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Financial IT

Innovations in FinTech

FLYING HIGH, SEEING THE WORLD AS A CHALLENGER BANK

Elaine Deehan,
Head of Banking as a Service for Europe,
Starling Bank

EPI WILL LEAVE ITS MARK ON ALL PAYMENTS PLAYERS

Amelia Ruiz Heras,
Head of Solution Consulting in Europe,
ACI Worldwide

SPECIFIC SOLUTIONS FOR SPECIFIC PROBLEMS IDENTIFYING THE COMPETITIVE EDGE IN PAYMENTS TECHNOLOGY

Jane Loginova,
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Radar Payments

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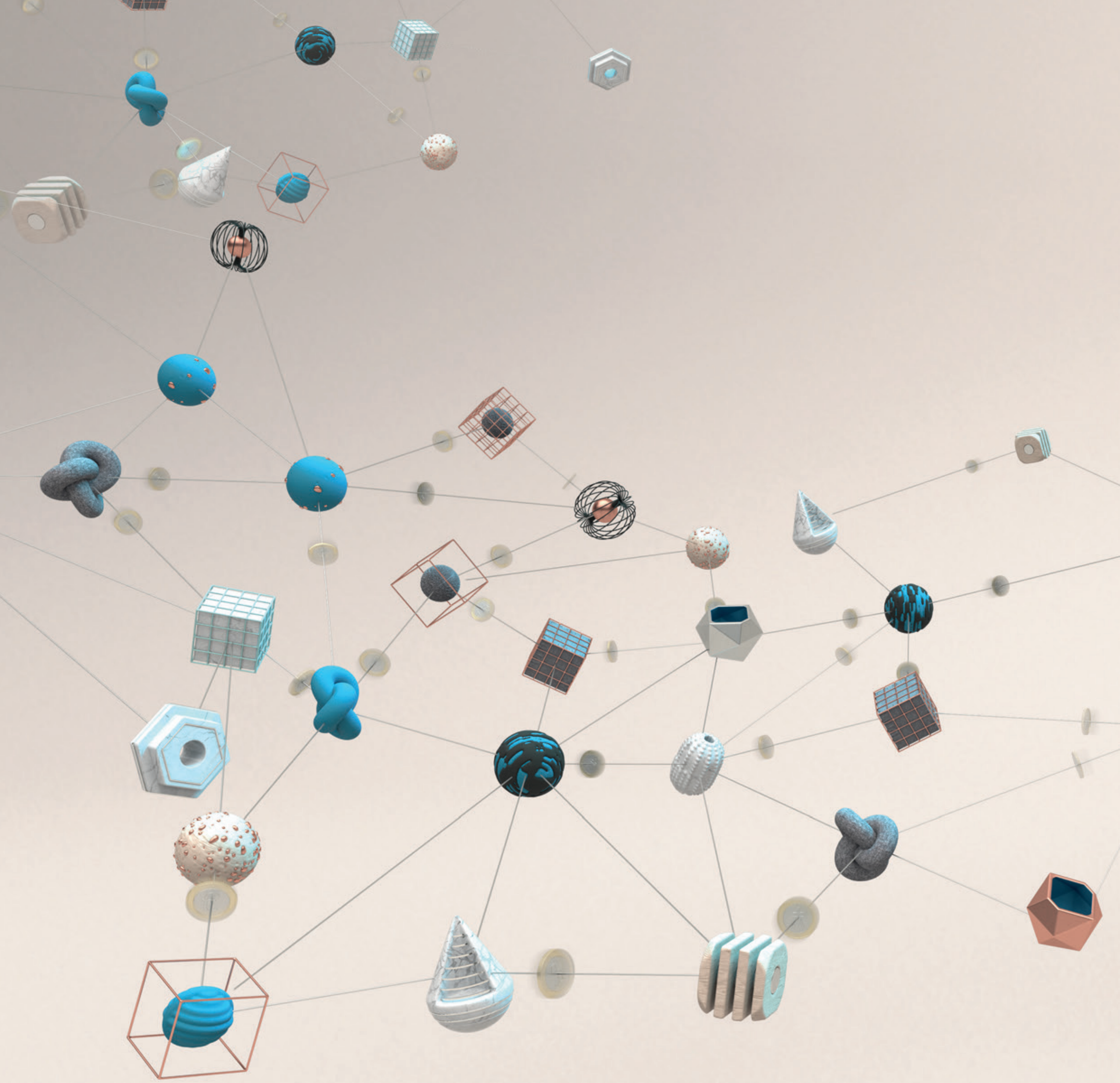
Co-founder and Chief Executive Officer,
Banking Circle

TECH CHIEFS FOCUS ON FUTURE-PROOFING TEAMS AND INFRASTRUCTURE



Banking Circle's proprietary technology enables Payments businesses and Banks of any scale to seize opportunities, compete and grow.
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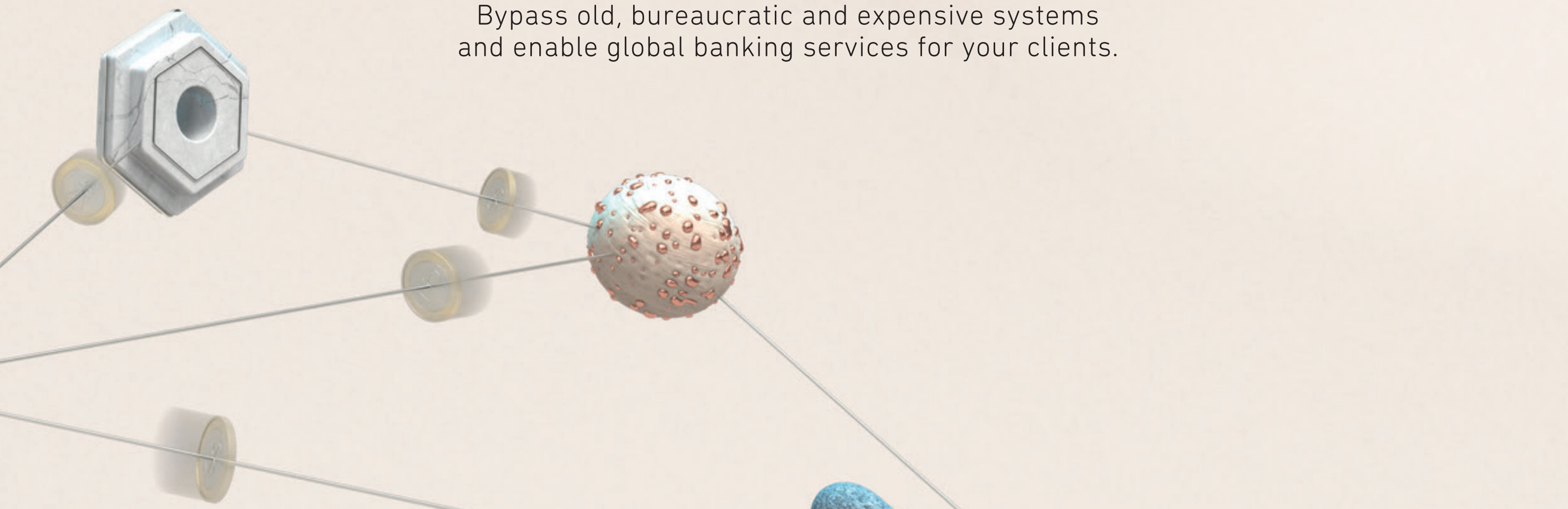

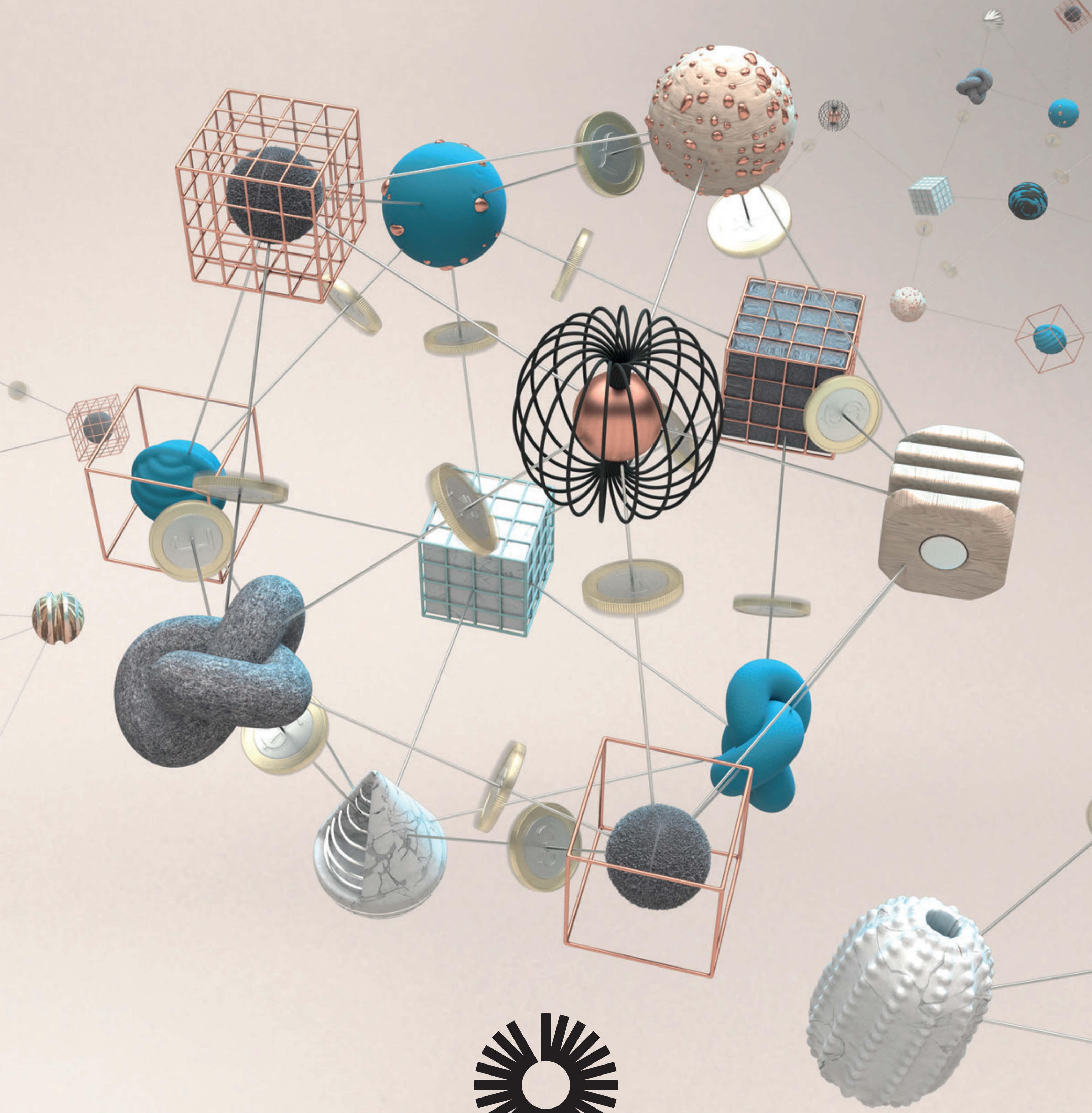

QUESTIONS OF FLUIDITY

WHAT HAS REALLY CHANGED IN THE WORLD OF FINANCIAL IT SINCE THE MIDDLE OF THE YEAR?

Andrew Hutchings,
Editor-In-Chief, Financial IT

"Be water, my friend" was a famous piece of advice from the great Chinese-American actor, director and martial arts expert Bruce Lee.

The metaphor suggests that survival and success comes from fluidity - the ability to fill irregular and rapidly changing spaces in a very short period of time.

Fluidity is often demonstrated under pressure, with the result that liquids flow in a direction that would usually be seen as being uphill.

However, in the context of financial IT in general - and the global payments industry in particular - in the third quarter of 2021, what really matters is this: continuous and rapid change to the space that must be filled by the liquid cannot be predicted in advance.

In the Summer 2021 edition of Financial IT, we focused on another metaphor - that of inflation as the "Elephant in the Room", or a problem that no-one discusses publicly.

We highlighted three aspects of higher inflation. First we argued that- despite what has been said publicly by central bankers prior to that time and more recently - was that higher inflation was inevitable.

Second, we explained how the global payments industry would contribute to and probably benefit from higher velocity of money.

Most importantly, we noted that - in contrast to the 1970s, for instance - inflation was returning to the world at a time that national economies are integrated globally: this is a scenario that no-one has really experienced.

Over the last three months, the uncertainty has increased.

Indicators of slowing growth in the developed world point to an episode of stagflation (i.e. low or no increase in GDP, but with rises in the general level of prices), yet at a time of labour shortages and upwards pressure on wages.

Back to the Table of Contents

The new AUKUS pact between Australia, the UK and the United States, to counter Chinese expansionism in East and Southeast Asia highlights increased geo-political risk. (So too does the Taliban's gaining of control in, and withdrawal of US forces from, Afghanistan).

There has been no clear indication of how the main conundrum in global fixed income markets will be resolved. Central banks' policies (e.g. through Quantitative Easing, or the creation of money to purchase government bonds and other securities) have suppressed interest rates and yields so that they are negative in real (after inflation) terms. This is a problem for banks and other financial institutions that are compelled to hold bonds and which require positive real returns).

To their great credit, the organisers of Money 20/20 Europe, which will take place in Amsterdam on 21-23 September have recognised that the uncertainty is great and growing.

Events at the conference are organised around five major themes, of which the first and most important is "The What: Creating products you can't imagine."

In different ways, the other four themes support this central question.

In this edition of Financial IT, our contributors explain how they are working towards the delivery of services and products that, until recently, were unimaginable.

In accordance with Bruce Lee's advice, the payments industry - and other players who are active at the intersection of technology and finance - is getting ready to flow, uphill if necessary, to whatever opportunity presents itself in the next six months.

We wish every success to all who are involved with Money 20/20 Europe.

Andrew Hutchings,
Editor-in-Chief, Financial IT

Financial IT
Innovations in FinTech

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EDITOR'S LETTER

COVER STORY

INTERVIEW

LEAD STORY

FEATURED STORY

FEATURED STORY

Back to the Table of Contents

FLYING HIGH, SEEING THE WORLD AS A CHALLENGER BANK

WHAT ARE THE KEY FEATURES OF THE COMPETITIVE LANDSCAPE?

Interview with Elaine Deehan, Head of Banking as a Service for Europe, Starling Bank

Elaine Deehan,
Head of Banking as a Service for Europe,
Starling Bank

Financial IT: Along with Monzo, Atom, Monese and Revolut, Starling Bank is one of a group of challenger banks that have emerged in the UK in the last eight years or so. Are these really your competitors? Are there any other names that you would add?

Elaine Deehan: We are indeed often compared with the names that you mention. However, they are not really our rivals.

Our own view of Starling Bank is that – along with the other challengers – we are taking on the established financial institutions, whose names are well known.

Put another way, the challengers are not in competition with each other: they are a collective that is in competition with the incumbents – here in the UK and elsewhere.

Financial IT: As a collective, what are the key elements of the strategy that you are all following as you take on the incumbent players?

Elaine Deehan: If you look at what each of us is doing, you will find three major themes.

First, we are all using new technology to deliver products that retail and small business customers need in their day-to-day lives.

Moreover, those products are delivered in a way and at a price level that the customers perceive the products as offering value for money. That means that great user experience with websites or apps is absolutely essential.

Third, we all invest in our brands.

Financial IT: What about regulation? Where does it fit into all of this?

Elaine Deehan: The regulatory framework is a very important part of the overall competitive landscape.

In particular, we see being regulated as a bank as being a real source of competitive advantage. It is a key element of our strategy. Having a banking license means that we can pursue lending as a profitable business: it's something that you cannot do as a non-bank.

We have been profitable since October 2020. Having a banking license and being able to lend has been central to that.

Each of the other organisations that are part of the collective and that are taking on the incumbent banks have their own strategy. What really matters, though, is that not all of them are actually licensed as bank.

The difference between being a bank and being a non-bank is really important.

Financial IT: Can you be more specific?

Elaine Deehan: Over time, we have developed the technology to reach our own clients. When we approach potential clients with our BaaS proposition, we can assure them that the technology is tried, tested and sufficiently robust to support rapid growth. We have about 2.4 million accounts, with a strongly growing deposit base and, as noted, have been profitable for about a year now.

Above all else, though, the technology ensures that we – and therefore our BaaS clients – can comply with all the requirements that must be met by a licensed bank.

This is a claim that, by definition, an organisation that is a non-bank could not make.

Financial IT: What is the Banking-as-a-Service (BaaS) that is being offered?

Elaine Deehan: Starling is already known for its BaaS offerings – such as our Starling Payments Services. Licensed institutions can take advantage of the fact that we are a part of the Faster Payments scheme in the UK.

However, BaaS involves much more than just payments. Our proposition is that Starling Bank has developed successfully on the basis of its own technology and systems: through BaaS, we offer all of the technology and systems to other companies that have ambitions in the UK or EU banking industries.

Our potential clients come from two broad groups. One is, of course, newcomers to collective of challengers who, in some way, seek to take market share from incumbent banks. Building a bank is a hard and expensive endeavour. We provide a shortcut that solves all the technological and regulatory problems.

The other group of potential clients includes non-financial companies who are looking to embed financial services in their offerings to their own clients.

Obviously, something that is really important to these organisations is user experience (UX). That is something where we can help them.

BaaS clients can offer their customers anything that Starling does, but from within their own platforms.

We have already inked BaaS deals here in the UK. Subject to regulatory approval, we should be expanding in the EU in the first half of 2022.

Financial IT: How important is the business of offering third party financial services to clients? What are the main products that are being offered?

Elaine Deehan: Through our Starling Marketplace, we offer other companies products and services to our customers. Our customers can link those products and services to their own accounts. The products include accounting packages so that our customers can more easily administer their own affairs or pensions.

The Starling Marketplace is an important part of the Starling ecosystem and will likely be an important contributor to our overall growth going forward.

Financial IT:Taking a three year view, how is Starling Bank likely to change?

Elaine Deehan: We expect to be larger, by all metrics that matter. We are particularly keen to grow our SME business. We will further develop our lending proposition. Within that period, we should also be well established in the EU as a BaaS provider.

It is also no secret that an Initial Public Offering (IPO) is on the cards at some stage.

The vision and determination that we have to transform banking for good will remain unaltered.

Our strategy has been proven and will remain in place.

TECH CHIEFS FOCUS ON FUTURE-PROOFING TEAMS AND INFRASTRUCTURE

As we continue to traverse the hills and valleys of the biggest period of business uncertainty the world has faced in a least a decade, Banking Circle has examined confidence levels among financial services CIOs and CTOs. Anders la Cour, co-founder and Chief Executive Officer of the innovative payments bank discusses the findings and how decision makers intend to futureproof their organisations.

In July 2021 we spoke to 600 Chief Technology Officers (CTOs) and Chief Information Officers (CIOs) at Banks, FinTechs and PSPs across the UK, DACH (Germany, Austria and Switzerland) and Benelux (Belgium, The Netherlands and Luxembourg) regions. Published in a new white paper: Futureproofing Payments Tech: The challenges facing CIOs and CTOs – the survey provides insights into the challenges currently faced by CIOs and CTOs across Europe, and what elements of their job are giving cause for concern.

Despite global uncertainty continuing, CTOs and CIOs are generally optimistic about the future and how ready their business is to take on new market challenges. In all areas of responsibility, more of the CIOs and CTOs we spoke to reported feeling either ‘very’ or ‘fairly’


BANKING
CIRCLE

confident than ‘not at all’ or ‘not very’ confident. PSP and FinTech respondents were more confident in their readiness for the future than those working for Banks.

However, despite overall optimism, just one in three of the CIOs and CTOs went as far as to say they felt ‘very confident’ that their organisation is fit for purpose for the future in terms of investigation and procurement of new systems. And this was the area in which confidence was highest.

Human resource concerns

The area where our respondents had the lowest level of confidence was recruitment; systems training wasn’t far behind. Banks were more concerned about recruitment, with 38% saying they were not confident the organisation was future proof in this area, compared with 29% of PSPs and FinTechs. This lack of confidence is a concern because 60% of our respondents intend to increase the size of their payments IT team in the coming year, with 38% planning to increase their budget in this area.

Across Europe, Austria, the UK and Belgium are the most likely to grow their teams, with 91% of Austrian organisations expecting to add to the team, alongside 78% of both Belgian and UK firms. In contrast, 65% of German CIOs and CTOs intend to reduce the size of their teams.

One motivation behind taking on additional employees is the need to plug skills gaps. Whilst there may be a perception that FinTechs and PSPs are more likely to be ready to take on future market needs, all our FinTech respondents reported having skills gaps in their organisation.

The most common gap was in Cloud skills, where 60% of FinTechs and PSPs lack experienced team members. Artificial intelligence (AI) and machine learning (ML) was close behind at 53%. Interestingly, though, when we asked which were the most crucial skills for their teams in the next year, just 39% of PSPs and FinTechs included Cloud skills in their top three; the same percentage cited AI/ML.

It seems organisations may know they have a weakness in these areas, but they are not rushing to fix the issue, suggesting that they may not fully appreciate the opportunities the technologies can provide for boosting performance and improving customer experience.

Recognising the silver lining

Despite the rapid switch to digital that we experienced in the first half of 2020 as a response to nationwide lockdowns, as well as the increasing reliance on cloud-based technology in many areas of life and business, only slightly more than half of our respondents (56%) have at least half of their IT or Payments systems in the Cloud.

Perhaps contradicting the common perception that banks are mired in legacy systems, they are in fact more likely than FinTechs and PSPs to have their IT and Payments systems in the cloud. 60% of banks have at least half of their payments systems in the cloud; 52% of FinTechs said the same. It was also interesting to see that despite being young companies, lacking the legacy systems that can hold Banks back, none of the FinTechs and PSPs we surveyed have 100% of their payments systems in the cloud and less than 1% have entirely cloud-based IT systems. Clearly a good deal of hesitation remains.

Digitalisation and moving to the Cloud involves a huge investment from the Financial Institution. Working with a cloud-based partner to solve the issue can be a more cost-effective way to future-proof the business. Systems can be moved to the cloud quickly, without rebuilding the bank or FinTech’s infrastructure – or retraining the entire IT team. Indeed, for Banking Circle, being cloud-based enables us to tweak, improve or replace our solutions quickly and easily without impacting the rest of our platform or other solutions. This allows us to adapt to new client needs, whether by updating an existing solution or building an entirely new product from the ground-up. However, our research shows that Banks and FinTechs still have a surprisingly long way to go before they are truly cloud-based and able to be as responsive and flexible to meet their clients’ needs.

Focusing on futureproofing

When we asked our survey respondents where they plan to focus their efforts and budgets in the coming year, the most common High Priority was improving data quality (44%). This was closely followed by migrating to digital delivery of services (43%) and improving the customer experience (42%).

The biggest internal challenges standing in their way are a lack of integration with customer-facing departments (49%), a lack of data consistency between internal systems (45%), and a lack of consistency across countries' operations (45%).

In terms of external challenges, the most common across all respondents was the inconsistent regulations across geographies (31%). Clearly, consistency and integration must improve to increase efficiency and remove payment pain points. Partnerships with the right external providers could help resolve these issues quickly and simply.

Whilst consistency and integration are significant business challenges for our CTOs and CIOs, these are not the issues keeping them awake at night.

For FinTech CIOs, the main issues are tech outages (13%), staff skills (13%) and staying up to date with market developments (12%). For Banks, the main concern was a digital transformation project (17%), followed by getting internal support for tech investment and staff skills (15% each).

Working in partnership with external providers like Banking Circle can spread the load and ease the burden on CIOs. Skills gaps can be filled by the third party expertise rather than through in-house recruitment. Digitalisation is achieved far more quickly and without the need to rebuild an entire infrastructure. And the latest purpose-built tech is instantly available without years of internal development and investment.

Banks, PSPs and FinTechs alike are working tirelessly to bring about a rapid transformation of their businesses by digitalising their services. To speed up the process and deliver market-leading solutions, Financial Institutions should consider collaboration with a payments bank or financial utility that can take on a lot of the heavy lifting and reduce stress on any one individual or team. Maybe then the invaluable CIO or CTO will rest easy at night.

Back to the Table of Contents

THE FUTURE OF FINTECH: COLLABORATION FOR THE GOOD OF THE CUSTOMER

The pandemic witnessed the financial sector realizing the true essence of digital technology, and today, finance and technology are more synchronised than ever before with financial institutions acknowledging and embracing digital approaches in order to survive and thrive in an ever more connected digital banking environment. The pandemic fast tracked digital transformation across all sectors, with regulators, government, the private sector and end users embracing digital initiatives at a faster pace to ensure business and life continuity. The banking sector in particular saw unprecedented change with banks revamping the customer experience, streamlining processes and expanding customer reach as we collectively moved towards a cashless society.

Banks are not monopolizing the financial services industry anymore, with agile fintech players now promoting customer reach and convenience with innovative payment solutions, lending platforms and marketplace offerings. In this new open banking environment, where customers have a plethora of choice, banks must innovate in their core operations, and one strategic pathway to do this is to increase their focus on identifying and executing fintech partnerships.

There are three approaches to fintech partnering for banks, partnering to innovate in existing products, channels or processes, partnering to launch new products and services, and partnering to develop new business models and revenue streams. However, in order for banks to effectively collaborate in the world of fintech, they must invest in a dynamic integration layer and robust infrastructure that complies with Open Banking regulations and security standards to be Fintech enabled.

This new world poses a number of challenges for banks looking to dive into fintech cross-border expansion. The financial institution must have robust infrastructure, be ready to meet dynamic compliance and regulatory challenges and be enabled with security that protects the institution and the customer from vulnerabilities such as growing cybersecurity threats.

ETHIX NG by ITS is a digital core banking ecosystem that enhances organizational performance, drives innovation and elevates the customer experience all from one core banking platform. It automates and digitizes business processes, moving banks from legacy systems towards a Digital enabled, Fintech enabled, Open Banking ready & Paperless environment, equipping them with agile IT infrastructure to meet these challenges and succeed in the Digital Economy.

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Mr. Hany Ramadan,
Director – Products,
ITS Group

BRANCH TRANSFORMATION 2021 – FUTURE-PROOFING THE BRANCH IN A RAPIDLY CHANGING WORLD

If the role of the branch has been a key issue for banks for a number of years, COVID-19 has only served to encourage even more debate and discussion. The pandemic has seen the increased adoption of digital banking, the closing of branches and teller positions, greater use of self-service technologies and the swift digitisation of key processes. These rapid changes have profoundly affected how customers interact with their banks both inside and outside the branch. With all this in mind, RBR's Branch Transformation 2021 conference, which is taking place in London as an in-person event on 30th November and 1st December, will address the key challenges for banks as they define their branch strategy for the era. Financial IT met with Gillian Shaw, Conference Producer, to talk about this year's hot topics and what we can expect from this year's event.

Financial IT: Considering all the changes we have seen in the past few years, is the branch even relevant?

Gillian Shaw: That is a very good question and lies at the heart of the conference. Falling transaction volumes as customers fully embrace digital channels, declining footfall and rising branch overheads such as site rental and staff costs are putting a squeeze on the branch banking model. It's probably true to say that the branch's role as a transactional centre first and foremost is over. Banks must seek to redefine the branch's purpose as a core channel that can increase revenues and develop better customer relationships.

Financial IT: Are branches still critical to a bank's success?

Gillian Shaw: The simple answer is yes, they are still a powerful asset if the strategy is right. Although footfall is decreasing, customers still want to see their bank's branch on their high street. Banking is all about customer trust and branches are key to this - many customers would still prefer to put their money with banks with physical outlets rather than digital-only banks. Moreover, even though there has been a monumental shift to digital channels over the last 18 months, there are still many customers who prefer a face-to-face meeting for important "life moment" conversations such as those about mortgages or business loans. A successful branch strategy is one that can harness the branch's differentiators to recruit new customers, drive sales and provide an excellent overall customer journey.

Financial IT: Is today's branch all about technology?

Gillian Shaw: Although the adoption of new and innovative technologies is a key component of branch transformation, I don't think it's true to say that it is the only element. In the digital age when most transactions can in fact be done online, one of the main reasons for visiting a branch is simply to speak to someone in-person. It goes without saying then that the quality of customer-employee interactions must be high. Branch staff can only provide excellent customer service if they are empowered to do so by having all the resources and information they need at their fingertips. Clearly defined roles, robust training, a positive company culture and, of course, technological tools are all critical. The most successful branch transformation campaigns are built from staff culture upwards.

Financial IT: Which innovations and technologies are driving change?

Gillian Shaw: Branch technology is evolving at an impressive pace and the pandemic has accelerated the adoption of certain technologies such as video banking which enables customers to meet virtually,

Gillian Shaw,
The event's Conference Producer at RBR

Highly knowledgeable and experienced French speaking analyst and conference producer with strong analytical, social, planning and writing skills. Focused on the banking and payment sectors.

but still face-to-face, with specialist advisors even if they are not in same physical location. With banks starting to realise the true power of customer data, enhanced analytics, powered by AI, can allow targeted sales and marketing to customers. Biometrics are being harnessed to streamline ID processes and smarter self-service machines are being deployed to free up staff so they can focus on more value-adding customer interactions. We will see even more innovation in the coming years but it's important that it's not just technology for technology's sake; the overall result should be improved customer experience, increased efficiency, higher sales and better growth.

Financial IT: What can we look forward to in the auditorium this year?
Gillian Shaw: We are really excited about this year's speaker programme as it brings together an array of tech innovators and thought leaders in the field. We have already confirmed presentations from institutions such as: Lloyds Banking Group, NatWest, HSBC, Nationwide, Bank of Ireland, Santander, Eurobank, US Bank, Jyske Bank and Sberbank. The presentations will address topics such as combining human interaction with digital technologies, how branches can adapt to changes in the wake of COVID-19 and the role of the branch in an omnichannel world.

Financial IT: How will Branch Transformation 2021 be structured this year?
Gillian Shaw: The conference is focused on the high-quality speaker agenda featuring pioneering banks, thought leaders and technology experts. The event also has a dynamic exhibition area, showcasing the latest branch technology from leading international suppliers. An added bonus this year is that we are co-locating Branch Transformation 2021 with our bank security event – BankSec 2021, so delegates can move freely between the conferences. Delegates will also have the opportunity to network and share ideas with industry peers. We are looking forward to experiencing once again the buzz that happens when people meet face-to-face and the return of serendipitous conversations.

Financial IT: With the return of an in-person format, how will RBR address health concerns?
Gillian Shaw: With delegates, speakers and vendors all expressing delight at being able to attend Branch Transformation 2021 in-person, we are really looking forward to welcoming everyone back this year. RBR is following the guidance of the UK government, the WHO and other appropriate bodies with regards to health measures.

Financial IT: How can people get involved with Branch Transformation 2021?
Gillian Shaw: There are several different of ways in which readers can get involved in this event. We have a few speaking slots left for Branch Transformation 2021 case studies – if you have just completed a project or are indeed still working on one and would like to share it with our audience, we'd love to hear from you. We also have a range of exhibition and sponsorship packages for companies that would like to promote their brand and meet potential customers. For more information, please contact me (gillian.shaw@rbrlondon.com). If you would like to attend the conference as a delegate, please visit https://www.rbrlondon.com/conferences/bt/ or email me directly.

Amelia Ruiz Heras,
Head of Solution Consulting
in Europe, ACI Worldwide

EPI WILL LEAVE ITS MARK ON ALL PAYMENTS PLAYERS

2020's European Payments Initiative (EPI) continues to be a trending topic in the payments industry. And no wonder, since it involves all players in this ecosystem and proposes to change the rules of the game.

EPI plans to launch a new pan-European scheme leveraging Instant Payments/SEPA Instant Credit Transfer (SCT Inst) and use real-time rails to become a new payments standard in Europe for both consumers and merchants, adapting to the 21st century demand for immediacy. This proposal would be a game changer for central infrastructures, banks, merchants and consumers — but its impacts will have differing effects on each.

How does real-time affect EPI?

There was already a clear trend towards immediacy before the Covid-19 pandemic. With the advent of this global health emergency, what followed was an even greater acceleration of consumers demanding faster and more secure responses. This led many countries in Europe to implement central infrastructures that could support real-time payments. Many of them had to do this against the clock, as this modernization may have been in their future plans but not in their immediate plans.

Some of these real-time core infrastructures have not been fully exploited as consumers continue to rely on card rails. EPI seeks to offer an alternative to these card rails and develop the infinite possibilities that a single core infrastructure for real-time payments would offer. The idea is to leverage these real-time rails and move away from the old card system, where clearing and settlement is slower, and migrate towards real-time settlement.

How does EPI affect central infrastructures?

Many of the countries involved in this initiative already have their own central infrastructure. EPI was created with the aim of unifying everything under a pan-European system; however, each country is unique in terms of the regulations it follows and the habits among its consumers. So, what can we expect from this union of European payments?

One could imagine a scenario where EPI would be the only central infrastructure, as we see with the gradual consolidation of domestic schemes into the P27 infrastructure in the Nordics. In this context, if banks were to connect to Europe's central infrastructure, would the national networks then disappear or would the infrastructures serve as intermediaries? What is clear is that connecting to EPI has to be a transition that does not pose a barrier for banks to join.

Another key consideration is that, once it is decided how to connect infrastructures to EPI, the volume of real-time transactions will be much higher. Whatever decision is made, these core infrastructures have to be ready to support this increase, while also supporting and incentivizing all the potential use cases offered by EPI.

How does EPI affect banks, both acquirers and issuers?

With EPI we must forget about the way transactions have been carried out until now. Today, the clearing and settlement of transactions, made with both physical and virtual cards, does not involve the immediacy that EPI is proposing by continuing to rely on card rails. However, with EPI, waiting for a transaction to be completed would become a thing of the past, as the exchange of funds would be immediate.

If this means the end of blocked funds, it also means that banks must be prepared to lose the expected time frames they have had until now. For instance, not only do they have to be ready in terms of liquidity, but also in their ability to provide this information to their clients in real-time. With this paradigm shift, banks must be able to show their customers their actual balance available in a matter of seconds.

Card issuing banks have been accustomed to the interchange fee business model for years. It might be expected that, with EPI, the interchange fee will adapt and result in a new beneficial margin for issuers, although these details are yet to be defined. However, issuers, acquirers and even merchants can benefit from something else interesting that EPI provides: access to real-time information.

How does EPI affect merchants?

Today, having access to your customer's information and preferences is the best way to maintain a good relationship and continue to generate revenue. With EPI, access to this information, and even more so in real time, allows the merchant to include value-added services, including loyalty programs, personalized offers, returns and refunds, to keep engaging with their customers.

Considering the European framework implied by EPI, merchants with a presence in Europe will be able to offer their customers a more convenient and secure payment that will result in easier sales. Services promoted by EPI, such as Request to Pay (R2P), will also promote more frictionless selling and therefore a better outcome for both the merchant and the customer. Additionally, EPI will enable innovation in the world of payments, providing a competitive and unified payments solution for European merchants and consumers.

It is likely that this new ecosystem based on innovation will have results similar to those witnessed in India with the massive adoption of UPI, and specifically, the expansion of use cases offered by R2P under UPI Collect.

How does EPI affect consumers?

Consumers are ultimately the end customers of both banks and merchants. At the end of the day, it is up to them on whether the adoption of EPI finally happens. EPI as an initiative has to be embraced by consumers to drive its use and expansion of use cases. There exists some potential for confusion amongst consumers in countries where there is already an established real-time scheme that appears to solve the problems EPI is intended to solve (in the eyes of the consumer). There needs to be a compelling benefit for them to adopt a new brand.

Spain's Bizum was introduced in 2016 by 23 Spanish banks and already has 18M active users. Adoption was driven by progressive use cases starting with P2P payments, and consumers have embraced this new payment method to the point that they have driven the demand of other use cases, such as payments to merchants. What will happen when a scheme launches that appears to offer the same experiences, but without any added value? Would Bizum be a direct competitor and forced to adapt? would the founding banks switch allegiances? Or is competition in consumer payments healthy for the industry?

It is clear that EPI raises questions and challenges, but it also offers advantages to the various players. It is up to the main stakeholders to ensure that this initiative succeeds by devising a plan and a strategy for end consumers to adopt and promote EPI. However, no player should overlook the fact that although the consumer has the final say, and with EPI's focus on consumer brand recognition, they will surely make their voices heard loud and clear.

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SPECIFIC SOLUTIONS FOR SPECIFIC PROBLEMS
IDENTIFYING THE COMPETITIVE EDGE IN PAYMENTS TECHNOLOGY

Interview with Jane Loginova, Co-Founder and Co-CEO of Radar Payments*

Financial IT: Please tell us about BPC Banking Technologies. What does the company do? What is your geographic footprint?

Jane Loginova: BPC is a payments company. We have been in existence for over 25 years, and have a dominant position in a number of regions globally, including South East Europe, South East Asia, Middle East/Africa, and Latin America. We supply end-to-end retail payment functionalities to established financial institutions such as central banks, retail banks, ambitious FinTechs and Payments Services Providers (PSPs). We also work with micro-finance organisations and government bodies.

Our clients include HSBC, BNP Paribas, Tonik, TymeBank, Yandex and SingTel among many others.

Our role involves building national and instant payments systems from the ground up. For instance, we work alongside retail banks on their digital transformation programs. We get neo-banks and FinTechs to market. We also help them to develop specific value propositions through smart technology and services.

BPC's aims to provide our clients with all the banking and payments services that they need to grow, and to help their own end customers. Ours is a true win-win approach.

Financial IT: what recent developments would you highlight?

Jane Loginova: We have launched a number of initiatives, focused on payments, which address the needs of different industry verticals.

For example, Radar Payments is a BPC-backed initiative which I founded early 2020. We respond to the need of FinTechs and banks for smart processors that can provide all banking and payment functions as a service: what they want is to deliver innovative services to their own end customers in a short period of time.

We have designed an offering that blends 25 years of experience gained by BPC with the agile and lean – and cloud-based – processes of a new generation PayTech. We operate BPC's own technology, SmartVista, which is in use in over 100 countries. Our global footprint means that we have access to the best ideas from around the world. Payments tend to be handled differently in, say, South East Asia relative to Europe – and that is a source of opportunity for us.

Another FinTech we recently launched is O-CITY. We apply our SaaS experience using open-loop technology: in doing so, we remove the need for paper based tickets and queues, and promote a green and efficient city experience. We work alongside ministries of transport, municipalities, private transport operators and banks: what they have in common is that they see the opportunities from applying technology to numerous but small-value payments.

And last but not least, we have taken our vision for building payments for the economy by developing marketplace infrastructure for supply chains or particular sectors such as agriculture. In India, for example, the marketplace that we developed for farmers – who can buy and sell goods and services through it – enrolled over 380,000 members in the first year alone.

Financial IT: Looking back over the last two years, what have been the key drivers of your growth?

Jane Loginova: First of all, I'd stress that we have been operating in a growing market. The Covid-19 pandemic has accelerated the trend towards digital payments which had already been well established.

This, in turn, has meant that a lot of organisations – and not just banks and payments services providers (PSPs) have had to give a lot of thought as to providing their own customers with the best possible experience in relation to digital payments.

A wide variety of challenger banks, FinTechs and start-ups are taking advantage of Open Banking to compete (and sometimes to collaborate) with established financial institutions. Each of these organisations need cutting edge technology – and we are very well placed to provide it to them. Often our SaaS offering represents very good value to these new enterprises.

Financial IT: Can you please give us some specific examples of how your solutions have really had a positive impact for your clients?

Jane Loginova: As you know, the Covid-19 pandemic resulted in a boom in delivery of meals to homes – either by delivery services or by people working directly for restaurants – here in the UK. This produced a problem for the customers: how could they make payment at their front doors and make a tip to the delivery person, while knowing that the tip would actually go to that person?

We worked with a financial institution to develop a QR code-based solution that would enable the customers to pay the tip using their

RADAR PAYMENTS

* Radar Payments is a payments technology company launched by BPC Banking Technologies (BPC). BPC is the architect and developer of the market-leading SmartVista platform, which handles all aspects of ATM management, billing, mobile and contactless payments, settlement, point of sale, card issuing and acquiring, microfinance and electronic payments processing.

Back to the Table of Contents

cards, and in the knowledge that the delivery person would benefit.

We also collaborated with TymeBank – an all-digital retail bank in South Africa. They wanted to grow their business using kiosks that were placed in supermarkets and other locations. The kiosks are unusual in that they enable a new customer of TymeBank to sign up and get a debit card on the spot. The technology that makes the kiosks work is based on BPC's SmartVista platform.

With these new kiosks, TymeBank was able to onboard about 3.5 million clients in less than two years.

Financial IT: What are the main trends that will determine how your company develops over the coming two years or so?

Jane Loginova: Digital payments are widely accepted. What, I think, will happen in the next two years or so is that digital payments will become much more embedded in people's everyday lives. Digital payments will become even more important in shopping – whether online or through traditional premises. They will become even more important in public transportation systems – trains, buses and so on. We are living in a world where non-financial organisations will increasingly want to offer payments solutions (and possibly other financial products) at the point of sale to their customers.

That is why we have developed a broad range of APIs that will enable our clients – whoever they may be – to serve their customers more effectively.

Financial IT: What does the competitive landscape look like from your point of view?

Jane Loginova: For many industries, it is possible to identify an approximate – but fairly steady – number of players, and to explain how some are gaining market share at the expense of others.

Here in the global payments industry, the number of players – offering solutions of some kind – has grown rapidly. However, the playing field – the size of the market by virtually any measure – has expanded enormously.

That said, some of the largest and best known companies are long-established businesses with advantages including scale and access to capital. However, some have been pre-occupied with major merger and acquisition (M&A) deals. Some are, to a certain extent, constrained in what they can do by virtue of the fact that they are listed companies.

At the other extreme, there are a lot of new and nimble companies that have one or two brand new products and who really understand what their clients want.

BPC Banking Technologies is in the middle. We are well established, yet entrepreneurial and "young at heart". We combine the strengths of both of these groups of competitors.

Finally, I'd emphasise that the other players on the field – the componies that are offering payments-related solutions – are not necessarily competitors. Often, there are significant opportunities to collaborate. Success can often be achieved faster through partnering with the right company.

Financial IT: How would you summarise all this in one or two sentences?

Jane Loginova: The examples that I have given you highlight what is a key part of our competitive edge. We are able to provide specific solutions for specific problems – and to do so for a very broad range of clients in the global payments industry.

Adam Vissing,
VP Sales & Business Development,
IXOPAY

SET YOUR BUSINESS APART WITH PAYMENT ORCHESTRATION

How can fintechs and paytechs organically grow and differentiate themselves from the competition?

The fintech and paytech space is evolving fast and incredibly competitive. Every company claims to have something unique and different to offer, but in reality, this is rarely the case, with few exceptions. There is almost always someone out there who is doing something similar, maybe just not as well. So what can businesses do in order to clearly differentiate themselves from the competition? Many companies operating in the payments space, such as Payment Service Providers (PSPs), Independent Sales Organizations (ISOs), Payment Facilitators (PayFacs), and so on are able to provide their clients – merchants – with additional services, offering them a holistic payment experience. By white-labeling a payment orchestration platform such as IXOPAY, they can not only expand their offering but also save time and money on development, freeing up important resources to focus on their clients.

What does white-labeling mean? White label is a term that is used to describe the business practice of taking a product and then selling it under your own branding. In the world of online payments, this works in the same way. For example, IXOPAY provides and maintains a payment management system with a scalable technical infrastructure,a merchant interface (for merchants onboarded on the platform) and admin views (for the platform administrators), allowing you to provide your clients with a holistic payments platform all under your own brand.

About Adam:

Adam has 20-plus years' experience within the software sector, focusing strongly on enterprise SaaS platforms and customer experience. As VP of BD and Sales for the industry's leading payment orchestration platform, IXOPAY, he has insider market knowledge and is able to see opportunities for growth in unexpected places. Adam regularly takes part in webinars and panel discussions, as his technical understanding and business acumen give him a much sought after perspective on the Fintech and Paytech industries.

About IXOPAY:

IXOPAY is a scalable and PCI-certified payment orchestration platform for white label clients and enterprise merchants. The modern, easily extendable architecture enables the orchestration of payments, provides intelligent routing and cascading functions as well as state-of-the-art risk management, automated reconciliation, and settlements along with plugin-based integration of acquirers and PSPs.

IXOPAY

What is payment orchestration?

A payment orchestration layer, or a payment orchestration platform, gives its user complete control over their payment stack. It is a technical layer that consolidates all aspects of payments processing. Meaning, beyond their core service, businesses would be able to offer access to multiple payment methods,use transaction routing with conversion-boosting features, such as cascading and failover processing, consolidate settlements and reconciliation thereof, monitor transactions in real-time to mitigate fraud and avoid false positives, tokenize customer payment data and more, all in one platform.

When a company opts for a white label payment orchestration platform, such as IXOPAY, they are getting all of these features which they can, in turn, offer to their clients. This requires no development time or maintenance costs. It is ready out-of-the-box and just needs to reflect the company branding.

Why should fintech companies white-label a payment orchestration platform?

By providing clients with a holistic service, Fintechs are able to expand their offering, increase customer retention and future proof their services to accompany their clients' growth. Let's take a payment service provider as an example. If a PSP were to white label a payment orchestration platform, they would not only be providing a merchant with payment processing, but with a complete payment experience. They could quickly and easily onboard merchants to the platform and create user accounts. They can then set up individual payment methods for each merchant. And even though they are using a third-party software, it is their company branding that takes center stage. ISOs, as another example, would be able to easily create new revenue streams by supplying their clients with products typically out of the scope of the "classic" ISO portfolio, such as an e-commerce payment gateway, virtual terminal and pay-by-link functionality.

There is an argument that as payment orchestration becomes more prevalent and considered best practice for merchants, companies should, instead of white-labeling a platform, build their own. This is all well and good, as many solutions may not have the flexibility and independence that businesses would like in order to truly have control over their lateral expansion. However, the time, energy, and let's not forget capital that goes into the creation and maintenance of this software can represent a significant investment. Using a truly independent, turnkey solution will give you full control without the headache of developing and maintaining a custom solution.

What to expect from your white-label platform?

As with other types of platforms, there are plenty of white-label payment solutions on the market. So how can you find the right partner for your business? It bears repeating that independence of the supplier should be a key factor in your decision process. Working with an agnostic provider gives you the freedom to build and make connections of your choice. To put it simply, the supplier platform should have no vested interest in the payment service providers or acquirers the client chooses to work with. Meaning, the platform is there to support the client by supplying objective information about the providers, enabling them to make a decision that best suits their business model. But what else do you need to take into consideration?

To build on your hard-won brand loyalty, you want your clients to see your logo and to recognize your corporate identity. You need to ensure the platform can be fully branded and that it provides front-end integrations for any checkout scenario. Any issues the end users face will negatively impact your brand, so keep the user experience consistent. With that in mind, make sure you provide integrated fraud and risk management, which allows you to define and enforce rules that will help protect your and your clients' revenue streams. If you choose to use a white label payments platform, you will need a complete overview of all client transactions, where and when they were processed, whether the settlements match, and clear reports on decline rates, refund rates, processed volumes, chargeback ratios, and so on. The platform that you choose should automatically store and fetch this information and be capable of generating reports and integrating with business intelligence (BI) applications. The platform should also communicate with various lines of business applications, such as ERP or CRM systems. This is best achieved through flexibly configurable ETL (Extract-Transform-Load) processes.

Things to consider when looking for a white label partner:

The benefits to white-labeling are numerous. It is the easiest way to establish and scale your business while saving time and money on development, giving you an edge over your competitors. Therefore, it bears repeating that if you do choose to expand your business offering with payment orchestration, the platform will represent you; it is important that you feel confident sticking your name on it. Find a product and partner that is reliable and you can trust. Look for a provider with a long white labeling experience and that has the flexibility to grow with you. By working with an independent solution, you will protect your autonomy. IXOPAY is an independent payment orchestration provider that offers businesses operating in the payment sector rock-solid infrastructure that can be white-labeled and used to service their merchants.

Back to the Table of Contents


Create your perfect
payment setup
with IXOPAY
www.ixopay.com

EUROPEAN FINTECH STARTUP QUPPY TO LAUNCH CROSS BORDER TRANSFERS IN US DOLLARS

Quppy states offering account opening and all the range of financial and payment services in USD is their next step towards global adoption connecting different regions and reuniting families, friends, clients and businesses despite world lockdowns

European fintech startup from Estonia Quppy operating since 2017 and working on consolidating traditional and digital financial solutions within one app is significantly expanding its range of services with US dollars integration. On Thursday, August, 12 the Quppy project announced support of US dollar accounts. Thus, Quppy customers can now open an account in USD within the app, perform exchanges between USD and such crypto currencies as Bitcoin, Bitcoin Cash, Litecoin and Ethereum supported by Quppy and such fiat currencies as euros and British pounds. All kinds of top-ups and payments alongside with SWIFT transactions are also available for Quppy customers from now on.

Today, there are just a few neobanking solutions that offer their individual users account opening in US dollars remaining mostly those supported by the SEPA system. Among those who currently do, such unicorns and market reputed giants as Revolut and Wise could be mentioned. Foreign current accounts for US Americans abroad could be opened with Wise and N26. Quppy now offering US dollar account within its superapp marks a new development level not only for the project itself but also for the whole European neobanking ecosystem. The Quppy CEO and co-founder Dmitry Nikiforov shares his global vision:

While US dollar accounts are the direct gateway to the American market that remains demanding and interested in ultimate payment and financial solutions in both B2B and B2C segments marking a fintech development rush, it is also a perfect path towards expansion into Latin America. One of the Quppy key missions is to build consolidating and consolidated financial, payment and solution fitting both developing and developed regions. And another important step towards this mission accomplishment has just been made.

Among the fintech most important trends to follow for 2021 are the Open Banking further development and digital payments massive adoption. At the same time, the open banking payment initiation with APIs reducing payment frictions and optimizing services will be pushing banking, payment and fintech projects to deeper and more effective synergies for a competitive market position. Quppy is developing exactly within those paradigms by combining its tech expertise and disruptive solutions with classical financial service range and a highly social inclusion with future charity and donations support and gift cards primary and secondary markets integration and interaction. The Quppy official announcement states:

Fintech development is inseparable from remote presence and localization in all industrial and economic spheres. Working for a better living of every customer, enabling hyper personalized banking and financial experience, fintech field will continue boosting demand for expertise in software development, especially in Big data. Thus, fintech would create both directly and indirectly higher tech expertise and workplaces which is one of the top priorities in post-pandemic and post-crisis world.

Let's keep an eye on this financial superapp growth as far as on other fintech offerings that tend to make our lives better!

MONEY20/20 EUROPE: SAY BONJOUR TO FRENCH FINTECH

With record fundraising, new unicorns and headlines across Europe, you'd be hard pressed not to be increasingly aware of French fintech, which has been attracting a lot of attention in France and abroad.

The French Tech pavilion, stand D60 at Money20/20 Europe, is sure to be abuzz with activity over the 3 days of the show, and any visit to the "payment and fintech event of the year" wouldn't be complete without seeing what this year's delegation has to offer.

Paris alone is home to over 1,200 fintechs, according to Dealroom data. In 2019, French fintechs raised €700m, which was twice as much as the year before. In 2020 – against all odds amidst the pandemic – this figure rose 18.9% to €828m. 2021 will be no exception to the trend; according to France Fintech, French fintechs raised nearly €1.5bn in the first 6 months of this year, a 228% increase compared to the same period in 2020 across 68 deals.

When broken down, this record funding shows a network of fintech start-ups in France which is both dynamic – with 47% of the 2021 funding being attributed as seed funding for start-ups – and mature – with an increase in the average round (€22m) as well as an increase in the number of deals equal to or surpassing €50m. 15 series B or above deals alone amounted €1.1bn. The French fintech sector now employs over 25,000 people and is home to several unicorns.

Unsurprisingly, the sector is garnering interest both within France and internationally, with an increasing number of investments coming from abroad.

MEET OUR FRENCH DELEGATION

Money2020 (D60)

The French delegation at Money2020 is representative of different subsectors of the fintech world, including mobile payments, digital wallets and carbon accounting, and have each benefited from being part of an impressive network. 12 companies will be united under the French flag at Money 20/20, supported by Business France, the French government international trade department, and Cartes Bancaires (CB), France's leader in card and mobile payment systems. CB will be present on the French Pavilion through LAB by CB, their in-house incubator and accelerator imagining the commerce and payment of tomorrow. LAB by CB develops innovative concepts based on new technologies and new uses. Operating on the principle of design thinking and open innovation, LAB by CB aims to improve customer experiences to seamlessly integrate payments into client journeys. Meet the French Tech delegation:

Anti-Fraud

- ARIADNEXT develops digital identification solutions. By providing fully automated digital solutions based on Artificial Intelligence, ARIADNEXT allows companies to instantly build trusting relationships with their customers. These solutions enable them to meet regulatory and anti-fraud requirements while focusing on the customer experience.

Carbon Accounting

- Greenly simplifies individuals' and companies' carbon footprints by enriching financial data with an impact measurement.

Digital Payments

- **W-HA**, a subsidiary of Orange, will present API-money, the payment solution that powers service platforms via electronic money accounts management. Whatever the business, payment is the most important stage in the customer journey. W-HA's API-money solution is an all-in-one package to help manage payments and collections between users. API-money integrates payment flows into a single platform while ensuring full compliance with new regulations on data protection and payments.
- Antelop develops and markets payment solutions for banks, certified by Visa, Mastercard and CB. Their solutions enable banks to offer a digital-first customer experience, with all the features of the digital card in banking applications, via a single SDK.
- Budget Insight, European leader in open finance in Europe and French leader in banking aggregation, is committed to the transformation and innovation of financial services. Its range of APIs meets the needs of both traditional players and fintechs in terms of financial data aggregation, documentation and payment initiations.
- TradeIn is a collaborative platform for instant credit assessments of companies. Its solution reduces payment delays thanks to the instant evaluation of prospects' and customers' payment behaviour through information pooling from more than 8 million companies.

Mobile Solutions

- Dejamobile provides secure transactional solutions, enabling more secure use of mobile devices for various purposes: payments, gifts, mobility and loyalty. Their two main solutions are aimed at the payment industry, for both on the issuing and acceptance. ReadyToTap™ Payment for Merchants is a 100% software-based solution for contactless payment acceptance, based on PCI-CPoC and Visa and Mastercard specifications (Tap-on-Phone, Tap-to-Phone). This solution enables any Android device to be turned into an acceptance terminal, simply by downloading an app. On the other hand, ReadyToTap™ Payment for Issuers addresses the growing needs of banks and issuers for digital wallet services (Issuer Wallet, OEM Pay, Token Management). With its expertise in software security and large-scale digital payment services, Dejamobile aims to facilitate the adoption of contactless payments for everyone, everywhere.
- Famoco designs solutions to help companies deploy, manage and protect their terminals across payment, public transport and identity verification. Based on a private Android OS, Famoco ensures the protection of corporate data.
- YouTransactor is a world leader in mobile payment terminals and services, with more than 3 million POS deployed worldwide. Founded in 2009 by payment industry experts, YouTransactor designs innovative and competitive POS solutions for leading Fintechs and acquirers in Europe and Latin America.

Robotics

- **PONANT Technologies**, design office, will present eTASQ Motion at Money20/20, the world's first intelligent and non-intrusive robot dedicated to the testing of electronic equipment, combining touch, sound, and sight to functionally test products. The modular robot was designed to be programmed and used by operators with no advanced computer knowledge. Thanks to 4 specific modules dedicated to the world of payment, any product functional test can be automated, from the payment terminal to the certification of payment software.

Voice Commerce

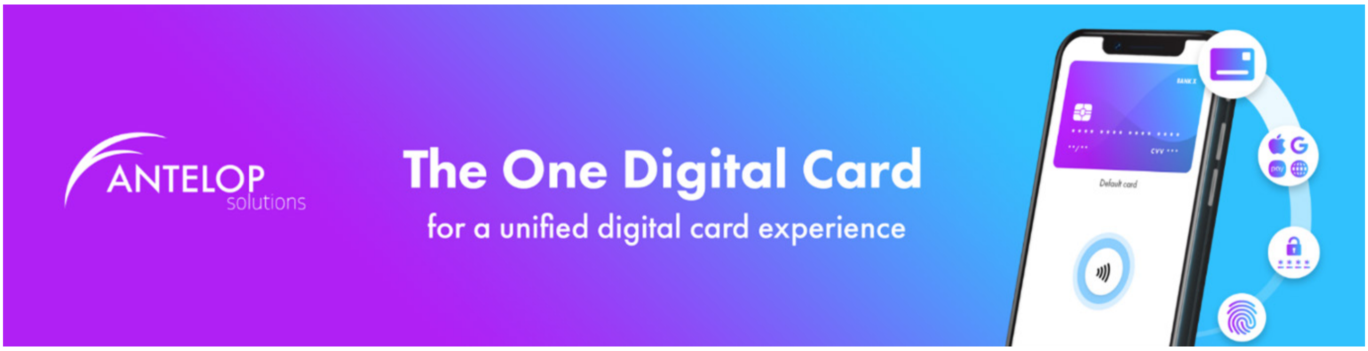
- Voxpay is an omnichannel payment solution for voice, SMS, chat and email that is confidential, secure and PCI-DSS level 1 certified. Within one single channel, Voxpay enables a CB transaction to be cashed during a telephone conversation without revealing the cardholder's bank details to the caller. Whether for call centres, collection agencies, e-commerce companies, accounting departments or simply private individuals, Voxpay's solutions simplifies collection and billing processes.

All that's left to do now is to meet the French Tech delegation in person! They'll be ready and waiting on stand D60.

BUSINESSFRANCE

Want more information? Email Penelope.atkinson@businessfrance.fr
Penny Atkinson works in the press & communications office at Business France UK & Ireland, helping French companies with their communications, and helping British & Irish professionals establish themselves in France.

THE ONE DIGITAL CARD, A UNIFIED DIGITAL PAYMENT EXPERIENCE, BY ANTELOP



Digital cards are the new normal

Today's consumers are used to digital and mobile experiences in their everyday lives. They are constantly asking for convenient and seamless digital services for grocery shopping, online check-in for flights, booking appointments, virtually trying-on clothes... and also for their everyday payments.

In this digital-first world, digital cards are fast becoming just as essential as plastic cards.

"Customers do expect digital-first experiences. To meet their needs, banks now need to offer their customers instant and mobile-first banking experiences. This is the new normal and now a market standard." says Antelop's CEO Nicolas Bruley.

This change is driven even further by an emerging number of fintechs and the increasing importance of payment transactions with a digital wallet, such as Apple Pay, Google Pay, amongst others.

"Since the pandemic began, contactless digital payments are gaining in popularity among customers. Customers want digital banking processes across the board, and therefore contactless. To facilitate the demand, banking organisations are now making digitalisation a fundamental aspect of their roadmap." says Nicolas Bruley.

"Digital cards address this change in consumer behaviour and enable instant card issuing on their mobile devices. This leaves the physical card as an option: digital cards can exist as a standalone offering or as a complement to an existing physical card."

The digital card allows banks to offer a wide range of different services. What's more, issuing fully digital cards allows banks to reduce costs and their carbon footprint, as plastic is no longer needed.

With a wealth of integrations and tokenization systems, banks and card issuers need a reduced complexity

Implementing digital cards and related functionalities can be complicated. Issuers often struggle with backend integrations due to the use of several card systems, which result in high complexity, less agility and long timelines for implementation.

Additionally, digital cards need a close integration with mobile banking applications. Today, it's banking applications that bring the most value to customers. Customers have an expectation that all banking and financial activity is accessible via one application: card enrolment, payments, balance checks, card management, authentication, etc.

To offer digital cards that have a real value for their clients, banks need a unified service directly integrated into their mobile applications.

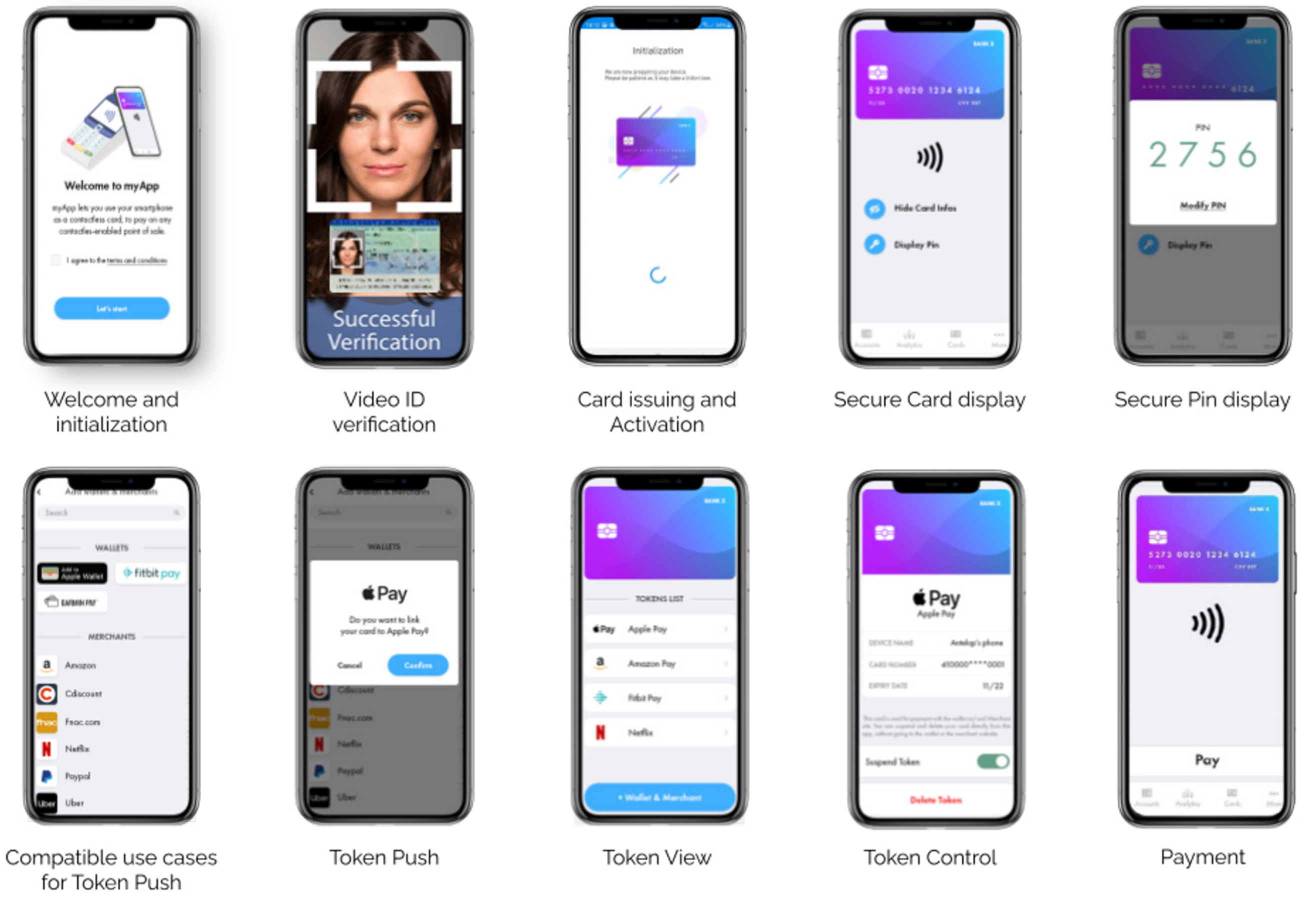
The One Digital Card, for a unified digital-first experience

The Paris-based start-up, Antelop reinvents digital cards and mobile issuance with a unified solution for banks and card issuing processors. They help banks tackle changing payment behaviours.

Banks and card issuing processors can now use a single software development kit to add the latest digital card features to their mobile banking app, making it possible for every bank to provide its clients with an instant, mobile-first experience quickly and easily, meeting the needs of today's increasingly digital world.

Antelop's One Digital Card solution enables banks and issuers to provide their customers with a unique digital-first experience.

Back to the Table of Contents



Their One Digital Card SDK lets banks replace complex integrations with a single unified and simplified digital card integration that delivers a full range of digital card features through a mobile-only integration — with little or no backend development required.

Antelop's One Digital Card SDK also supports Apple Pay Push

Banks that want to offer Apple Pay to their clients must implement the mandatory in-app Apple Push Provisioning of the card, directly from their banking app.

This requires a certification by Apple which is complicated to implement and expensive for banks. To integrate Apple Pay Push, a deep Visa / Mastercard tokenization expertise is required. This includes complex encryption and key management. In general, card issuing processors do not offer a simplified implementation for Apple Pay Push.

Apple Push Provisioning with Antelop's SDK offers a convenient way to push digital cards into wallets. It enables mobile banking users to securely push their cards directly into Apple Pay wallet without step-up authentication for Visa and Mastercard.

The solution guarantees a seamless customer journey within the banking app that allows users to push their cards to digital wallets such as Apple Pay, Samsung Pay, Garmin Pay, ... but also to e-merchants (for example, Amazon and Netflix). Customers can make payments at online merchants or NFC payments at POS, and also manage their tokens and track their transaction history.

Thanks to our unified PCI-DSS service (Apple Pay certified), the project and integration are simplified. **Antelop's Apple Pay Push offers a holistic customer experience for a perfectly simplified payment journey.**

Antelop at Money 20/20 Europe

Antelop will be part of the French Tech delegation at Money 20/20 Europe on stand D60 from 21st to 23rd of September.

About Antelop

Founded in 2014, Antelop is the Digital Card Partner of banks, certified Visa, Mastercard and CB, answering their Digitisation challenges. We digitise cards and secure banking apps.

Antelop enables banks with all Digital Cards features into their mobile applications through one single SDK (Card/PIN display, push to XPays, Token management, NFC payments, Strong Authentication...). No more complex back-end integrations, go mobile first!

Supported by large international partners, our solutions are live with 40 banks in 25+ countries with proven track-record. Write to us at contact@antelop.fr to get in touch and follow us on LinkedIn!

CB, YOUR LEADING PARTNER FOR PAYMENTS IN FRANCE

CB is the most widely used card and mobile payment scheme in France today, where 60% of domestic household transactions are paid for with a CB card.

Created in 1984, CB has stayed on the cutting edge of innovation ever since – whether it be introducing the first standard for smart payment cards in 1986, to launching the 4-figure pin in 1990 and distributing their first contactless cards in 2012. The innovations continue today both internally and through their support for fintechs, retail techs and other service providers.

Being a non-profit gives CB an important neutrality – as long as financial transactions are involved, CB is a trusted partner to offer support, recommend new functionalities and innovations and assist their implementation. For example, CB has recently helped its partners to integrate Buy now, Pay later schemes, using its expert knowledge to assist in the technical set up which allows more innovations. Not just a partner for French companies, CB works with international actors and is a strategic partner for any company looking to expand in France and the French market.

Back to the Table of Contents

LAB by CB: Supporters of innovation

CB is at the forefront of payment technologies, and in 2017 went a step further in its support for innovation with the creation of LAB by CB, an incubator and accelerator which has the key objective to develop smoother customer experiences and anticipate changes in consumption.

LAB by CB fosters collective cooperation and development between stakeholders, including banks, retailers, start-ups, schools, manufacturers, research institutes and more, to anticipate the future of retail, and how payments will evolve to be incorporated in this future.

User-friendly payments are more valuable and more secure; innovations and technologies resulting from the work done from LAB by CB are capitalised on to constantly improve UX. The LAB by CB methodology is designed to encourage innovation and out-of-the box methods. UX-centric design thinking – a solution-based approach to solving problems which puts user needs first – is the first step – followed by a proactive approach for open innovation across various partners, be it vendors, manufacturers, start-ups, banks, schools, scientists, or researchers. The final stage is co-conception of a proof of concept and the creation of a prototype which will be tested and improved upon based on the learnings.

LAB by CB benefits from CB's expertise and support to identify new concepts and test them, to propose new solutions and identify user needs and to accelerate the market integration of innovations required by customers and merchants.

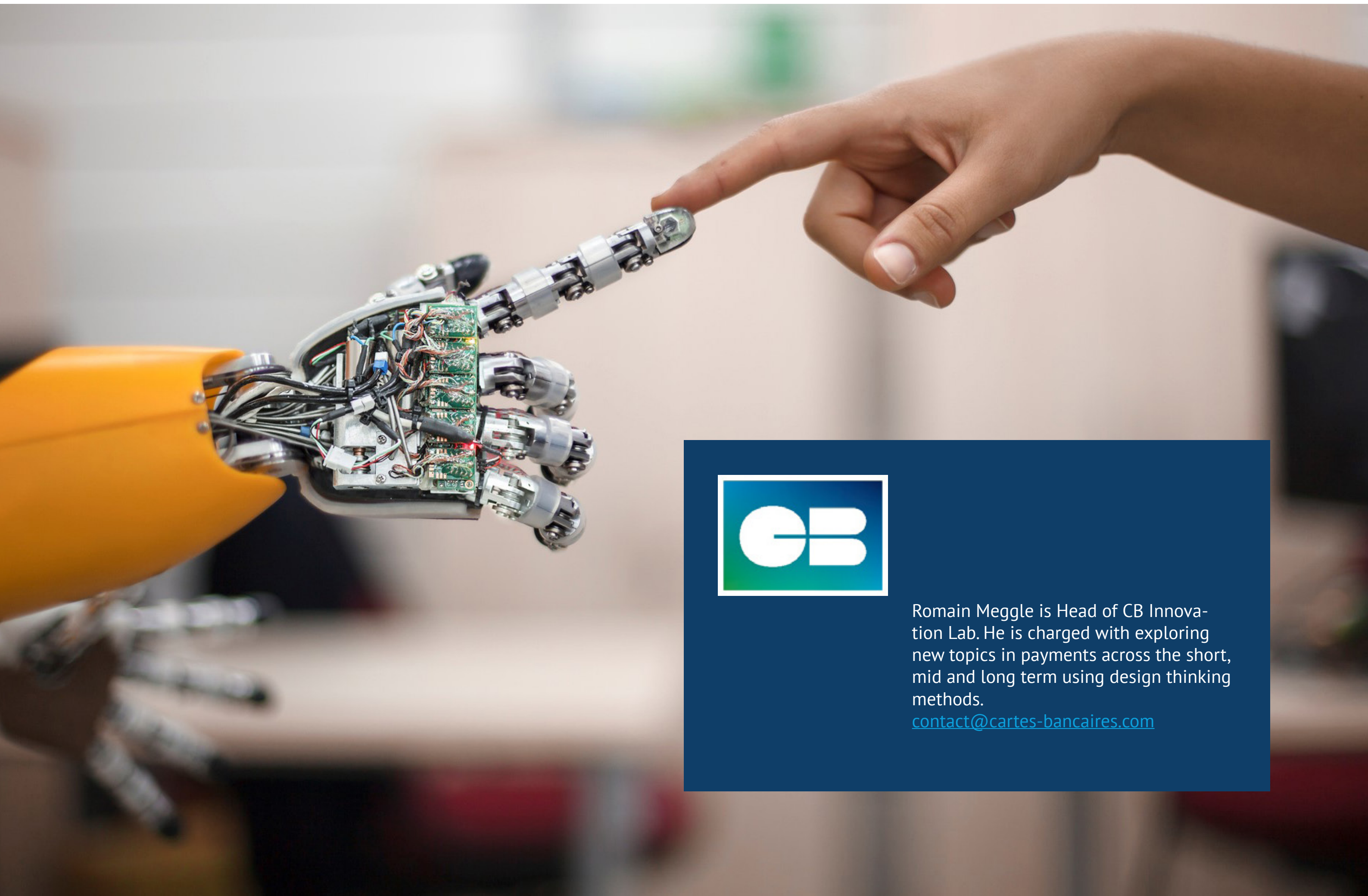
The LAB by CB team is constantly on the lookout for technological trends, working closely with their partners to fulfil their objective to integrate payments seamlessly into smooth and secure customer journeys.

CB: a leader...

CB is very active in the French network of fintechs and start-ups. CB, a leader in its field, lends its expertise and support to young companies, and is key to the development of the French fintech scene in France. CB is a regular supporting presence for French fintechs at international trade shows, such as at Money2020 in Amsterdam where CB has partnered with Business France, the French government international trade department, to encourage the development of French fintechs worldwide (stand D60).

...and a close partner

With innumerable success stories to date, and countless innovations, CB is always on the lookout for the next innovation that will improve the everyday lives of customers and merchants by improving payment processes. CB organises innovation awards – widely recognised to be an indicator of relevance and success – its "Voice Commerce" challenge was won in 2019 by Voxpay, an omnichannel payment solution for voice, SMS, chat and email that is confidential, secure and PCI-DSS level 1 certified, facilitating payments across call centres, collection agencies, e-commerce, tourism and more. Along with LAB by CB and others fintechs, they demonstrated the speed and ease of incorporating the incorporation in a full innovative voice commerce user experience, Voxpay is one example of a CB-backed solution to simplify collection and billing processes.



Romain Meggle is Head of CB Innovation Lab. He is charged with exploring new topics in payments across the short, mid and long term using design thinking methods.
contact@cartes-bancaires.com

Houssem Assadi,
CEO and co-founder of Dejamobile

DIGITISING CONTACTLESS PAYMENT ACCEPTANCE: A KEY INGREDIENT FOR RENEWING THE IN-STORE SHOPPING EXPERIENCE

SoftPos (Software POS) technology has been gaining momentum since 2020 and is subject of numerous initiatives and pilots around the world. This technology is supported by the card industry via the PCI organisation – which has published a dedicated specification – and by the major payment networks such as Visa and Mastercard.

From the outset, this new technology was full of promise. It would now be possible to turn any NFC-enabled Android smartphone into a contactless payment acceptance terminal. This technological advance was a great opportunity to equip the tens of millions of micro and small merchants around the world who currently lack easy-to-use and affordable electronic payment acceptance solutions. As early as April 2020, Mastercard was highlighting the challenge of equipping small merchants with this new technology.

Dejamobile's role

Dejamobile is working closely with customers who were early adopters of its ReadyToTap™ Payment for Merchants solution, certified by Visa and Mastercard, to conduct pilots. In particular, the pilot with Crédit Agricole aims to test the solution with independent merchants, in a BYOD ("Bring Your Own Device") approach: the merchant can download the "Encaiss'Phone" application on their own compatible Android smartphone and start accepting contactless payments immediately.

However, we believe that SoftPos technology is not limited to the small merchant segment and the BYOD use case.

This technology brings new properties, namely ubiquity and extreme flexibility, to the contactless payment acceptance feature. Before the emergence of this technology, the acceptance of contactless payments was limited by the need to use a dedicated device – the POS terminal – which had to be physically integrated within a cash register environment. Now, with the SoftPos technology, contactless payment acceptance can be deployed without hardware constraints. Wherever the merchant is within physical shops, whether at a traditional checkout, on the professional tablet in the hands of roaming sales staff or at "Self Checkout" kiosks, to name just a few possibilities.

This new technology opens up possibilities fornew in-store use cases, in line with the recent trends observed in the retail sector:

- **The emergence of new formats and new channels:**
  - Smaller proximity shops (vs. the "Hypermarket" format) and new formats for larger shops, with a trend towards the creation of autonomous universes (departments) within large supermarkets with their own separate shopping and checkout experiences.
  - The development of Drive and Click&Collect practices more generally.
- **The emergence of "connected shops" and automated check-out kiosks** to make the checkout process smoother and faster. According to a study conducted by 451 Research for Adyen, "7 out of 10 consumers have chosen to leave a shop and abandon their purchases to avoid waiting in line, which equates to $370 billion in lost revenue annually".
- Certain types of retailers (luxury goods, consumer electronics, etc.) are focusing their **value proposition on the support provided by an adviser/salesperson in store** in order to help consumers make their choices; the final objective being to maximise the conversion rate.

There is a common factor in these developments and use cases, namely the implementation of a seamless and always secure payment experience for consumers and merchants.

According to the 451 Research study for Adyen quoted above, "In the last six months, one in two consumers have not been able to use their preferred payment method in-store, forcing them to abandon their purchase". This illustrates the importance of introducing consumers' preferred payment methods, and contactless is now one of them, into all physical stores and all shopping journeys within these stores.

In this context, the digitisation of contactless payment acceptance, thanks to the "SoftPos" technology, is an appropriate response. In its pure software form, contactless payment acceptance can be deployed on multiple types of devices as varied as a smartphone, a tablet, a professional handheld terminal or a self-checkout kiosk.

For a more in-depth look at these different topics, Dejamobile published a white paper in December 2020 on this topic.

dejamobile

Back to the Table of Contents

Paris FinTech Forum
by Altéir
Communities
FALL EDITION
OCTOBER 12TH & OCTOBER 13TH
40 FINTECH PITCHES
10 PANELS & INTERVIEWS
INTERACTIVE ROUNDTABLES
IN PERSON SIDE EVENTS
VIRTUAL EXHIBITION HALL
STARTUP VILLAGE
1 TO 1 NETWORKING
SPEED MEETING
...
UNITED STATES
Ann Cairns
Executive Vice Chairman
Mastercard
ISRAEL
Arik Shtilman
CEO
Rapyd
FRANCE
Marguerite Bérard
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Rodolphe Ardant
CEO
Spendesk
UNITED STATES
Keren Levy
COO
Payoneer
UNITED STATES
Michael Reitblat
CEO
Forter
GERMANY
Tim Sievers
CEO
Deposit Solutions
DENMARK
K. Villum Klausen
CEO
Lunar
FRANCE
P.A. Vacheron
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Natixis Payments
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Azimo
SWEDEN
Henrik Rosvall
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Dreams
SINGAPORE
Peter De Caluwe
CEO
Thunes
FRANCE
Alice Holzman
CEO
Ma French Bank
FRANCE
Ambre Soubiran
CEO
Kaiko
GERMANY
Ramin Niroumand
CEO
Finleap
FRANCE
Arnaud Caudoux
Deputy CEO
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Paolo Zaccardi
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Fabrick
A COLLECTION OF HYBRID EVENTS ALL ACROSS 2021
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SUMMER PROMOTION -20%
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BNP PARIBAS
Caisse des Dépôts GROUPE
FINASTRA
SOCIETE GENERALE
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HOW HYBRID WORKING HAS INCREASED THE RISK OF DATA BREACHES

TransUnion's managing director of consumer interactive, Kelli Fielding, and senior account director of data breach support services Mark Read, examine new research that highlights the need for UK businesses to be prepared for the growing threat of a data breach

Changes to working practices and in particular employees working remotely or hybrid working as a result of the pandemic have made businesses more worried about the risk of a data breach, according to new research published in TransUnion's new Data Breach Support for Businesses ebook.

More than eight in 10 UK businesses believe hybrid working increases the risk of a data breach, yet over a fifth (22%) remain unprepared if it happens, with speed of response the top concern.

In fact, hybrid working is currently seen as the top data breach threat, identified by almost a quarter (23%) of business leaders. This is because workers are now regularly switching between secure office environments and vulnerable home networks, and handling sensitive information on either public or unsecured private networks. As a result, the risk has increased for both accidental and malicious data breaches.

Kelli Fielding, managing director of consumer interactive at TransUnion in the UK explains: "As more staff work remotely at least part of the time, it makes it difficult to have the same security protections in place across all devices that businesses would have had previously. It also leads to more devices being transported and therefore lost or stolen more regularly, highlighting that the threat of physical breaches is still very much present."

Business leaders expect 43% of their workforce to be hybrid working in the coming year, bringing a far greater potential for devices and data to end up in the wrong hands. Software such as Zoom or Teams which has been increasingly used to facilitate remote working during the pandemic can also bring increased risks by adding more avenues that criminals can target, whilst employees have more passwords to remember, creating a greater risk of human error.

Mark Read, senior account director of data breach support services at TransUnion in the UK adds: "Working from home may also make people more susceptible to phishing attacks, which are the most common type of digital fraud related to COVID-19 globally, according to our own analysis. In fact, phishing attacks are responsible for nearly a quarter of UK data breaches, according to the Information Commissioner's Office.[1]"

The scale of the problem

Since the General Data Protection Regulation (GDPR) was introduced in May 2018, more than 32,000 breaches have been reported to the Information Commissioner's Office (ICO), with fines worth £90m issued to UK businesses[2]. This year alone, more than one in four UK businesses report that they have experienced a data breach.

Last year, data breaches in the UK are reported to have cost the impacted businesses £3.4 million on average[3], with a fifth of businesses that had experienced data breaches losing customers as a direct result.

Minimising the risks

The top priority to help minimise risk is to train and communicate with staff – particularly those that are hybrid or remote working. Given that phishing accounts for a half of COVID-19-related scams[4], according to TransUnion's Consumer Pulse data, being

Kelli Fielding
Managing Director of Consumer Interactive at TransUnion, UK

Mark Read
Senior Account Director of Data Breach Support Services at TransUnion, UK

Back to the Table of Contents

taken in by one of these scams is often the starting point that leads to a data breach or to a company being ransomed for their data.

Almost all UK businesses saw an attempted phishing incident in the past 12 months, according to TransUnion's new research, with almost three quarters receiving more phishing attempts than they did in the previous year.

Businesses should provide approved technology, which is up-to-date with the latest patches and updates, and encourage employees to be extra vigilant about opening links and attachments in emails – training them how to spot a phishing attempt.

Dealing with a data breach

Speed and clarity of response are crucial elements in retaining customers and building trust after a breach. Businesses need to have an in-depth plan in place to communicate with customers and offer them solutions that help keep them protected and give them peace of mind

"Businesses that suffered a breach highlight costs such as the expense of investigating the incident (37%) and compensating customers (28%) as the most common problems following a breach. But the long-term loss of consumer trust can be just as challenging," said TransUnion's Kelli Fielding.

"Three in 10 businesses say a data breach damaged their reputation, while 19% said that they lost customers as a direct consequence. By offering the right tools in the wake of an incident, businesses can give their customers the ability to detect signs of identity theft, minimising the chance of financial loss and protecting those whose data has been compromised."

Protecting consumers and retaining trust

To protect consumers and help minimise the chance of financial loss, TransUnion's TrueIdentity solution provides credit information alerts and dark web monitoring services to customers that have been affected, to enable them to spot potentially fraudulent activity and safeguard their identity in the event of a breach.

This helps protect them against identity theft as they can quickly spot any potentially fraudulent activity and take prompt action – providing confidence to consumers that may have been impacted and helping businesses to retain trust.

Be prepared

TransUnion's research found that over a fifth of businesses say they either feel unprepared or uncertain that they could respond effectively to a data breach. However, in light of the increased risks, businesses should operate in a way that assumes a data breach is likely to happen at some point. This means it is crucial to have a robust incident response plan in place, as it could be a matter of when and not if a data breach occurs.

TransUnion's Mark Read explains: "Being able to respond quickly enough was the main concern reported by unprepared businesses in our research. When dealing with a data breach, speed of response is crucial. If you plan ahead and are ready to act, it can significantly reduce the harm caused."

In some cases, businesses will have a duty to notify the regulator in the first 72 hours, and to notify affected consumers without undue delay. Businesses need a regularly updated and tested plan in place, including measures to protect customer identities and finances.

To minimise the risk that comes with a data breach and ensure you have the right contingency plans in place, download TransUnion's new Data Breach Support for Businesses ebook for free from TransUnion's website.

Unless otherwise stated, all figures are from TransUnion's survey of 500 UK businesses between 23 July and 2 August 2021. The study spanned a wide range of sectors and ranged from small businesses of less than 50 employees to large organisations.

1 Based on a Freedom of Information request issued to the ICO in April 2021, with data requested on the nature of data breaches since May 2018
2 Based on a Freedom of Information request issued to the ICO in April 2021, as above
3 2021 data from IBM's "Cost of a Data Breach" report, p14. Original figure converted from USD ($4.67m)
4 TransUnion's Consumer Pulse study, based on research conducted among 1,090 adults between 10 – 16 August 2021

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FINANCIAL CRIME RISK – EMPOWERING ANALYST TEAMS TO MAKE FASTER AND BETTER RISK DECISIONS

Richard Tsai,
Director of Product Marketing for the Case Management and Platform business, NICE Actimize

Knowledge is power. Having a single view of risk is critical when investigating potential financial crimes. Providing financial crime analysts with immediate access to customer information, their account history, and relationships helps analysts make better and informed decisions - preventing terrorist financing, human trafficking, short-circuit fraud attempts, and money laundering. However, many institutions risk having a "failure of intelligence" by lacking the ability to connect the dots as the industry accelerates digital transformation with new offerings alongside its current products.

Standardizing on an enterprise case management system is the key to a single view of financial crime risk. This centralized view provides greater transparency and drives operational excellence by empowering analysts with the tools to cut through the noise. Investigation processes today suffer from manually intensive tasks. For example, in AML, transaction monitoring investigations may lead to evaluating entity relationships and transactional activity, filing SARs, and potentially corroborating with law enforcement. In fraud prevention, analysts similarly need to consider suspicious transactions and related activities, manage the loss and recovery process, and potentially file a SAR.

Finally, in trade and communications surveillance, analysts must mine through many data sources that include the actual trades and the potentially related communication surrounding those trades; analysts need to cut through the noise and determine if there is market manipulation and ultimately file STORs. These examples highlight a few process workflows that require professional knowledge, experience and include laborious tasks.

Empower Analysts with Visualization

Good visualization simplifies large and complex data sets. Research at 3M Corporation concluded that we process visuals 60,000 times faster than text, that the human brain deciphers image elements simultaneously. Consolidating all the information in one place transforms transaction-based investigations into entity-level investigations that look across accounts and products.

Investigations build the story around "who, what, when, where, why, and how." Graph visualization (network visualization or link analysis) organizes different entities around the main actors and their activities, enabling them to identify trends, outliers, and behavioral patterns intuitively. In financial crimes, whether it's fraud, money laundering, or market abuse, investigations need to determine whether there is a more extensive criminal network or nefarious activity at play. For example, in fraud incidents, it is helpful to plot activities and transactions together on a timeline across different banking channels (e.g., mobile, web, ATM) and account types (e.g., checking, savings, card) to understand the breadth and depth of an attack. It is also helpful to overlay the same information across different persons or corporate entities. For market abuse cases, graphically representing both trades and communications (e.g., email, instant messages, conversations) helps determine whether misconduct has occurred and helps identify the relevant evidence.

Empower Analysts with an Organized Workspace

Analysts typically work with multiple windows and applications, navigating back and forth to analyze information, perform lookups or

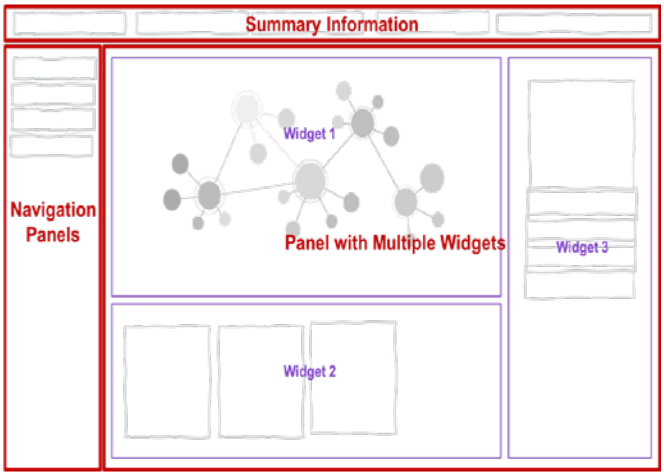
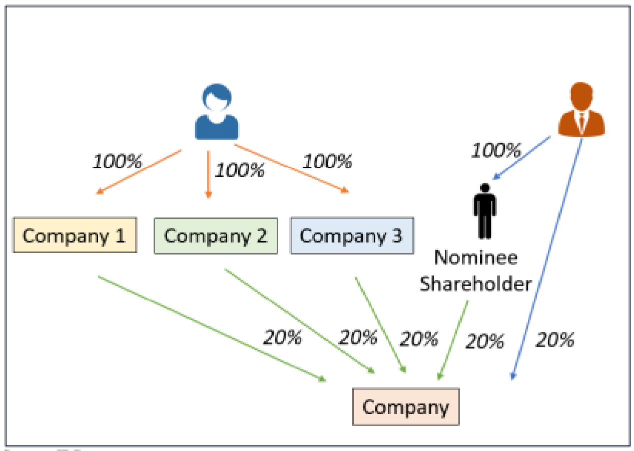


Figure 1 - Example of a customizable workspace



Source: IDB.

Figure 2 – Beneficial ownership updates can benefit from process automation

organize key investigation evidence. The screen workspace is akin to the layout of a house—the on-screen real-estate plays an essential role in the efficiency of the investigative experience. But why do we need to customize these screens? Shouldn't case managers already have this in place? Like all houses are built with similarly functional rooms (bedrooms, bathrooms, kitchen), financial institutions offer similar products to their customers. Like a house outfitted with furniture and services by different brands and providers, bank operations comprise various combinations of 3rd-party systems and internally-built ones (e.g., customer information, payment processing, trade execution, relationship management, screening services, etc.).

They're not prefabricated, and neither are process workflows. Enterprise case management systems offer highly customizable visual real estate and integration capabilities because of this reason. In addition, specialized widgets designed for anti-financial crimes help to configure these quickly.

Everyday activities should be easily accessible in a well-designed workspace. Often, an analyst needs to perform lookups and retrieve updated information. It is beneficial to integrate that functionality to reduce inefficiencies where all applications become easily accessible; separate work requests are not necessary; where all information may be viewed on one screen; and actions are appropriately audited for compliance purposes.

Crafting an intuitive user experience by focusing on visualization and a user-friendly workspace will allow analysts to make accurate risk decisions.

Leverage Process Automation to Speed Up Activities

Automation plays a critical role in expediting investigation activities. Let's take a money-laundering example where an analyst follows the money flow across a complex structure of shell companies. An enterprise case manager can automatically combine the information from KYB/KYC systems with the transaction monitoring system. While investigating, the analyst realizes that the beneficial ownership structure may be stale. The analyst immediately refreshes that information with the case manager in an integrated environment, automatically orchestrating the lookups and updates behind the scenes, resulting in an updated relations graph with the current structure and ownership.

The example just described is a form of process automation. While investigating, more information is required to gain insight into the open case related to corporate entities. Typically, an investigator would need to access this information from a different system which means doing some work outside the standard case manager. For example, it could require coordination with another team, a formal request, or information managed in an end-user computing tool. Process automation changes an out-of-band activity into an event that happens during the natural course of the investigation, saving minutes to potentially hours.

Enterprise case management systems help standardize workstreams by routing work to the right people at the right time and enforcing workflows that ensure that proper steps are followed with consistency and reliability that delivers quality results. There is endless automation that these systems can systemize. Use one that provides an open architecture that prioritizes three core areas.

First use existing adapters supported by the vendors. They offer vendor support and ensure compatibility. Vendor partner ecosystems or marketplaces also provide support on connectivity. Next, remember that in-house development teams should use enterprise case management platforms that offer SDKs or APIs to quickly connect your workflow to in-house and external systems. The main advantage of this option allows technology teams to create specific actions unique to the institution's need without limits. Last, Robotics Process Automation (RPA) is a low-code/no-code option to automate manual processes where more robust integration through APIs is unavailable. Examples: some websites, legacy systems without APIs, applications that lack developer support. The main advantage of RPA is that it can be stood up quickly, but it is prone to breaking if there are any changes to the applications or services to which it is connected.

The most important first step to solve the "failure of intelligence" problem is to consolidate all risk information to create a single view of risk for financial crimes. But for analysts to truly succeed, financial institutions must provide the tools to comprehend the surge of additional information. Efficiency gains are the sum of small incremental improvements that add up to significant gains. Improving the user experience with visualization and process automation allows financial crime staffers to be more effective, focusing on the genuinely high-value work, making better risk decisions, and addressing incidents and cases faster.

THE BUSINESS OF THE HYBRID CLOUD

Monica Sasso,
EMEA FSI chief technologist, Red Hat

In recent years, financial services firms have had to make some challenging strategic decisions to remain competitive in their marketplaces.

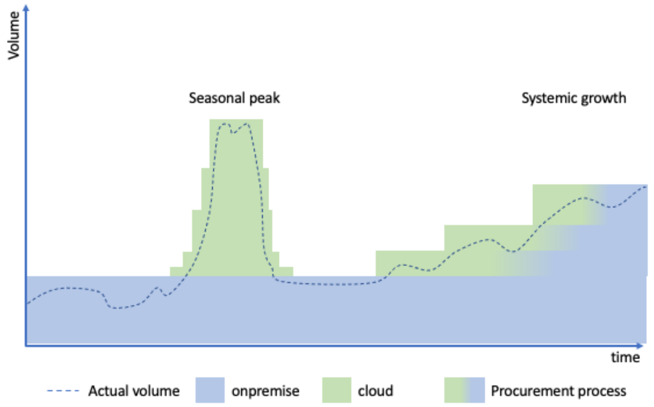
A major pivot point is whether to commit to manufacturing financial products or distributing them, or both. The difference between building innovative new services for customers versus collecting and distributing third party services will inform the technology vision and operating model that a business needs for success. A distributor will want to focus on developing a strong brand, an open platform, and tight customer and partner relationships. Meanwhile, for a manufacturer, product feature innovation and strong application development skills become the pillars of the business.

What does business strategy have to do with the cloud? Today, the two are intrinsically linked. Businesses need to make sure they have scalable and flexible technology foundations to support growth and goals for manufacture or distribution. This leads them to another key decision point: whether to opt for public cloud-first, private-cloud first, multiple public clouds or a hybrid cloud infrastructure that incorporates all the above. As businesses set out to gain deeper understanding of what the cloud can help them achieve, we take a look at some fundamental considerations to help determine the most appropriate cloud strategy.

Sizing up the public cloud

There are several reasons companies choose publicly hosted cloud-based infrastructure. A primary driver is the need for ad-hoc resources or computing on-demand. The public cloud enables near-instant expansion, limited only by the cost of the environment. This provides the ability to cope with peaks and troughs of demand, whether predicted, such as Christmas or tax season, or unexpected, like claims settlement after extreme weather or the surges in online banking during the first wave of Covid-19 lockdowns. For loads that cannot be estimated, it would be costly to provision spare capacity in a data centre, whereas bursting into the public cloud enables more client-centric reactions to changing demand.

The public cloud can also promote controlled, systemic growth of on-premise infrastructure by providing temporary expansion while the procurement process catches up with demand. We have seen some instances where it can take up to six months to



Back to the Table of Contents

provision on-premise compute power owing to procurement and governance processes. Public cloud capacity provides a stopgap and can be relinquished once compute power has been made available on premise.

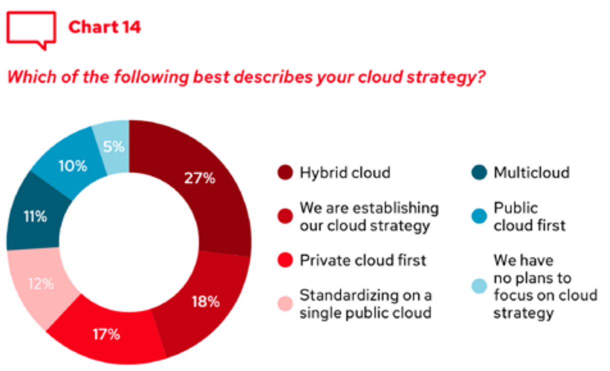
Other benefits of public cloud include the ability to separate areas of concern and reduce some aspects of operational risk. For example, cloud infrastructure can be used to host front-end applications that need to be changed regularly, enabling access to company data through a secured backend integration, while segregating areas where needed for compliance or risk reasons. Similarly, the public cloud provides the ability to pool resources and be efficient with provisioning capacity. This can save resources and time that can add value elsewhere in the organisation.

The cloud may also help reduce costs through pay-as-you-use models. Organizations can grow and shrink infrastructure without needing to build a data centre or decommission servers. CFOs can alter their cost allocations from capex to opex as well as directly distribute cost to projects and service, enabling a direct return on investment (ROI) calculation for a business or product line.

Companies should also be aware of potential drawbacks – using the public cloud can necessitate application rewrites, and in some cases providers require adoption of new proprietary services, which can have a lock-in effect. In some scenarios, like development environments for proof of concepts, it can be difficult to estimate how much cloud resource will be needed and for how long, making it hard to plan and cost effectively.

Hybrid Cloud in Practice

Many firms want to use both public and private clouds. In the 2021 Global Customer Tech Outlook, a Red Hat Report, when IT decision makers were asked to describe their cloud strategy, 27% said they are taking a hybrid cloud approach and 11% said multicloud. A good portion – 18% – are still formulating their cloud strategies. This makes sense, given IT infrastructure plays a critical part in deciding the next phase of business evolution and will impact who joins the company as the next generation of technologists and financial experts. In a separate piece of research, Red Hat's 2021 State of Enterprise Open Source Report, 69% of IT leaders stated they would prefer to use multiple vendors for their cloud infrastructure needs.



(source: 2021 Global Customer Tech Outlook, a Red Hat Report)

Financial services industry players are acutely aware that the desire for flexibility and agility has to be balanced with the need for control, oversight and accountability of computing and data. This is where the hybrid cloud comes in. More than simply having access to both public and private clouds, hybrid cloud refers to the integration and orchestration between any cloud deployment, including multiple public clouds. A hybrid cloud platform based on container technology acts as a common layer across an entire organisation, interoperable with diverse hardware and software, thanks to the use of open APIs, open source and open ecosystem collaboration. Businesses gain greater freedom to choose when and where to run workloads, and they can manage and scale applications and services in a consistent way no matter the underlying environment.

(source: Red Hat's 2021 State of Enterprise Open Source Report)

It's a Journey

If the transition to cloud seems like a long process, that's because it is! Any transformational project needs time, and developing a cloud strategy is a lot more than just choosing whether to use a hyperscaler or have your own data centers. It's about the journey to efficiency, agility and speed of innovation – to competitiveness. It means weighing up different approaches in the context of your business, including what else is going on in the tech stack and wider operation. It involves optimising existing IT, integrating apps, data and systems, adding and managing hybrid cloud infrastructure, and being able to develop cloud-native applications as well as automate and manage the full IT environment. Leaders need to prepare their organisation for constant and iterative change.

Updating culture and the way people work together is often the hardest part of the journey. Moving to the cloud is more than just signing a contract with a hyperscaler and training up your tech teams. Silos need to be busted open to spur collaboration and pan-organisational change. Teams need to embrace agile practices like iterative working and DevOps. This requires a drive from the top: grassroots change in IT can only do so much. Leadership needs to evolve and bring in the whole organisation to understand and support business changes in order to fully capitalise on technology investment and improve speed to market.

The good news is, any organisation does not need to go it alone. Strength will come from building an ecosystem of trusted partners, as well as exploring the skills of existing employees, and leaning on open source communities – where people from around the world contribute towards a shared goal, leading to rapid innovation. With greater collaboration, companies can tap a goldmine of experience and expertise to help on this journey. Finally, it's important to remember that missteps are expected and allowed – indeed, most successful technology transitions occur when an organisation learns constructively from failure – and take time to celebrate successes with your teams, no matter how small.

GIVE YOUR DBAS THE TOOLS TO CLAW BACK TIME AND INNOVATE

The database sits at the heart of the enterprise, storing, securing and constantly updating the data that we all now recognise is critical to our strategic decision making and business governance. Little wonder that the database today is a phenomenon that continues to grow despite it being one of the most mature pillars of IT. Today, according to Gartner, the database sector is worth almost $65bn, up about 17 per cent in 2020 as firms look to non-relational and cloud databases to be the new lenses through which they seek to analyse past and present, and imagine the future.

To manage this hugely valuable commodity, database administrators (DBAs) have proliferated, with each DBA commonly managing dozens of databases. Anyone who has done it will tell you it's a tough job and it has in recent years become increasingly multidimensional. Before the cloud era, a DBA would focus on provisioning, cloning, tuning, maintaining, patching, recovering and upgrading core database systems. Today, with the emergence over the past 20 years of open source databases such as PostgreSQL, MariaDB, MySQL and Mongo and with cloud becoming a default IT platform, DBAs have had to work across multiple platforms. In the cloud era they have also taken on a broader role by getting involved in capacity planning, matching specific workloads to specific databases and more.

But, such is the importance of the job and the centrality of the database to the enterprise, DBAs still often get stuck with the long shifts and the weekend calls because only they know the innards of the database on which the enterprise depends. Could the Database as a Service (DBaaS) movement help?

DBaaS is really about database lifecycle management: helping to automate and simplify the common chores of provisioning, patching, scaling, tuning and maintaining databases to give time back to DBAs. Our experience points to dramatic savings. Using DBaaS will generally drive 60 to 80 per cent admin time savings and RBL Bank saw a 90 per cent decrease in time to provision new databases.

This is all about automation and usability: providing tools that 'auto-magically' turn complex, dull, multi-step processes into a single click.

Think of an iPhone. It's a massively complex device under the hood but Apple was smart enough to mask all that complexity and power behind an intuitive interface where touches could do everything from making a call to editing an image, drawing a picture, viewing a map, resizing a screen item or taking a photograph. The user doesn't have to know about the millions of lines of code, motion sensors, thermometers and gyroscopes behind the screen – it just works. Why can't a DBA have that sort of power? The short answer is that they can.

The consumerisation of IT is once again at play here. Business technology is taking cues from consumer electronics and applying them to what were arcane processes with ugly front-ends. Nobody at home wants to go through long menus or multiple screens to perform a task such as playing a song or Netflix movie but then they don't want to do that in offices either so turning the most common database management tasks into simple checkbox ticks is a no-brainer.

There are other advantages too. Validations conducted by ESG suggest that database performance (based in IOPS, transaction processing and other measures) will see sharp increases. Data recovery takes minutes and data can be restored to any designated point in time. Capital expenditure is reduced, scalability is available on tap and downtime is reduced. Storage capacity is saved because unwanted database copies don't need to be saved. Actions are consistent time after time not gated by the knowledge or preferences of DBAs. Also, because software never gets tired or has a bad day at the office, errors are minimised.

Over recent years datacentre management has been massively simplified though virtualisation and hyper-convergence, sparing datacentre administrators lots of work and saving their employers lots of money. A similar change is overdue in the database world where a single pane of glass can now provide panoramic oversight and control across database estates. The impacts go beyond DBAs: projects that run on time, fewer missed SLAs and happier employees and customers.

Today, the US Bureau of Labor Statistics counts about 132,500 DBAs in that country alone and it anticipates that another 13,000 will be needed over the next 10 years because demand is growing much faster than average. If you want to keep your top DBAs and get them innovating rather than becoming drones, then give them the tools to do the job optimally.

NUTANIX™

Back to the Table of Contents

Andrew Brinded,
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TIBCO

NAVIGATE YOUR WAY TO DATA-DRIVEN SUCCESS

The financial services community has long understood the critical importance of data. Across the globe, banks have been investing vast amounts of money and effort as they look to extract the maximum value from the ever-expanding reserves of information at their fingertips. Indeed, becoming a data-driven organisation remains front of mind and a top strategic goal. Some of the key aims of this endeavour are the ability to provide a hyper-personalised experience, to access trusted data through analytics and business intelligence tools and ultimately lower operational costs, thanks to data-driven optimisation.

Sadly, when it comes to extracting value from data, the results haven't always been exemplary. Despite the colossal sums that have been invested in building platforms to deliver automation and intelligence, the results have often been quite mediocre.

Let's explore the generations of technology that banks have been through on this journey. The first generation was made up of proprietary data warehouses and business intelligence platforms. Those solutions typically cost large sums to build and often resulted in reports being generated that needed advanced qualifications in data science to understand and were primarily "rearview mirror" in nature. With the arrival of the second generation of platforms we were into the era of big data and the data lake. The outcome was a fresh wave of monolithic and complex ecosystems maintained by a central team of hyper-specialised data engineers. Like data warehouses before them, data lakes at best left organisations with isolated pockets of usable analytics. Generation two had again over promised and under delivered, particularly still lacking the ability to blend static and real time data for real insight.

Both approaches clearly had significant drawbacks, not least their multifaceted complexity. Additionally, they were hampered by their reliance on legacy systems and a legacy culture unsuited to handling data at volume, and of course the ultimately flawed notion that centralisation in one huge repository is the ideal way to deal with data.

The third generation of data platforms to emerge represented something of an improvement over the previous two, able to deliver, for example, streaming for real-time data availability. These platforms were also better geared for embracing cloud-based managed services and machine learning. But they suffered from many of the underlying characteristics that led to the failures of previous generations, being still architected on centralised principles.

Fortunately, banks are now embracing an entirely new way of dealing with data. This new approach is neither centralised, monolithic or tied in to inflexible and expensive legacy systems. It involves taking a much more distributed approach called data mesh. A data mesh, or data fabric, is defined as a federated data architecture that treats data as a shared asset. This model lets organisations address today's data challenges in a unified and organic way and does away with the effort and expense of moving data to a centralised location

However, data is not naturally confined to a lake or a warehouse. Data, in its multitude of forms, is all around us, ubiquitous and spread around by its very nature. The idea of a data mesh is that rather than gathering data centrally, you create an architecture that allows people to draw on it wherever it is found. It is also an imperative foundation for any organisation's flexibility - a recent focus on credit operations and operational analytics with the impact of COVID-19 for example, has shown which organisations truly have the ability to bring enterprise class analytics and reporting to bear.

Data mesh is a model that acknowledges the ever-evolving way that today's data is both generated and used. The reality of the modern business landscape is a greater proliferation of data sources and a greater diversity of data use cases and users - coupled, in the majority of cases, with a short lifetime of actionable value. It is also about a much faster speed of response to change. It's about adaptability, flexibility and agility - with controls and governance. Distributed data enables the right people to access the data they want when they want it, without having to go through a filter of complex IT cycles. Data these days is a product, and its user a consumer. Mesh respects that.

The benefits associated with a data mesh are vast and include:

- The ability to support multiple, diverse users and use cases with shared data assets, while offering optimised data management and integration.
- It is possible to massively speed up the time it takes you to get value from data by unlocking its power wherever it lives, be that on-premise, in the cloud, or a hybrid of the two. Data is available to you at the pace of your business and not at the best pace the technology allows - particularly with reference to mainframe data access.
- Data mesh empowers employees by giving them timely, consistent and trusted information when they want it. This so-called democratisation of data is all about arming people at the coalface with the ability to make faster and more accurate business decisions.
- With data mesh, your organisation can embrace new ideas faster. You can enjoy advances in analytics technology and data science ahead of the competition.
- The streamlining of data management and integration processes will create efficiencies and save money, plus allow you to embed AI, ML and customer self-service into your processes. You get happier and better served customers and more efficient internal operations.
- You can enjoy better data governance and control so you can deliver the right data at the right time, securely, and in compliance with an ever-changing regulatory landscape.
- Data mesh works well with moves to transform your organisation digitally, is a great fit with multi-cloud migration strategies and helps you to get full benefits from other innovations like digital twinning and digital resilience.

Data mesh is already working for banks in the real world. TIBCO recently worked with a major Asian bank, KBANK, which was looking for a faster way to provide data for the enablement of mobile banking apps. Traditional data warehousing approaches had proved unable to deal with either the volume or the complexity of the data it was handling. With our Any Data Hub Platform the bank could achieve its aims and enable digital lifestyle banking. Customers are now better able to perform all banking activities on a mobile device, based on the use of a single platform for hybrid cloud data access. The result was the stability it needed for higher performance apps, better maintenance and support, and flexibility, all without the time and effort of physically moving data into a single source. This is achievable with data services published in a variety of channels within days as opposed to months, and delivered in a standardised format - or as another client puts it "Leave the data where it is and API everything."

Without a doubt, mesh sets us on a path to a future where data is simpler to understand and consume. And by democratising data at scale to deliver all important business insights, financial institutions are taking one step closer to the benefits of fully automated intelligent decision making.

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