



Digital to the Core

# Next Generation Banking Platform

Retail & Commercial Banking

FORRESTER®

WAVE  
LEADER 2020

Digital Banking  
Processing Platforms  
(Retail Banking)





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# Viewpoint

## Banking is experiencing a once-in-a-lifetime shift

Disruption is happening across the value chain, from customer engagement to onboarding, lending, payments, and alternative financing.

There has been a seismic shift in financial services over the last decade, driven by significant changes in the use of next-generation technologies such as cloud computing, artificial intelligence (AI), machine learning (ML) and predictive analytics. The impact of COVID-19 has accelerated demand with banks now pushing forward on projects that were, until recently "in the slow lane".



[Watch the video](#)

**// Banks that invest in AI could boost their revenue by 34% and employment by 14% by 2022."**

Realizing the full value of AI  
Accenture

5 Key components >>



#### Higher customer expectations

Customers have become accustomed to immediate, highly personalized and accessible services from other industries, and expect banking to deliver a similarly slick and seamless experience. The pandemic has highlighted the need for change; exposing banks' shortcomings and driving improvements across their operational landscape.

#### New players are focused on differentiation

Challenger banks and fintechs are disrupting traditional business models by offering agile, alternative banking channels and customized products, with superior digital customer engagement compared to most established banks.

# Dramatic changes are redefining the operating model for banks.



// *My mission is to build the best digital banking system for this decade, leapfrogging both traditional and new vendors with technology and functionality."*

Anand Subbaraman  
General Manager – Retail Banking  
Finastra



# Open for innovation

Digital end to end capabilities, Analytics, Open Banking, fully API enabled and harnessing the power of AI and ML are the essential elements that enable banks to deliver a next-generation banking experience.

## Key factors to deliver a next-generation banking experience



### Accelerating digitalization - less physical, more digital

Now, more than ever, banks recognize the importance of increasing their digital capabilities and accelerating their digital transformation end to end.

The recent pandemic has exposed shortcomings: poor digital experience, fragmented operations and struggles with security and the challenges of home working. Banks are re-assessing their services and operating models to deliver a more streamlined digital experience from the inside out and vice versa.

### Positivity towards Open Banking

Open Banking is now the de-facto standard for banks globally. Combined with innovation, it is unlocking opportunities for banks to develop new services, improve customer experience, drive new revenue streams and deliver a sustainable service model for underserved markets.

Open Banking continues to grow rapidly and has surpassed one million customers who are already connecting their bank accounts with trusted third parties.<sup>1</sup>

Viewpoint	Open to innovation	Open Banking & APIs	Cloud first	Fusion Essence	Finastra Services
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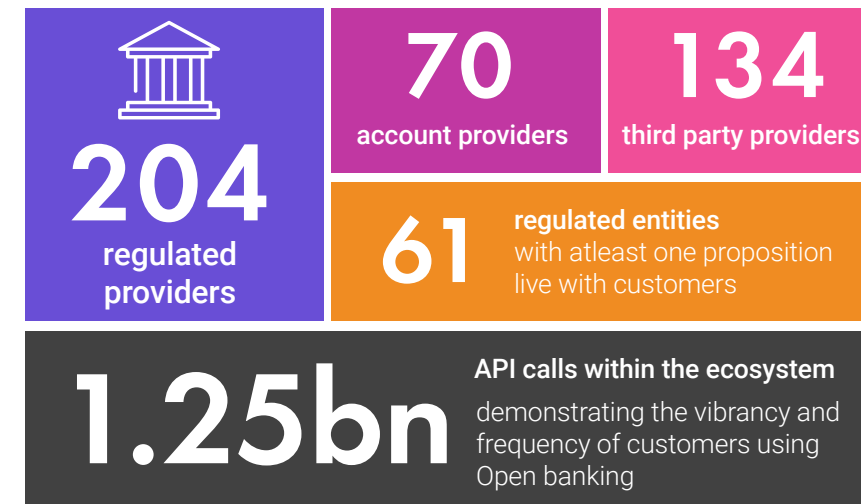
*In the UK alone, open banking saw 409 million API calls made to banks from third-party providers in March 2020.”<sup>2</sup>*

## Open Banking amplifies the importance of APIs

Open Banking has drawn renewed attention to APIs as a way of delivering substantial benefits to consumers, for example, making it possible to aggregate financial products in one place, provide insights into spending patterns, make savings recommendations and automate parts of the decision-making process.

**Ultimately, open banking enables consumers to make better financial decisions, understand their financial position and explore alternatives.**

### Open Banking providers in 2019





# Cloud 1st!

Cloud is an increasingly attractive option for banks.



Cloud services market to grow by +17% in 2020

\$266bn

Total value worldwide<sup>3</sup>

Cloud addresses the challenges of decreasing margins, increased cyber threats, higher cost of ownership and tougher regulations. The need to innovate and keep pace with new entrants is also driving banks to adopt cloud technology.

By providing “on demand” access to hardware and software resources, cloud computing drives down expenditure, accelerates innovation and provides a far more flexible environment to deliver business or compliance requirements.

Cloud banking is a highly scalable model that enables business agility and greater access to innovation, without compromising on security; all in a leaner reduced cost operating model.

## Cloud benefits to banks



Operational Efficiency/  
Lower TCO



Scalability



Speed of Innovation



Market Agility



Increase Business Focus



Access to Ecosystem



Predictability of Costs



Greater Security



Evergreening



## Build the next-generation bank

Established players and challengers have a once-in-a-generation chance to transform the industry, leveraging the convergence of cloud, open banking and advanced technologies that increase their digital capabilities.

Together, these trends will evolve a new type of retail experience. Banking that anticipates customer needs, offers a personalized, seamless user experience and is optimized for the challenges of remote working.

Finastra is changing the way modern banking software is built and distributed, by opening up our systems across Retail, Commercial Banking, Payments, Lending, Corporate Banking and Treasury and Capital Markets.

*Banks need a scalable platform to address their evolving needs*



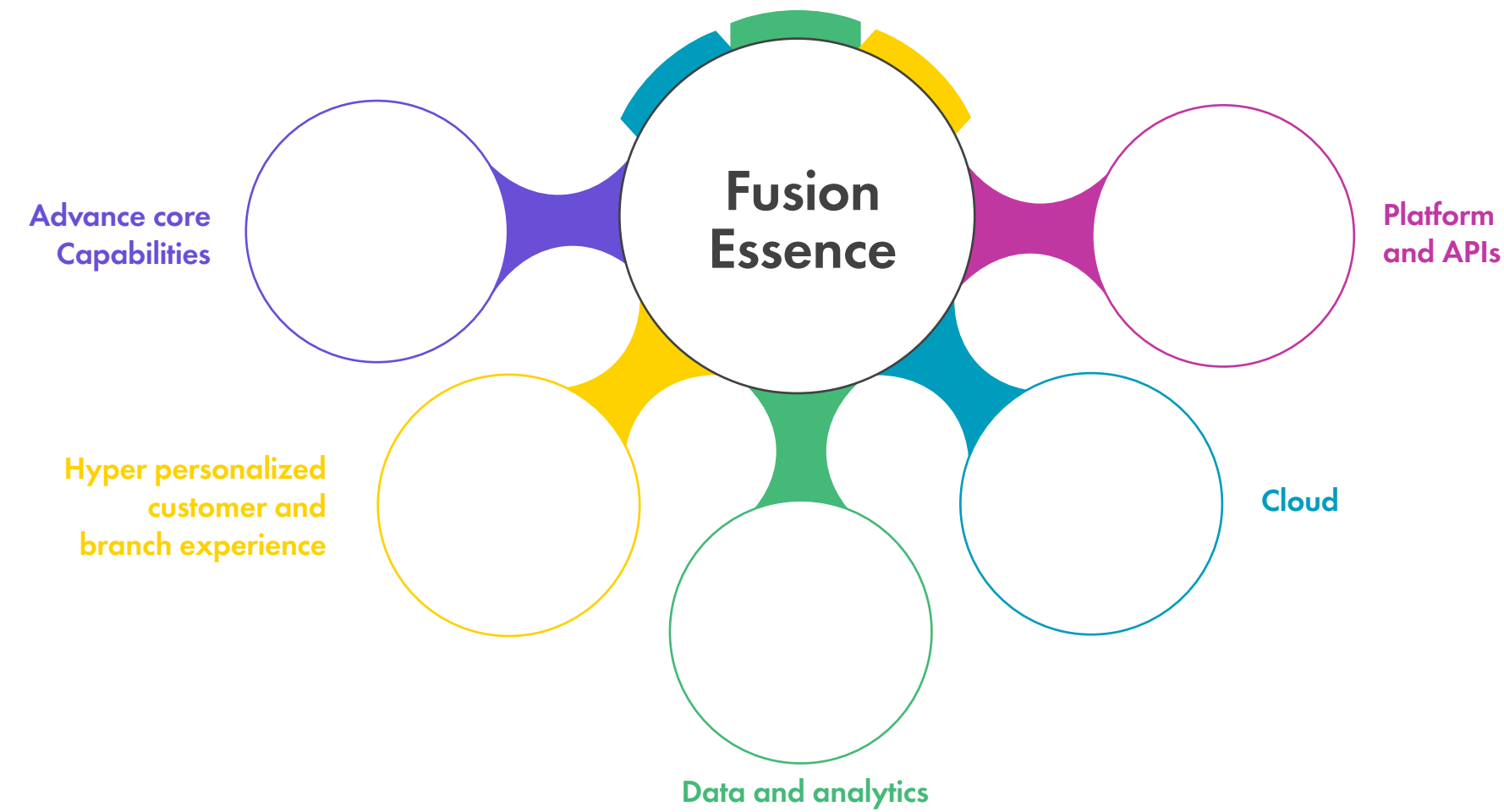
Fusion Essence  
» 5 Key components




# Fusion Essence 2020

Next-generation banking is at the heart of our digital world

[Click on the icons to learn more](#)




# Fusion Essence is is designed around 5 key elements:



Advanced core banking capabilities


Digital to the core, Fusion Essence is a next generation advanced core banking solution that is Customer Centric, Cloud enabled and comprehensively covers Retail and Commercial banking whether conventional or Islamic.



Hyper-personalized customer and branch experience

Fusion Essence enables Banks deliver a highly personalized customer experience to attract and retain business. With its Digital Customer Onboarding app it delivers a seamless omnichannel experience, by way of its persona-driven applications, such as:

- Customer onboarding
- Online and mobile banking
- Digital branch



Analytics capabilities

Fusion Retail Analytics delivers a 360° customer view in a single dynamic dashboard, with performance metrics and data insights always at the bank's fingertips. Available in Azure Cloud and On Premise Fusion Retail Analytics offers a common data model and a set of pre-packaged dashboards, leveraging Microsoft Power BI for visualizations.



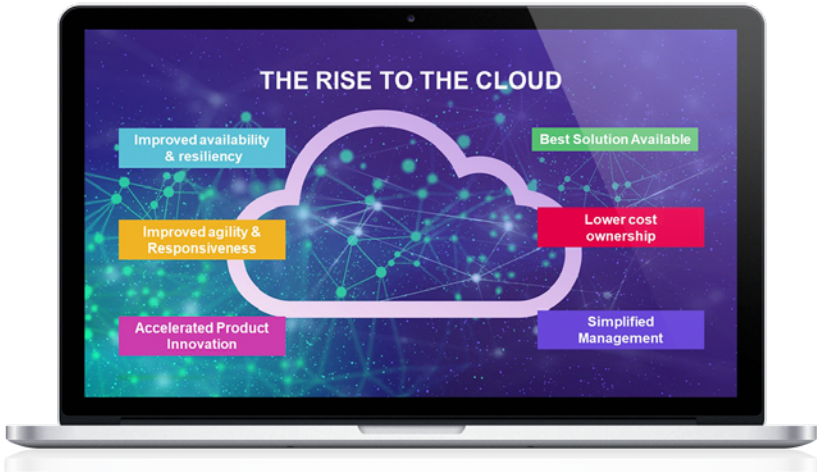
Cloud first

Fusion Essence Cloud covers Retail and Commercial banking whether conventional Islamic, Personal or SME; and is deployed on Microsoft Azure Cloud with all its inherent security and certification. The use of Cloud enables a level of efficiency and security previously unachievable with traditional On Premise infrastructure operations. It means Banks can optimize resources, minimize effort and scale up and down as required.



Platform and API

Through the use of an extensive suite of Open APIs, Finastra is opening up its core systems to its innovation platform - FusionFabric.cloud, and other third parties. Combined with Finastra's Digital Banking capabilities it enables the quick extension of a bank's ecosystem that translates to new opportunities for revenue growth.




Watch the video




# Finastra Services

Finastra Services provide guidance for all phases of a bank’s lifecycle whether it’s a new bank coming to market or an established bank with complex legacy structures to transform.



## Go digital with Fusion Essence and Finastra services

When it comes to going digital, Finastra Services offer guidance for all phases of the bank lifecycle, from new banks just launching into the digital banking sphere to established, legacy banks with more complex structures to transform.



Global services

[Find out more](#)

# THE FUTURE OF FINANCE IS OPEN

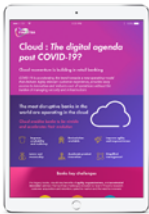
Finastra is unlocking the power of finance for everyone by creating a platform for open innovation in the world of financial services.

Meeting the demand for digital-first customer engagement



# Find out more

## Infographics



Cloud: the digital agenda post COVID-19?



New-Normal of customer onboarding Post Covid-19



A digital transformation roadmap for banks



Cloud: Enhancing the entire bank's value chain



Challenger banks: Reshaping customer experience



Cloud banking - Innovation without limits

## Reports/White Papers



Challenger banks: Reshaping customer experience



How banks can accelerate and improve onboarding for a post-pandemic world



Cloud momentum is building in Retail Banking. The digital agenda post COVID-19?



Fusion Essence 2020 is recognized as a leader by Forrester

## Webinars and Podcasts On demand:

### Build the bank of the future in 100 days

A step guide on how to launch a bank, steps it takes to launch a bank of the future within 100 days with next generation banking in the cloud.

### Cloud Momentum is building. Are you ready?

COVID-19 is accelerating the trend towards a new operating model that delivers highly relevant customer experience, provides easy access to innovation and reduces cost of operations without the burden of managing security and infrastructure.

### The future of Digital Banks

Anand Subbaraman from Finastra explains how platformification is evolving from its original focus and talks about the future of digital and retail banking.

# Index

- 1. <https://www.openbanking.org.uk/about-us/latest-news/open-banking-adoption-surpasses-one-million-customer-mark/>
- 2. <https://www.openbanking.org.uk/open-banking-2019-review/>
- 3. <https://www.gartner.com/en/newsroom/press-releases/2019-11-13-gartner-forecasts-worldwide-public-cloud-revenue-to-grow-17-percent-in-2020>
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Contact us

## About Finastra

Finastra is building an open platform that accelerates collaboration and innovation in financial services, creating better experiences for people, businesses and communities. Supported by the broadest and deepest portfolio of financial services software, Finastra delivers this vitally important technology to financial institutions of all sizes across the globe, including 90 of the world’s top100 banks. Our open architecture approach brings together a number of partners and innovators. Together we are leading the way in which applications are written, deployed and consumed in financial services to evolve with the changing needs of customers. Learn more at [finastra.com](https://finastra.com)

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