



**RETAIL BANKING**

# **ENABLING NEW-MODEL BANKING IN AN ECOSYSTEM WORLD**

**( THE FUTURE OF  
FINANCE IS OPEN**



# The Platform-based Banking Ecosystem

Whether your bank is emerging or transforming, platform-based ecosystems represent a new model for banking. The banks that will thrive will be those that use cloud-based innovation and collaboration ecosystems with digital banking solutions at their core.



[See how banking platforms enable customer experience, growth and innovation](#)

## Challenges and Opportunities

- 1 Speed to Market** – Emerging and transforming banks want 'first mover' advantage. Their priority is to scale quickly, to grow customer numbers and drive profitability. Agility, speed to market and rapid customer conversion are essential.
- 2 Insight-Driven** – Customers want better products and services, delivered faster. Analytical insights will help banks to select which products are relevant to specific customer segments to target, and in doing so, assure a differentiated customer service.
- 3 Continuous Innovation and Collaboration** – Emerging banks are under pressure from regulator and investor demands, while transforming banks are faced with shrinking margins and increasing competition. A platform-based digital banking solution will enable them to continuously adapt, innovate and collaborate to ensure they stay ahead.



# Re-invention of an Industry

Several influences are converging to drive change and renewal in banking: increasing customer expectations, rapid technological advances, regulatory intervention, demographics and economics. The entire financial services industry is re-inventing itself to become faster, smarter and easier to use.



60%

of banks would partner with a fintech

Source: Business Insider UK

## Meet Evolving Customer Expectations

Customer expectations have been driven by fast advances in technology and regulatory intervention. Mass-market engagement continues to shift to online and mobile for personal banking and, increasingly, SMEs. A bank's shop front is now its website and mobile app. With the right cloud-based technology platforms, banks can quickly and efficiently tailor their offerings and meet customer expectations.

## Open Banking

Industry disruption will accelerate as Open Banking gathers pace and PSD2 compels banks to share customer data with third parties. New forms of financial institutions such as Account Information Service Providers (AISPs) will emerge, introducing new interaction models. As this disruption evolves, banks will adapt their strategies and increasingly seek the most differentiating products aimed at the most profitable market segments.

## Disintermediation and Commoditization of Banking Services

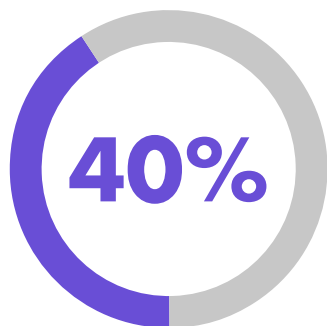
Innovative fintechs are introducing new products, digital channels and customer touchpoints for financial services, many of which are shifting outside the banks' own domain. With platform-based ecosystems, banks can adopt a more collaborative business model, partnering with fintechs to enhance their own offerings as well as big banks to provide utility services.





# Enabling Agility and Growth

Success depends on agility, not size. The top priority for new and modernizing banks is to rapidly scale cost efficiently and effectively.



40% of customers state that experience is the most important factor when opening or closing an account<sup>1</sup>

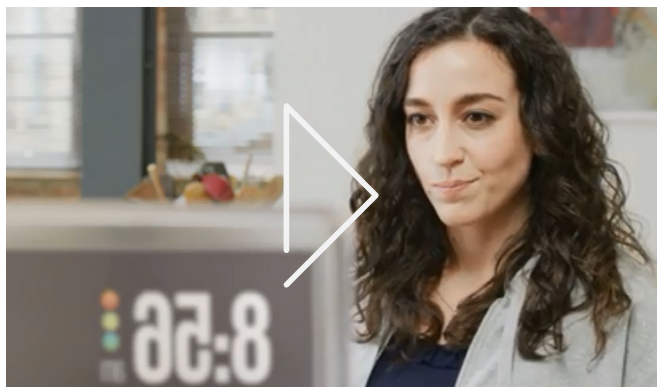


37% increase in annual revenue from customers who are fully engaged<sup>2</sup>

## Agility, Speed to Market and Customer Conversion are all Essential.

Ambitious banks must bring digital products and services to market quickly and easily. They need to focus on tailoring their products for different target markets and launch via direct and indirect channels. Being agile and innovative will enable them increase market share profitably.

Most customer attrition occurs in the first five clicks. So, it's important to provide a good user experience. Online Customer onboarding and account origination must take place in minutes, and must include integrated AML/KYC capabilities for due diligence and compliance.



Prepare your bank for 2021 using data to provide relevant offers, boosting digital sales.

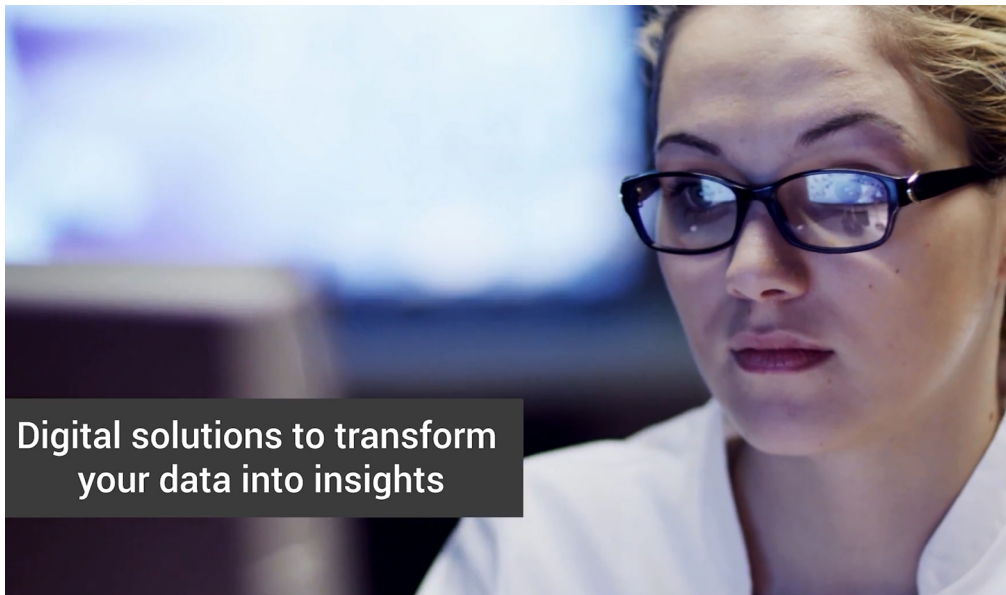
1. Source: EY

2. Source: Gallup



# Transform Data into Actionable Insights and Growth

**Analytics and customer data can help a bank achieve targeted growth by providing a superior user experience and insightful data to enable the bank deliver differentiated and personalized propositions for both consumers and SMEs.**



Complex banking processes are replaced with personalized digital experiences that eliminate customer frustration.

Data is fundamental to the digital economy. The way banks use it will define their success. As digital channels proliferate and become more sophisticated, banks will unlock the value in their transactional data. The insights it gives them will help banks to identify new customer needs and provide a more personalized service.

With automated and granular customer segmentation, banks will be able to address needs based on lifestyle and specific interests. They can also enrich transactional data with external sources and incentivize customers to provide more information, gathering more intelligence to develop distinctive product and service offerings.



# Platform-based Ecosystems in Banking

The cloud is increasingly being adopted by financial institutions and accepted by regulators. But machine learning, AI, and Robotic Process Automation technologies are about to bring another wave of change. Platforms make it all accessible.



Innovative banks of all sizes are seeking to achieve ‘first mover’ advantages by migrating some or all of their IT services to the cloud in the pursuit of greater agility and cost competitiveness.”

**James O’Neil**  
Senior Analyst  
Celent

Platform-based ecosystems in banking unlock innovation and foster collaboration. They are a major step forward for financial services as they take Open Banking to a new level. Combined with fully digitalized banking solutions that have an open architecture and open APIs, they enable the quick extension of a bank’s ecosystem, providing new opportunities for revenue growth. Platforms make possible a previously unachievable level of service, innovation and collaboration and are open to banks, fintechs, system integrators, independent developers, consultants and students.

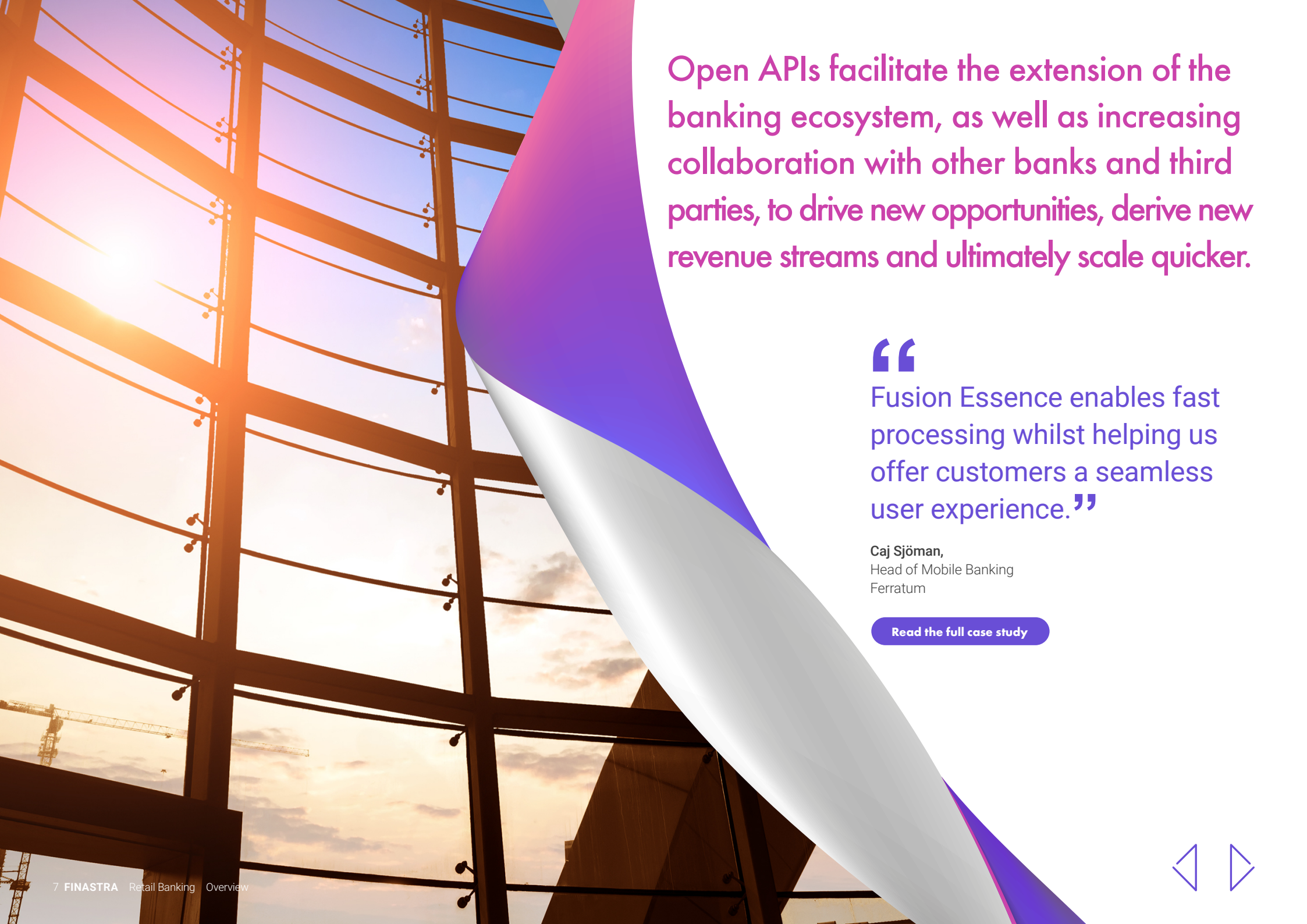
Banks can see what’s available on the platform and avail themselves of developments use open APIs, and accelerate integration, testing and deployment. And, of course, platforms host live, cloud-based operations. They also include value-adding and differentiating features such as video calling, online chat, co-browsing. Digital Assistants become easily accessible, as do analytics powered by machine learning and AI.

The result is market relevant innovation, delivered faster, easier to maintain and with lower TCO.

Banks will increasingly adopt a platform-based approach across all areas of their operations. It will become the only way to manage, run and scale their operations in the financial services ecosystem.

[Read more](#)





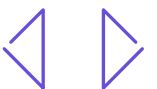
Open APIs facilitate the extension of the banking ecosystem, as well as increasing collaboration with other banks and third parties, to drive new opportunities, derive new revenue streams and ultimately scale quicker.

“

Fusion Essence enables fast processing whilst helping us offer customers a seamless user experience.”

Caj Sjöman,  
Head of Mobile Banking  
Ferratum

[Read the full case study](#)







# Fusion Essence in the cloud, for UK and Germany

Fusion Essence in the cloud is at the heart of Finastra's banking solution. Operated by Finastra, it's a cloud-based fully integrated core & digital banking and payments solution for emerging and transforming banks.

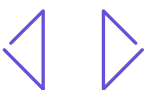


Technology is increasingly providing a competitive advantage to financial services businesses looking to thrive in the digital economy.”

**Toni Townes-Whitley,**  
President US Regulated Industries  
Microsoft

Fusion Essence is extremely flexible and delivers a continuously updated customer experience. Built from proven Finastra components, it is deployed and operated on Microsoft Azure Cloud platform. The entire solution is operated by Finastra and delivered pre-integrated, tested and ready to go. It's fully localized for German and UK markets, including third-party solutions for credit reference checks, tax, regulatory reporting and other local requirements. Fusion Essence is quick to onboard, providing a platform for fast and efficient growth, a lower cost of operation and a consumption-based commercial model.

Fusion Essence in the cloud is part of Finastra's broader FusionFabric.cloud platform. Uniquely differentiating Finastra in today's marketplace, financial institutions can become more agile, enabling them to introduce new products, services and innovations quickly and easily. With FusionFabric.cloud, banks can continuously improve customer experience, grow faster and elevate their position in the financial services ecosystem.



# Key Benefits of Fusion Essence in the Cloud

## Connected Digital Channels and Core Banking

Unlike many solutions, Fusion Essence in the cloud has completely integrated Core and Digital Channels, enabling information to flow seamlessly from front to back office. And unlike many bolt-on digital solutions, it also supports customer-specific, market-differentiating process modifications.

## Operational Efficiency

The integrated nature of the platform and its embedded best practice support enables highly efficient banking operations with a lean organization structure.



**Finastra's Platform-as-a-Service solution unlocks innovation in financial services**

## Finastra Industry Knowledge and Expertise

We bring our extensive industry experience and expertise to every deployment and, in doing so, add value for our clients. Fusion Essence in the cloud is designed to evolve with industry demands, so it represents Finastra's latest best-practice processes and uniquely differentiates Finastra.

## One-Stop Shop

The solution is fully integrated and ready to go.. It includes Microsoft Azure Cloud infrastructure, communications, application software and database licenses.

## Platform-Based

Most importantly, with FusionFabric.cloud's platform ecosystem, your bank is best placed to continuously innovate, collaborate within an evolving banking ecosystem and adopt and develop the optimal operating model for sustainable success.

[Read more](#)

## Award winning solutions

### National Tech Awards 2017

Finastra (then Misys): Tech Company of the Year



### IDC 2017 Vendor Assessment

Finastra (Misys) rated a 'Leader' in European Mobile Banking Software Solutions



### Retail Banker International Asia Trailblazer Awards 2017

BTPN Bank Highly Commended in "Excellence in Mobile banking - Customization" with Finastra's Fusion Digital

### Asset Triple A Asian Awards 2016

Yoma Bank Winner of the Most Innovative Core Banking Project & Best e-banking in Myanmar with Finastra's Fusion Essence





## Contact Us

### About Finastra

Finastra unlocks the potential of people and businesses in finance, creating a platform for open innovation. Formed in 2017 by the combination of Misys and D+H, we provide the broadest portfolio of financial services software in the world today –spanning retail banking, transaction banking, lending, and treasury and capital markets. Our solutions enable customers to deploy mission critical technology on premises or in the cloud. Our scale and geographical reach means that we can serve customers effectively, regardless of their size or geographic location – from global financial institutions, to community banks and credit unions. Through our open, secure and reliable solutions, customers are empowered to accelerate growth, optimize cost, mitigate risk and continually evolve to meet the changing needs of their customers.

48 of the world's top 50 banks use Finastra technology. Please visit [finastra.com](http://finastra.com)

Finastra and the Finastra 'ribbon' mark are trademarks of the Finastra group companies.

© 2018 Finastra. All rights reserved.

### Corporate Headquarters

4 Kingdom Street  
Paddington  
London W2 6BD  
United Kingdom  
T: +44 20 3320 5000

