



cl@b2015

The Use of Technology

For their Potential Business Strategy



Uses of Technology in Financial Services

- Technology as an enabler of business strategy
 - Driving business growth
 - Improving cost efficiency
- A tool to address incumbent banks reputation as
 - Too big to fail
 - Too slow to react
 - Vulnerable to new competitors
- Method to meet new customer product demands
 - Simple and easy to use
 - Fast and secure access
 - Reduces friction

Financial Technology (FinTech) Today

- 2014 - \$12 billion in investment, up from \$4 billion the year before per CB Insights
- Gartner estimates global enterprise IT spending for the banking and securities market was \$485 billion in 2014.
- Goldman Saks estimates global revenues of \$4.7 trillion and profits of \$470 million can be disrupted by Fintech companies
- Trends Driving FinTech Investment
 - Improved economic condition for FI's
 - FI's embracing innovation to build brand and modernize offerings
 - Lower technology costs
 - Digital economy expanding

Strategy meets Technology

- Wealth Management
 - Robo advisors and algorithms
- Lending
 - Identifying credit worthy customers by using data more effectively
 - The sharing economy
- Payments
 - Interception of commerce and payments and online fx exchanges
- Risk & Security
 - Biometrics, voice authentication