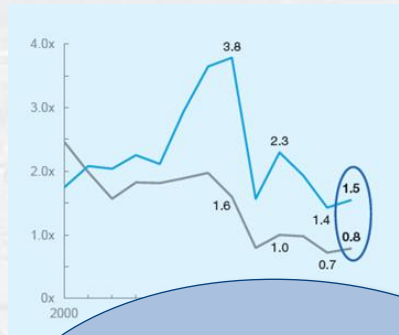


MODERNIZING CORE SYSTEMS TO KEEP PACE WITH FINTECH REVOLUTION

DESPERATE CONTEST





UNFAVOURABLE
MACRO
ENVIRONMENT

MORE STRICT
REGULATIONS

DISRUPTIVE
TECHNOLOGIES

FINTECH companies

Lending

- OnDeck, LendingClub, Kabbage, PROSPER, gofundme, wonga, Orchard, affirm, borro, earnest

Personal Finance

- Credit Karma, playmoney, minter, onfire, BILL GUARD, CoverHound, HelloWallet, smartasset

Payments

- Square, stripe, PayPal, Paydiant, huzenetwork, protean, WEPAY, GC, Ready for Zero, venmo, izettle, loop, Braintree

Retail Investments

- moit, SigFig, CAPITAL, wealthfront, tradier

Equity Financing

- CircleUp, jv, gust, TAIL

NEW
COMPETITORS



FINANCIAL
INSTITUTES



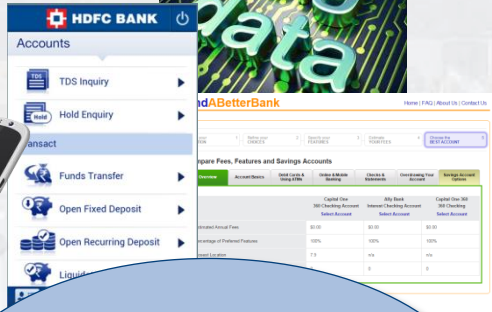
amazon.com

CHANGING
CUSTOMER
BEHAVIOUR

Google

facebook

Alibaba.com



WHAT FINTECHS DO

Payment services



Money transfer



Social lending



Crowdfunding



Private banking



Personal financing



Blockchain



Insurance

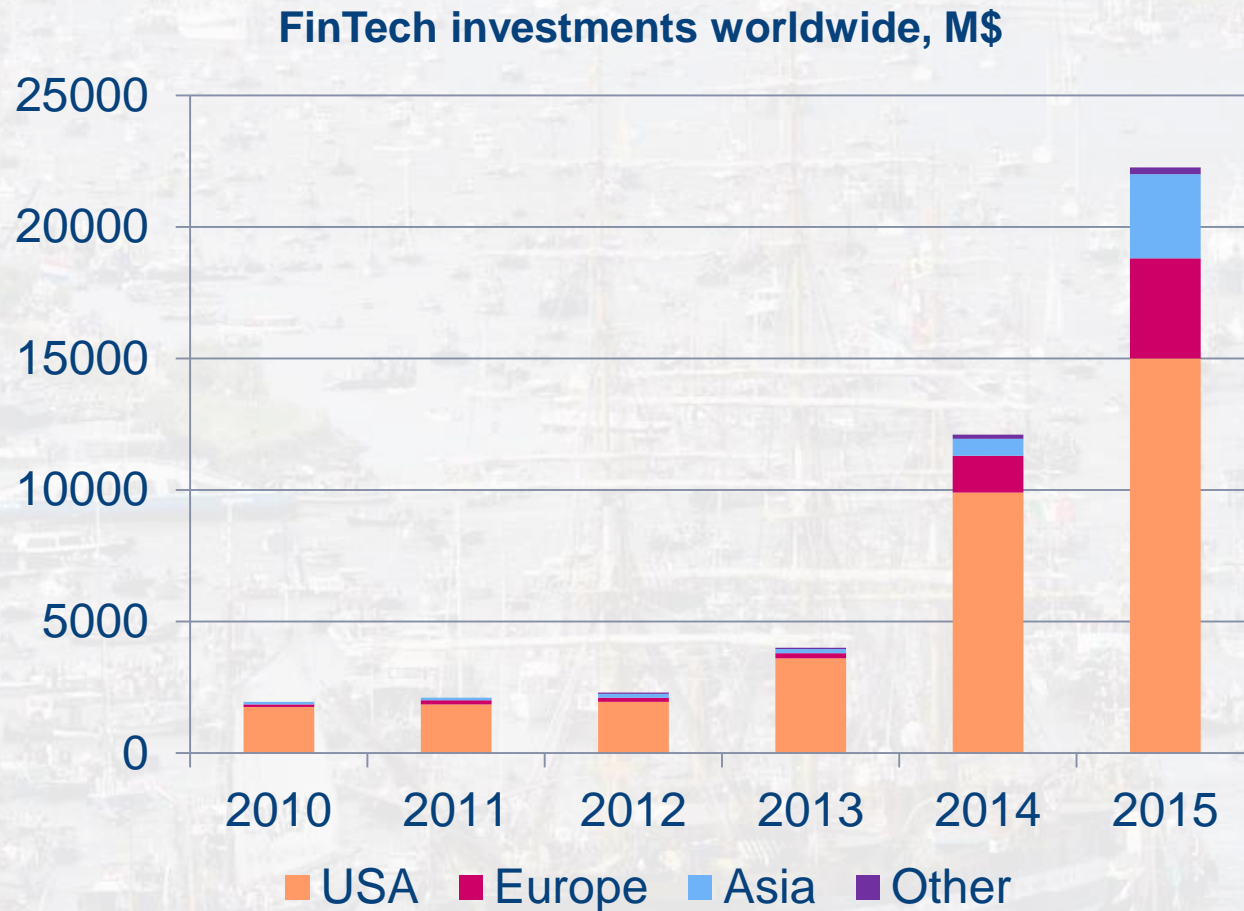


Online

WHAT CHARACTERIZES FINTECHS?

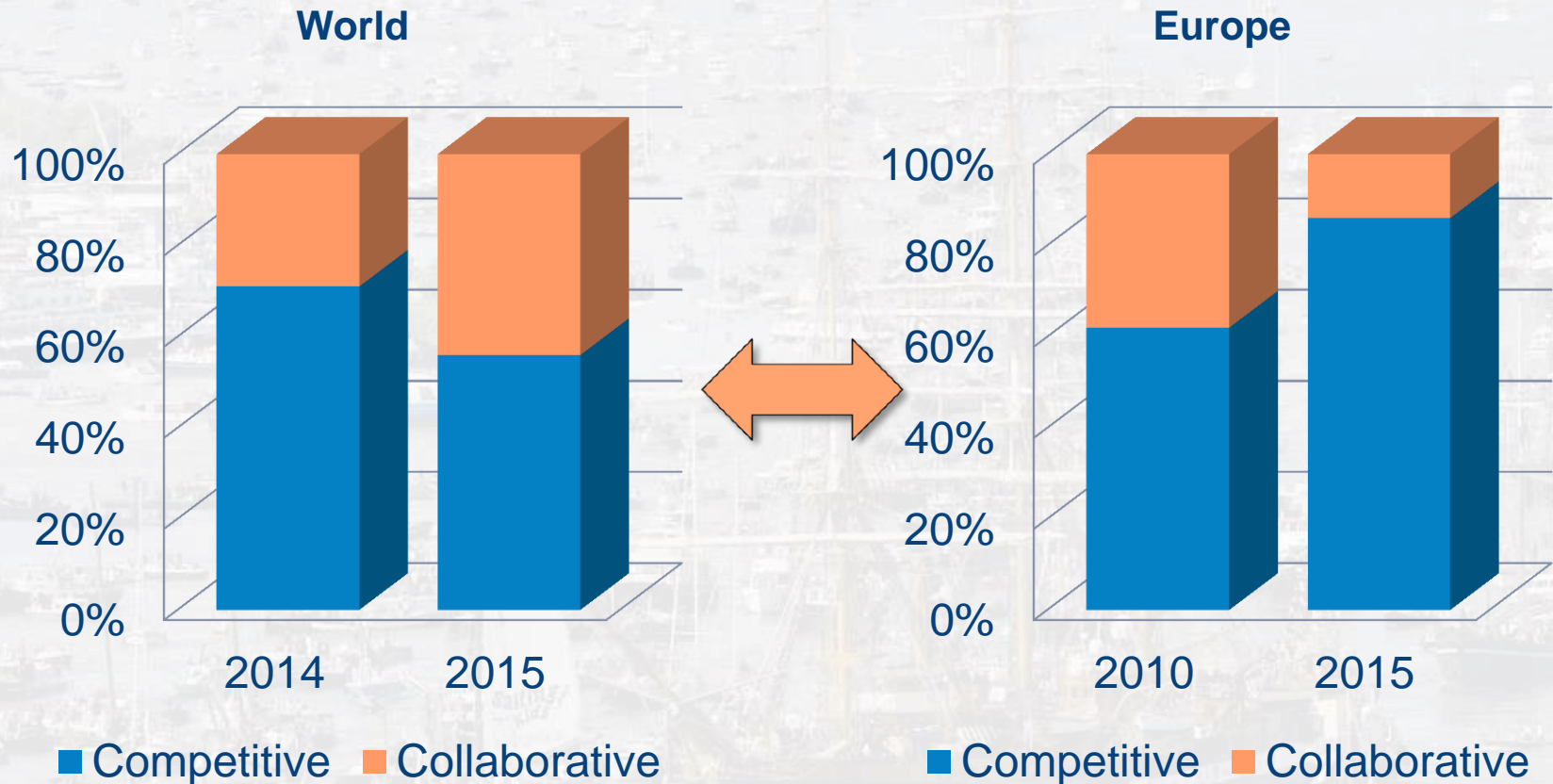
- Concentrating on one particular service
- Exclusive use of electronic channels (Internet)
- User interface simple, highly ergonomic
- Operating processes are automated, optimized for the given service
- They work with low costs (no branch network, minimal human work required)

GROWTH OF THE FINTECH MARKET



Source: Accenture, *The Future of FinTech and Banking*, 2016

FINTECHS' ATTITUDE TOWARDS INCUMBENTS



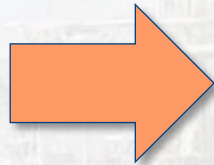
Source: Accenture, *The Future of FinTech and Banking*, 2016

BIGTECHS – THE GAFAA

Google



facebook



Apple Pay

amazon.com



Friend to friend


Alibaba.com

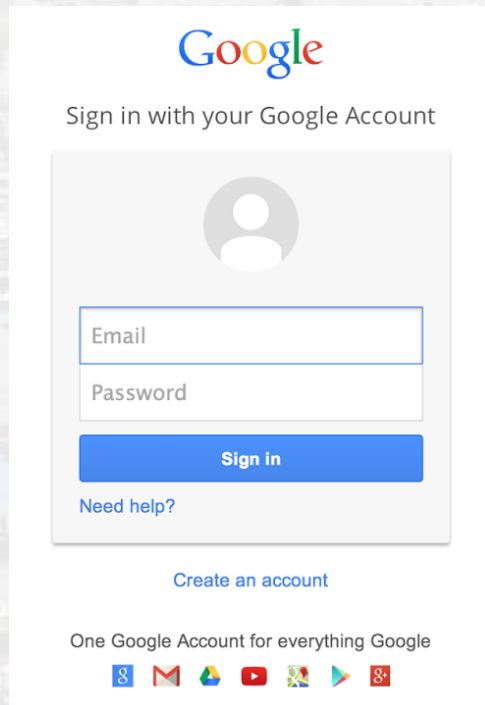
Online

WHAT CHARACTERIZES BIGTECHS?

Single account

Openness

User experience



The image shows the Google sign-in page. At the top is the Google logo. Below it is the text "Sign in with your Google Account". There is a placeholder for a profile picture. Below that are two input fields: "Email" and "Password". A blue "Sign in" button is below the password field. A link "Need help?" is below the button. At the bottom, there is a link "Create an account" and a row of icons for various Google services: Gmail, Maps, Drive, YouTube, Photos, and Google+. The background of the slide is a faded image of a harbor filled with many sailboats.



FINTECHS + BIGTECHS = ?

FinTechs

BigTechs

FOCUSED

SIMPLE

ERGONOMIC

AUTOMATED

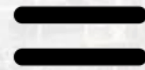
CHEAP



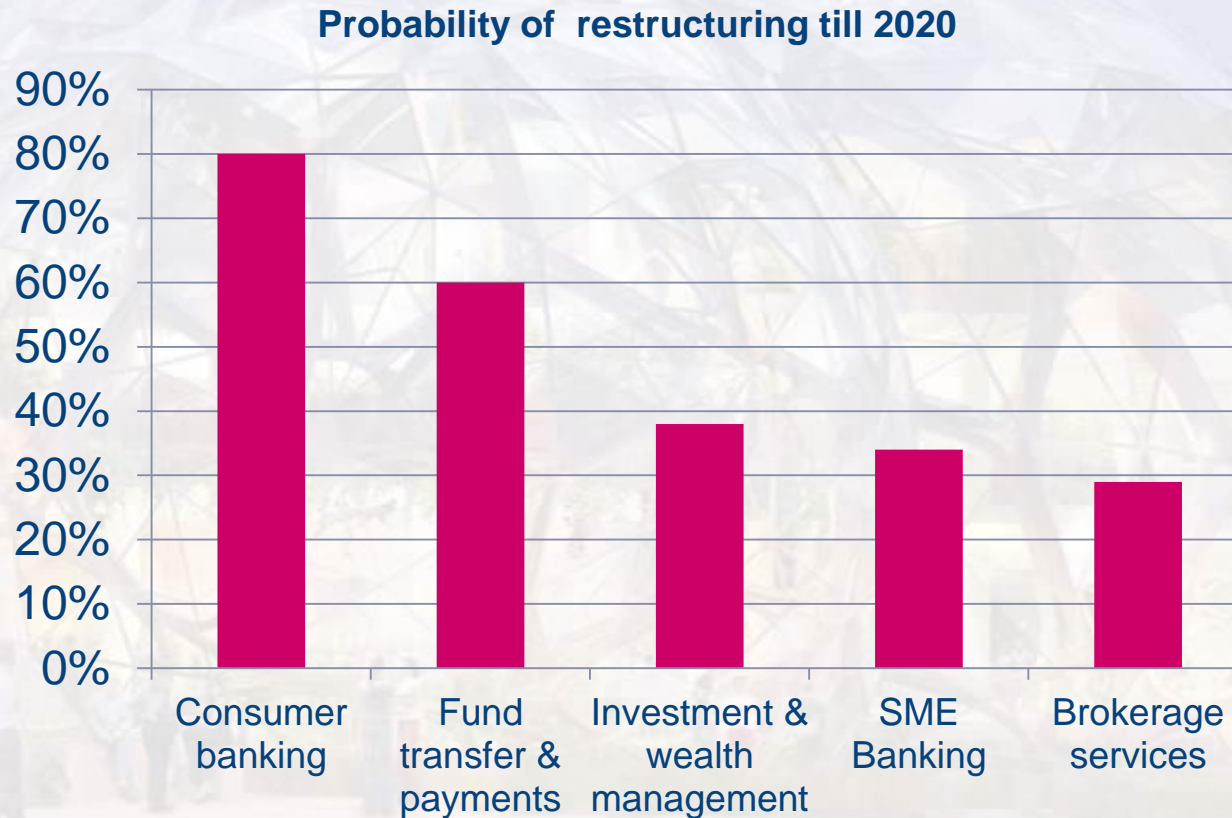
UNIFIED

OPEN AND

INTEGRATIVE



HOW DISRUPTIVE ARE xTECHS?



Source: PWC, Blurred Lines: How FinTech is Shaping Financial Services, 2016, survey of 544 CEOs in 46 countries

RISE OF THE NEW WORLD



RISE OF THE NEW WORLD



RISE OF THE NEW WORLD



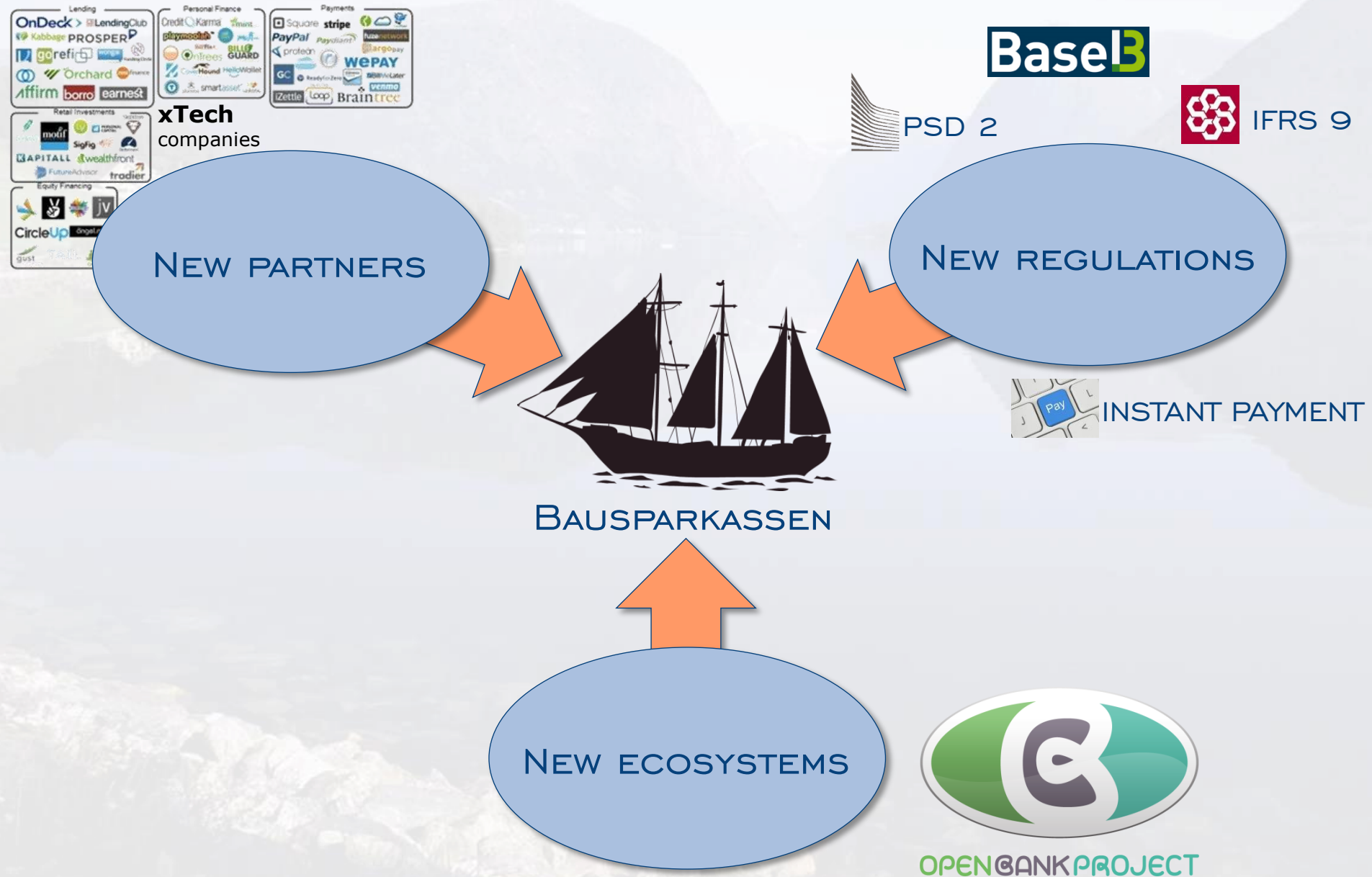


WHY WOULD BAUSPARKASSEN
CARE?

NICHE MARKETS



WHY AFFECTED BY CHANGES?

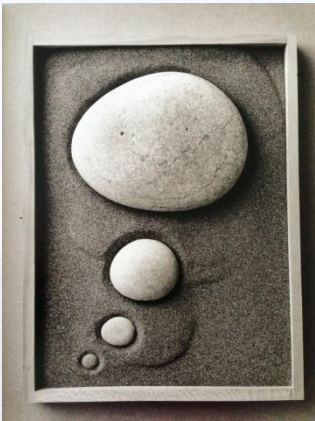




ARE INCUMBENTS ABLE TO
INNOVATE AS xTECHS DO?

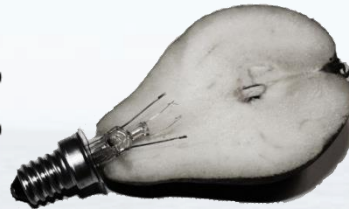
THE FORMULA OF SUCCESSFUL INNOVATION

INNOVATION



=

IDEAS



+

IMPLEMENTATION



TYPICAL IT OF INCUMBENTS



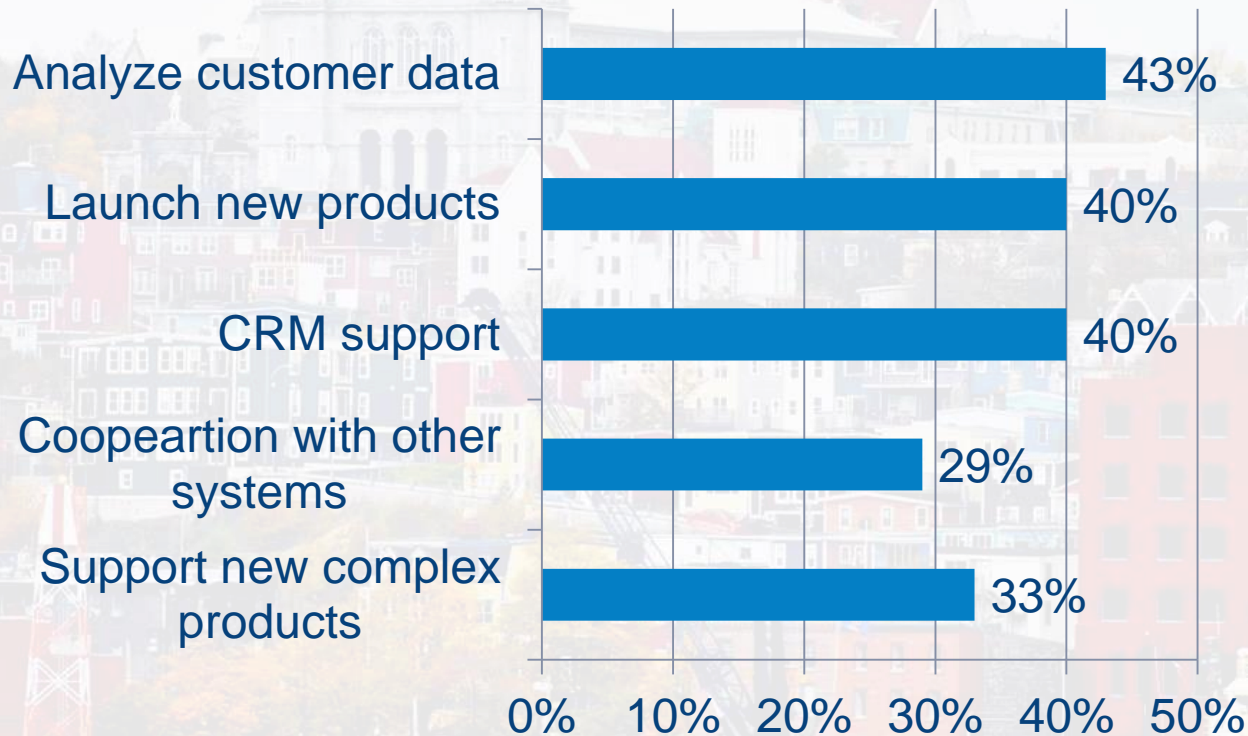
IT SYSTEMS OF INCUMBENTS

System	1	2 - 10	11+	Total
GL	68 (44%)	68 (44%)	19 (12%)	155 (100%)
DWH	56 (36%)	71 (46%)	28 (18%)	155 (100%)
Core banking	86 (55%)	51 (33%)	18 (12%)	155 (100%)
Payment systems	48 (31%)	79 (51%)	28 (18%)	155 (100%)
Customer front-end	35 (23%)	84 (54%)	36 (23%)	155 (100%)

*Sources: Banking Technology & SAP survey, „Go digital and transform’!”, Banking Technology, September 2015.
Survey of 155 banks*

WHAT IS THE RESULT OF COMPLEXITY?

With what are banks least satisfied?



Source: IBM Global Business Services, Whitepaper, Common Sense Core Banking Modernization: Rational approaches to achieving success, 2011

WHY PROBLEM?

INCUMBENTS

- Lack of customer focus
- Slow solution deployment
- Limited integration ability



xTECHS





HOW CAN THE IT OF
INCUMBENTS BE RENEWED?

PROGRESSIVE MODERNIZATION



COMPLETE CHANGE



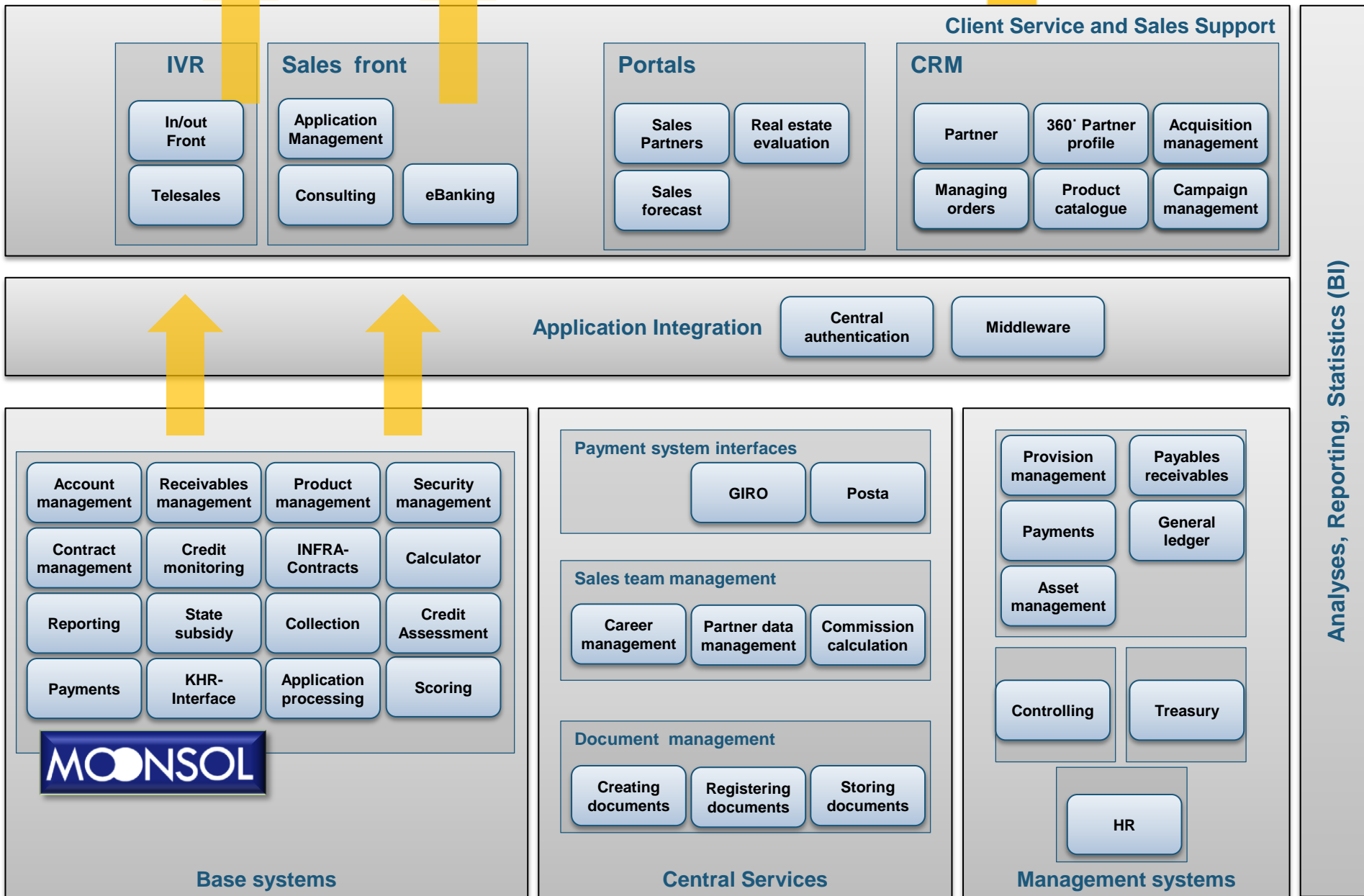
CASE STUDY OF A COMPLETE CHANGE

Fundamenta Lakáskassza



Alap, amelyre építhet

Targeted architecture



THE ADVANTAGES

- 360 customer profile
- Fast development & product parameterization
- Short-time implementation of new business branches
- Smooth upgrade and extension of the system

IMPLEMENTATION





THANK YOU FOR YOUR
ATTENTION!

CONTACT:
INFO@MOONSOL.COM