

# Symbiosis: Innovation without compromise

Deploying for growth & agility **NOT** disruption & fragility

## Problems with legacy core banking systems

The trouble with traditional core banking systems

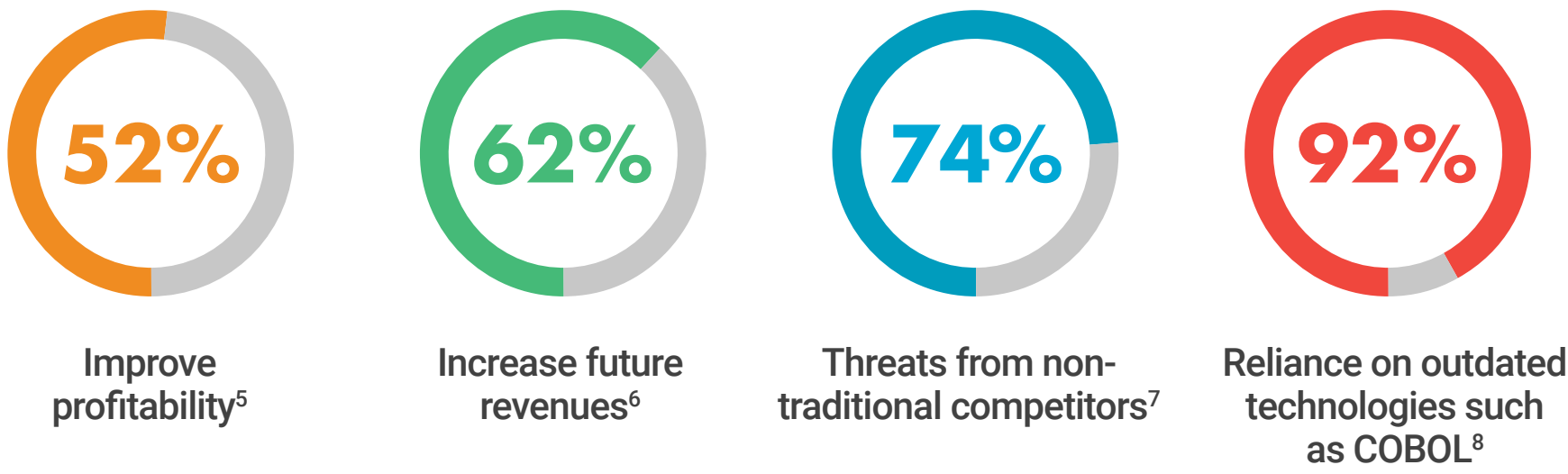
- 1

**Operate on inflexible and fragmented processes:**
  - New product time to market 1 year+<sup>1</sup>
- 2

**High cost of maintenance:**
  - Consume **70%** of bank IT budgets<sup>2</sup>
- 3

**Outdated technology inhibits innovation:**
  - Digital-native banks release new features 6 to 8 times faster than other banks<sup>3, 4</sup>

## Why banks are modernizing now

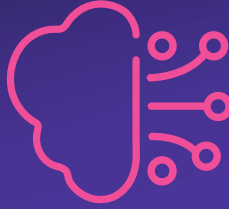


Outdated technology will cost banks **\$57 billion** by 2028<sup>9</sup>

## Core modernization strategies



- Rip and replace strategy**  
Replace your entire IT infrastructure with a modern core
- Modern functionality
  - Future adaptability
  - High costs
  - Lengthy timelines



- Symbiosis strategy:**  
Add a next-gen cloud-based core alongside your existing platform
- Rapid transformation
  - Lower cost
  - Faster time to market
  - Enhanced customer experience

## Modernization for today and tomorrow: The advantages of a symbiosis strategy

Run a vertical or horizontal slice of the business on a next generation cloud-based core

### Why a symbiosis strategy:

Operating a next-gen core alongside existing systems?

- **Rapid Innovation:** Swiftly adapt to market demands
- **Future Driven:** Dive into niche markets and gradually expand capabilities
- **Adaptability:** Full-service core offers seamless addition of new products



**Symbiosis strategy:**  
a cost-effective, agile solution, positioning banks to thrive in an ever-evolving landscape.

### Parallel core put to the test

**35% of banks investing in SMB market:**

- Establish on a next-gen cloud-based parallel core
- Gain leading digital-first capabilities and modern attributes
- Retain the 75% of SMBs who plan to migrate to digital-only banks<sup>10</sup>
- Add new products/capabilities as needs demand

**Next-Gen cloud core — built on leading edge technology**

- Facilitates daily transactions and account updates
- Offers real-time banking experience
- Provides more valuable data insights

Discover more about a the benefits of a symbiosis strategy in **Symbiosis: Innovation without compromise**

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3. [Why Most Digital Banking Transformations Fail—and How to Flip the Odds](#), Akhil Babbar, McKinsey & Company, Apr, 2023.  
4. [Why Most Digital Banking Transformations Fail—and How to Flip the Odds](#), Akhil Babbar, McKinsey & Company, Apr, 2023.  
5. [Why the Cloud Is Critical to Your Digital Banking Strategy](#), Lisa Joyce, The Financial Brand, Mar. 15, 2022.  
6. [5 Ways Banks Pushed Deeper into the Cloud in 2022](#), Penny Crosman, American Banker, Dec. 21, 2022.  
7. [Seeking a Successful Path to Core Modernization](#), MIT Technology Review.  
8. [European Retail Bank IT Priorities and Strategy in 2023](#), Kieran Hines, Daniel Mayo, Celent, 2023.  
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10. [Retail Banking IT Priorities and Strategy in 2023](#), Kieran Hines and Daniel Mayo, Celent, 18 July 2023.