



How Fintech has changed the Financial Services Industry

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“Coming together is the beginning.

Keeping together is progress.

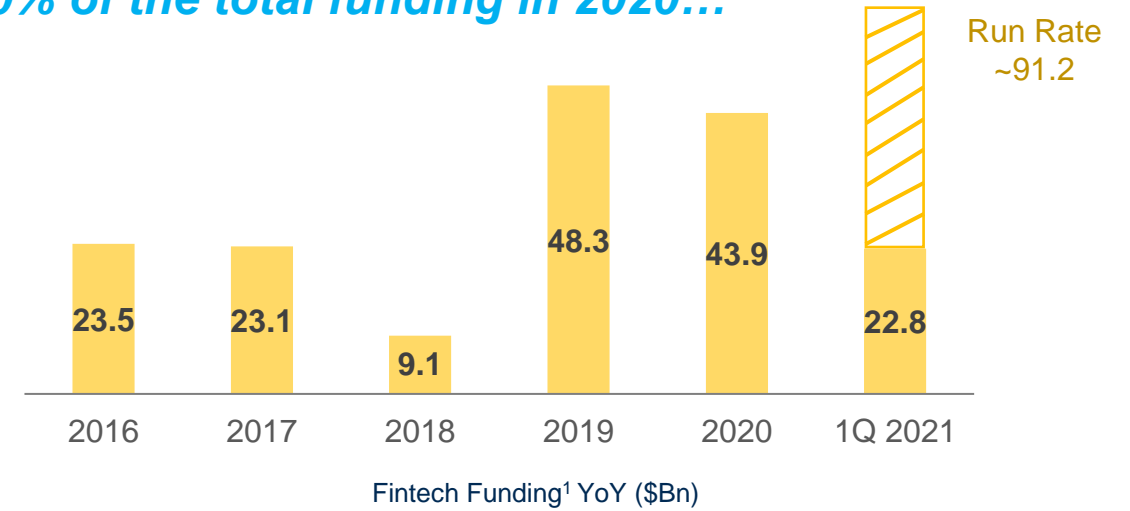
Working together is success.”

— Henry Ford

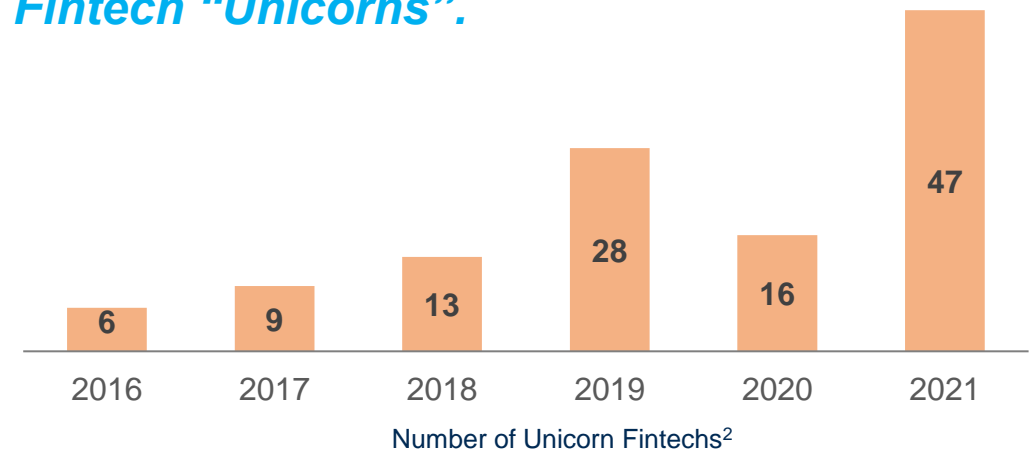
The increasing adoption of Fintech services...



...has resulted in VC funding in Q1 2021 exceeding 50% of the total funding in 2020...



...and a disproportionately high number of Fintech “Unicorns”.



¹ CB Insights “State of Fintech Q1 2021” April 2021

² CB Insights “The Complete List of Unicorn Companies” May 2021

Growing Number of Bank Partnerships

As investment and funding into Fintechs has skyrocketed, Bank and Fintech partnerships have also continued to accelerate...

Citi partners global processing, PPRO to support new payments offering

October 2019

JPMorgan Chase Closes InstaMed Acquisition

July 2019

Citi Partners With Mastercard For Google Pay Plex Accounts

November 2020

Wells Fargo partners with Bill.com to automate bookkeeping for clients

December 2020

Citi Partners with Fintech HighRadius to Launch Citi® Smart Match

July 2018

Barclays adds itemized digital receipts to its banking app in partnership with Fintech Flux

February 2021

US Bank, Plaid Partner On Open Banking Portal

May 2021

Visa Partners With Fintech Startup Tala To Drive Crypto Adoption In Emerging Markets

May 2021

BNY Mellon adds four new Fintech partnerships

November 2019

Objectives of Partnerships

...indicating that partnerships have proven to be mutually beneficial.



Reach a Larger Customer Base

Create a combined offering that will not only attract, but provide comfort to businesses and consumers of all sizes



Create Synergies & Competitive Differentiation

Deploy the strengths of both organizations to create a unique value proposition that results in new business models, revenue opportunities, and deepens customer engagement



Accelerate Speed to Market

Develop product and services that accelerates time to market and capitalizes on existing expertise



Enhance the Overall User experience

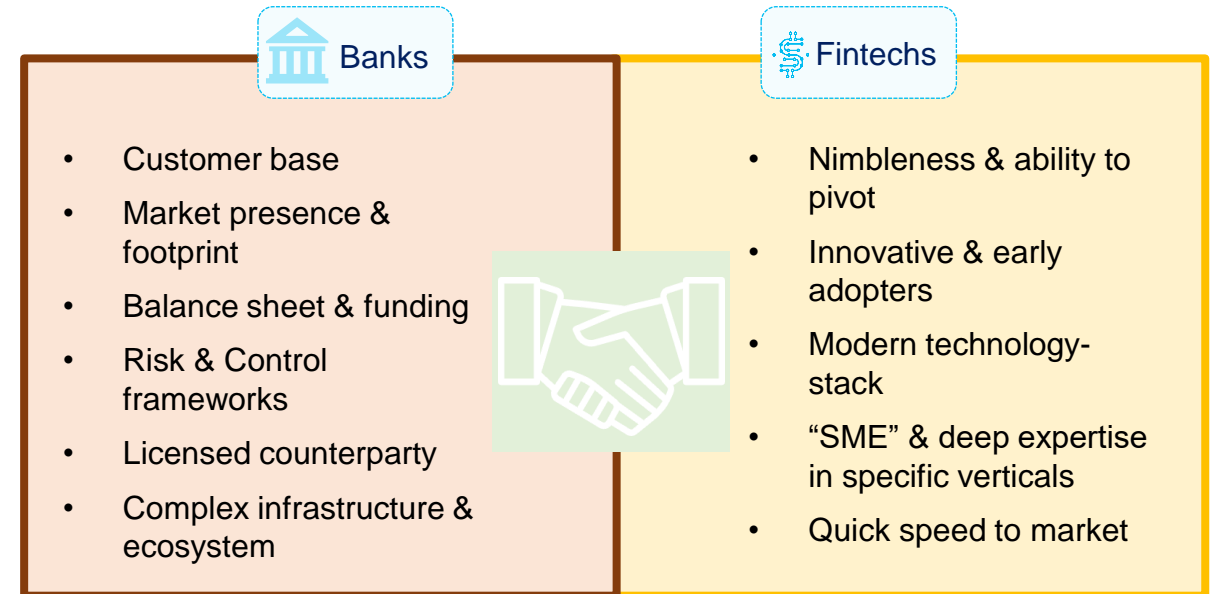
Leverage Fintech nimbleness and agility while introducing confidence of bank regulation and compliance to develop a superior user experience



Improve Product & Operational Efficiencies

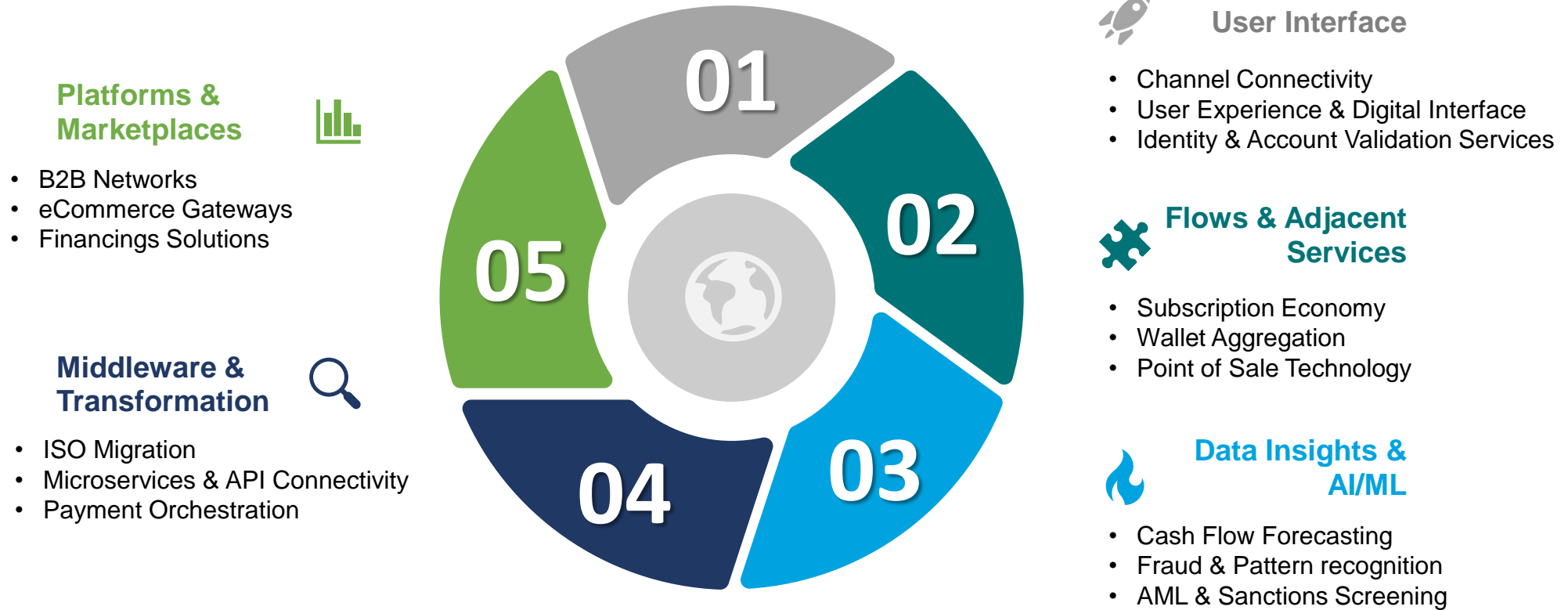
Enhance existing products and services to introduce automation, digitization, and efficiencies that improve the existing operational processes

Attributes of a Partnership



Types of Partnerships in the Market

Partnerships have been observed across a variety of thematic areas.....



..but show a growing emphasis on creating exception digital experiences.

Critical Success Factors of Partnerships

Ultimately, partnership success in the long-run will be determined by several factors...

Key Contributors of Success



Cultural Fitment

Clear Intent & Understanding

Defined Business Use Case & Partner Expertise

Collaborative

Strong Commitment



Limited Institutional Experience

Resource Constraint

Misaligned Incentives

Band-aid for Poor Processes

Lack of Senior Management Support

..but must be driven by mutual interest and a strong intent to co-create.



Thank You.

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