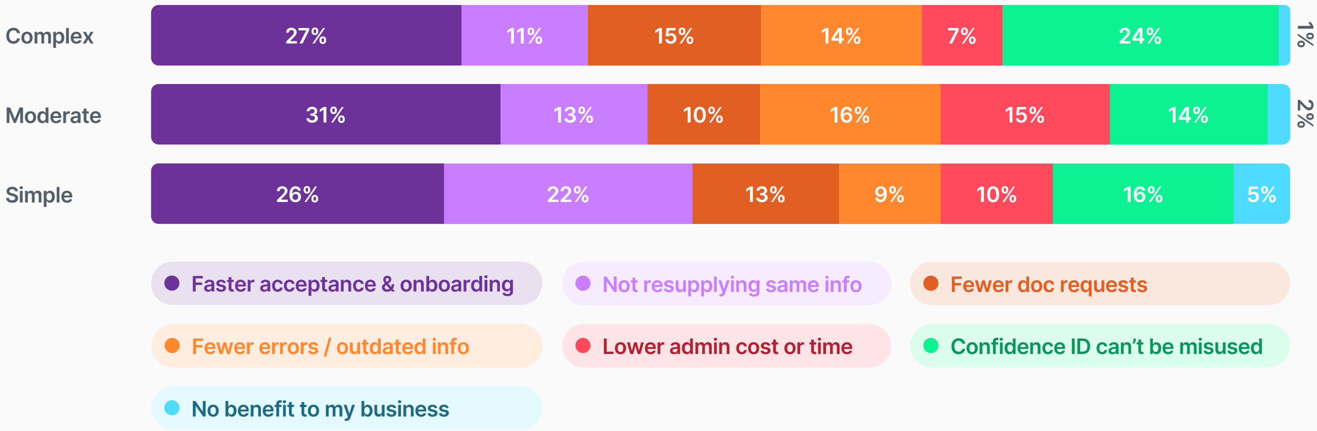
Before today, have you heard of the concept of reusable digital company IDs?



Everyone wants speed, complex firms also want security

When asked what they perceived to be the biggest benefit of digital company IDs, every tier put faster onboarding first (26–31%). Behind that, priorities differ in line with the friction each tier reported. Complex businesses were the most likely to value protection against identity misuse (24%, against 14% of moderate and 16% of simple – a lean rather than a firm finding at this sample size). Simple businesses were twice as likely as complex ones to value not having to resupply the same information to different providers (22% vs 11%).

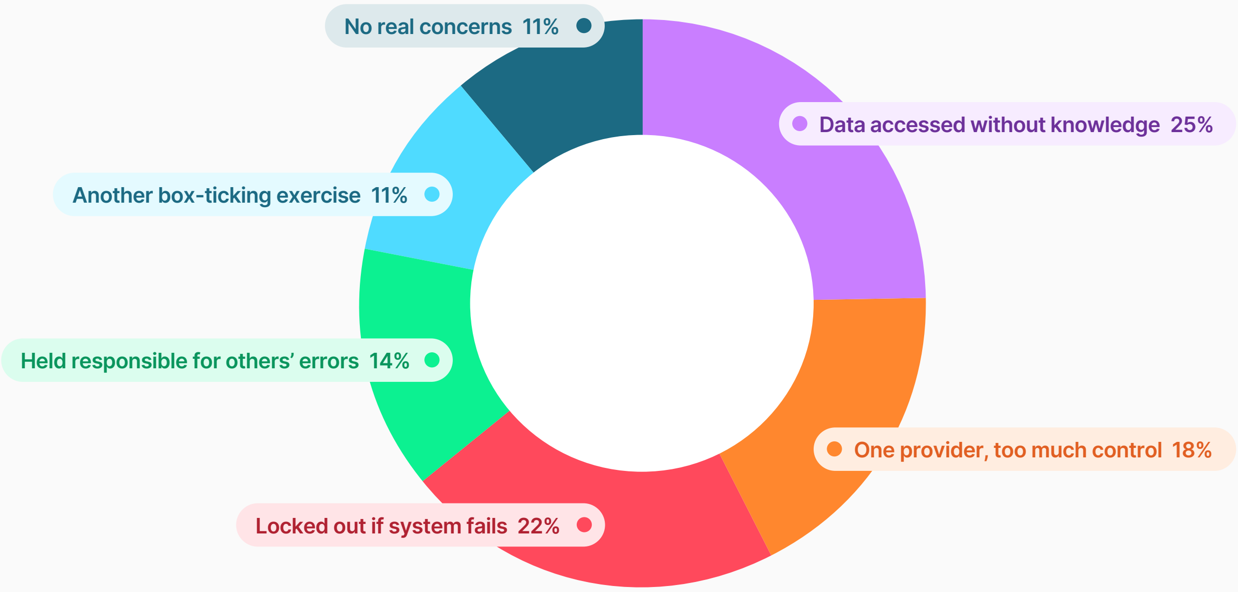
What would be the single biggest benefit of a reusable digital company ID to your business?



The biggest barrier is a perceived loss of control

Asked for their single biggest concern, 89% of respondents named one; 11% had no real concerns. Businesses across all tiers shared the same top three concerns about adopting a digital company ID. 25% of respondents felt that their data being accessed without their knowledge would be their biggest concern, 22% feared being locked out of systems if they fail, and 18% didn't want to give one provider too much control. 10-11% of each cohort stated they felt no real concerns about the use of digital company IDs.

What would be your single biggest concern about using a reusable digital company ID?

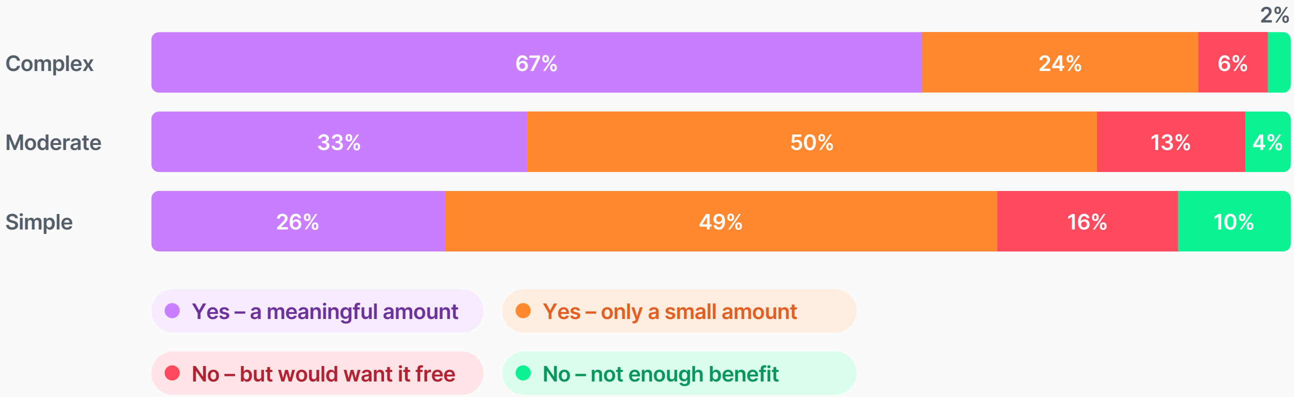


It must be noted that consent-based sharing, resilience and portability between providers are the properties that would answer these objections.

Most would pay for digital company IDs. Complex businesses would pay more.

83% of respondents said they would pay for a digital company ID. Complex businesses were willing to pay more, with 67% saying they would pay a meaningful amount, compared with just 33% of moderate businesses and a quarter of simple businesses. The businesses that face the longest delays place the highest value on removing the bottlenecks that cause them, with willingness to pay a meaningful amount rising with size and structure: 26% of businesses with one to nine employees, 46% of those with 250 or more, and 72% of those with overseas shareholders.

Would a reusable digital company ID justify paying for it?



Two caveats apply. Stated willingness to pay overstates actual behaviour, and "meaningful" was not defined in money. Larger businesses often have larger budgets.

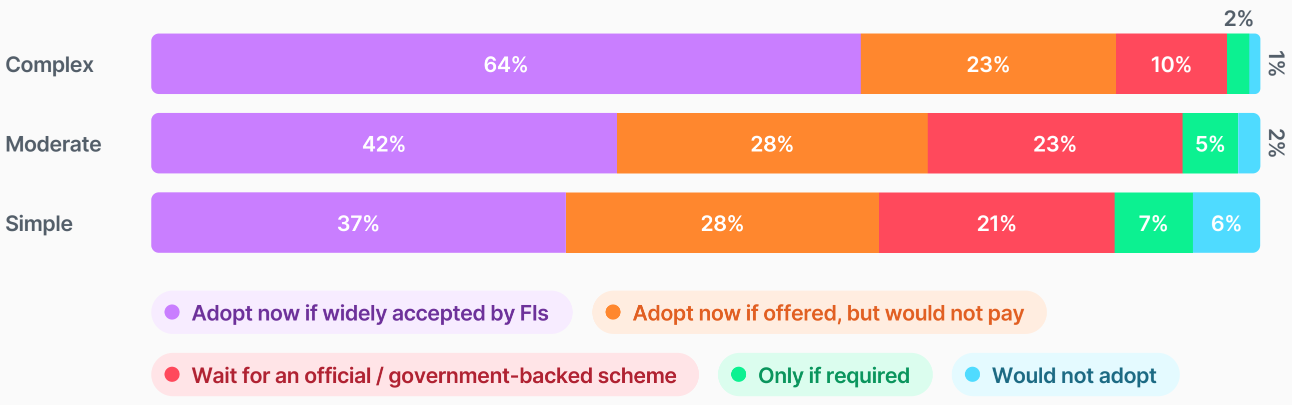
Three quarters would adopt digital company IDs now. Half want banks to accept it first.

Nearly half of all respondents (48%) said they would adopt digital company IDs if they were widely accepted in the financial system. A further 26% would adopt one now if offered but would not pay. 18% would wait for an official or government-backed scheme, 5% would adopt only if required, and 3% would not adopt one.

Complex businesses were more willing, with 64% reporting that they would adopt digital company IDs now if they were accepted by financial institutions, significantly ahead of both simple (37%) and moderate (42%) businesses.

The constraint on adoption is not business demand; it is acceptance by the institutions that businesses bank with. For simple and moderate businesses, an official scheme would carry additional weight.

If a reusable digital company ID were available, which is closest to your view?



The case for digital company IDs

Kyckr's research suggests that tougher AML regulations – and the greater burden of proof required to verify the ultimate beneficial owner of a business – has raised the bar for evidence. Today, the businesses hardest to verify are the ones asked for evidence most often: 35% of complex businesses were asked three or more times after applying.

And it is those businesses – the hard to verify, the slow to onboard – that are the most willing to adopt digital company IDs – and 86% of them bank with a global bank. Kyckr's research suggests that nearly half of all businesses would use digital company IDs today if such schemes were more widely accepted by financial institutions.

Adoption could be more widespread, but business owners fear losing control – over their business's data, over access to banking if the ID system fails, and over liability for errors they did not make. Financial institutions must make the positive case for digital company IDs – that, far from losing control over their personal information, business owners will, in fact, gain control of it.

Kyckr's view is that financial institutions that drive adoption will enjoy the added benefit of new customers and lower compliance costs.

About Kyckr

Kyckr provides live access to 300+ official company registers in more than 100 countries, in a standardised format. This gives banks and financial institutions verified, source-level company and ownership data at the point of onboarding, rather than relying on third-party aggregation or manual checks. Founded in 2007, Kyckr has spent nearly two decades working with major banks, payment companies, and fintechs on business verification and UBO identification.

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