

Harnessing innovation and FinTech to:

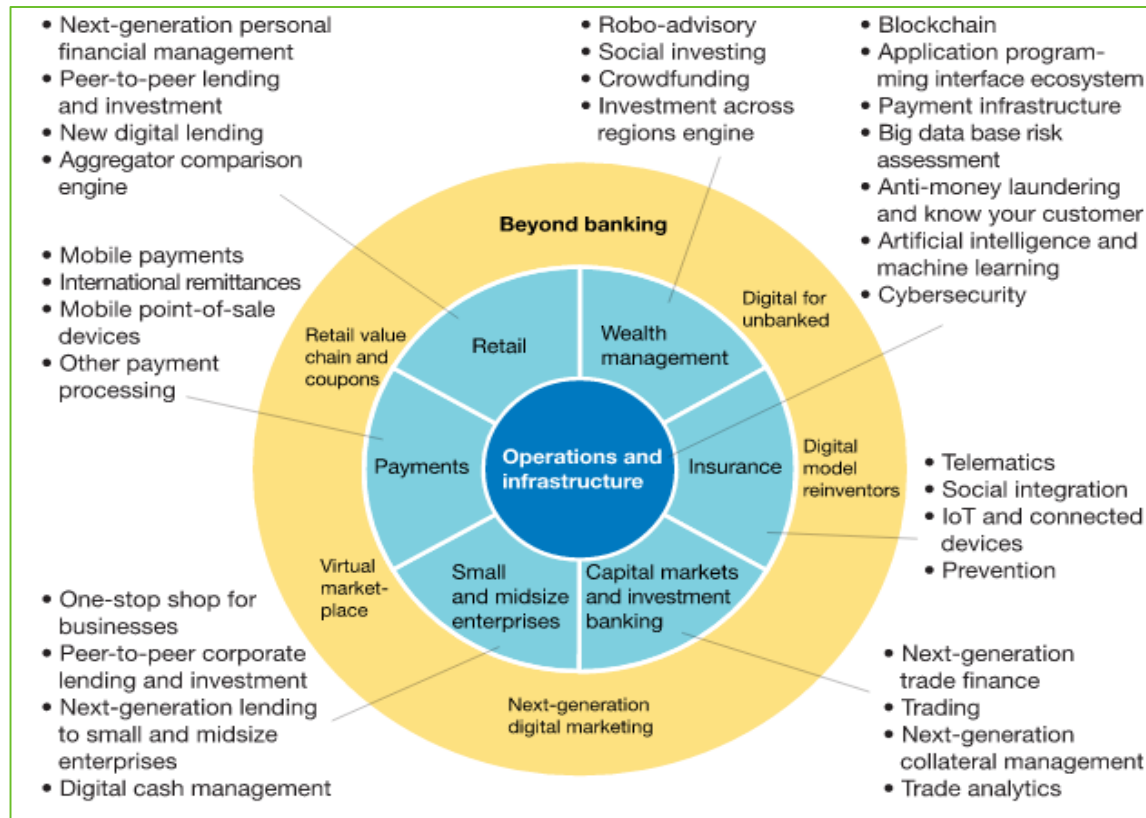
- sharpen competitive edge,
- enable growth and;
- increase efficiency

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Innovation & The Customer - The New Picture

Exponential growth in **consumer experience** with digital technologies is transforming the dynamics of finance resulting in a unique set of opportunities and challenges



Source: FinTechnicolor-The-New-Picture-in-Finance McKinsey & Company, Feb 2017

Client centricity: Key Driver for digitisation strategy

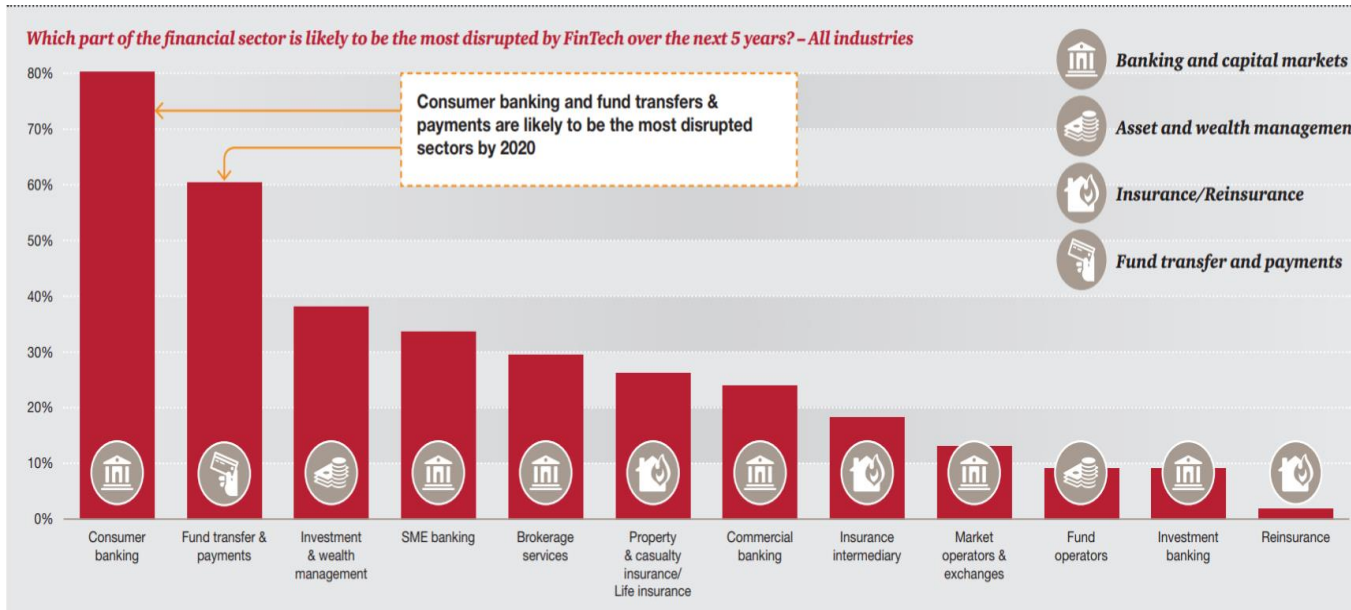
First movers: Benefit from niche exploitation vs “also-runs” model

Old winners: Traditional banks – relationship based decisions

New winners: Younger technologically savvy providers who leverage Artificial Intelligence

Data & Disintermediation – A Most Powerful Weapon

Fintechs targeting bottlenecks afflicting traditional finance and payment models through the analytics of **Big Data**



Source: PWC Global FinTech Survey 2016

- Data alone does not create transformative results
- Banks have data however their capacity to search it is limited
- Target best-in-class talent to write data mining algorithms
- Disruptors – Fintechs who can unlock the power of data.

The big challenge for financial institutions remains sorting through FinTech companies to find an appropriate fit, with an eye on the falsity of the discrete banking industry:

1. Fintech permeating the skin of banking and finance and blurring the boundaries
2. Fintech's as disrupting alternates to financial institutions
3. Fintech's as enablers for traditional banks
4. Fintechs as a stop gap measure
 - Will Regulations force MNO's to become banks?
 - Will Banks counter the threat of Fintechs by being Simple, Faster and Technologically savvy?
 - There will be casualties on both sides



Banks: Focus On Building An Extensive Set Of Distinct Digital Capabilities

| Data-driven digital insights | Integrated customer experience | Digital marketing | Digitally enabled operations | Next-gen technology | Digital enablers |
|---|--------------------------------------|--|---|-----------------------------------|-----------------------------------|
| Comprehensive data ecosystem, including 3rd-party APIs¹ | Customer-centric experience design | Targeted digital media | Digitized sales and service interactions | Scalable application architecture | Digital talent management |
| Robust analytics and data infrastructure | Omnichannel experience delivery | Content marketing | Streamlined and automated fulfillment processes | Cyber-security | Organization and governance |
| 360-degree single customer view | Customer-decision-journey experience | Digital customer-life-cycle management | Operational-excellence enablers | Agile delivery to market | Innovative test-and-learn culture |
| Targeted product and service decisioning | | Marketing operations | | Flexible IT infrastructure | |

Digital outcomes

- Simplified and streamlined product application processes to improve customer experience
- Increased sophistication in methods to reach, engage, and retain customers
- Emergence of self-service tools
- Digitisation of cash and treasury management functions

Source: FinTechnicolor-The-New-Picture-in-Finance McKinsey & Company, Feb 2017

Big Data

Multi-Bank and
Multi-Currency
Treasury
Management

Digital Client
Onboarding
platforms

Artificial
Intelligence
Chatbot

Application
Programming
Interface
(API) in
Banking

Biometrics on
Banking
Platforms

Forecasting

What Next?

NextGen
The Future of
Banking

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