

FinTech

Sector Innovation Series



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Financial Services Disruption

The financial services sector is in a major phase of disruption nearly to the point that it is becoming unrecognizable as large institutional, vertically integrated entities are being outmaneuvered and outperformed by highly modular, distributed, agile startups. In fact, this sector transformation has been given the new name of FinTech. FinTech startups are offering better, improved services traditionally reserved by the established players in the financial services sector such as payment, lending, insurance, asset management and even raising capital.¹

Disruptors such as Robinhood, Coinbase, Affirm, SoFi and many others are challenging the status quo by delivering products that are more flexible, personal and accessible to the technological demands of the Millennial demographic. The FinTech startups realize that these new consumers of financial services have a totally different set of expectations when it comes to how they handle their personal finances, how they pay for goods and services, and how they are empowered with financial resources.

Some of the benefits delivered by FinTech startups include:

- **Speed and convenience** – Products delivered online are easier, quicker for consumers to access.
- **Greater choice** – Consumers benefit from a greater choice of products and services because they can be bought remotely, regardless of location.
- **Affordable services** – FinTech companies do not need to invest money in physical infrastructure like a branch network so they are able to offer more affordable services to consumers.
- **More value adds** – Products can appeal to consumers' changing behaviours and habits by providing digital connections and digital experiences.
- **Better personalized products** – Technology allows FinTech companies to collect and store more valuable information about customers so they are able to offer consumers better personalised products and services.

- **Empower social networks** – FinTechs can deliver targeted financial services to specific social networks thereby empowering enterprises that deliver goods and services to these communities.

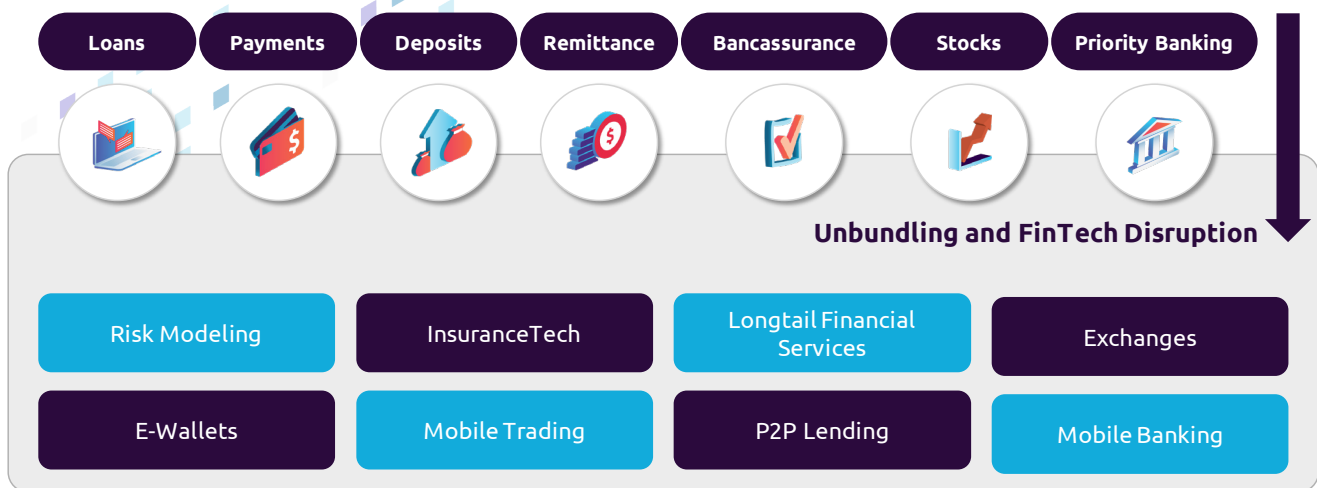
Disintermediation of Financial Services

The disruption being experienced by the financial services sector can be characterized as an unbundling and factorization of services enabled by modern, scalable, distributed systems technology. FinTech startups leverage disruptive technologies to reimagine financial services in their business model to gain tactical and strategic advantage over larger banking and institutional players. Taking a more modular approach enables FinTechs to develop a greater focus and agility to deliver new targeted products and services faster to accelerate product/market fit.

FinTechs are taking the intermediary out of the services model by delivering access to products directly to consumers via mobile applications at the point of need.² The branch legacy operating model is no longer sufficient to cater to the fast-moving pace and ever-changing needs of digital demographics. Services integration using more open APIs and scalable microservices are key factors for giving FinTechs the ability to extend and accelerate the distribution reach of their products and services.

Some notable examples of services that are being factored out are lending, payment, risk modeling and regulatory compliance monitoring. PayPal is a forerunner of the current FinTech wave in the payment category. FinTechs are now being founded focusing in these areas to enable their consumers and enterprise customers the ability to do business directly instead of having to rely on monolithic business models that impede access and velocity. With FinTechs, loans can take minutes instead of days to get approved. The insurance FinTech, Lemonade, set a world record for the fastest insurance claim settled in a matter of three seconds.³ FinTechs are taking the complexity out of access to more advanced financial products and services to empower their customers with greater resources to optimize their business and personal outcomes.

Traditional Monolithic Banking



FinTech Disruption of Financial Services

Platform Business Models

The engines powering FinTech startups are platform-based business models. FinTech engineering teams design and develop systems using a compositional strategy implemented with a modular, scalable microservices architecture. Platforms are great enablers for value creation in FinTech and startups place a heavy focus on acquiring talent to deliver this core capability. For example, Lohika, part of Capgemini, offers services for FinTechs to deliver complex systems design, development and deployment for rapid scaling to enable customers' agility to capitalize on market opportunities. Lohika has helped FinTech customers innovate with e-wallets, mobile cashless payments, online digital currency platforms, and trading platforms powered by distributed ledgers.⁴

Multi-sided platforms give FinTechs a value creation advantage since these engines can be accessed not only by consumers but also application developers building on the services. For example, a software developer can integrate a FinTech's platform services into their mobile application to deliver innovative products and services to their customers. Since the services are modular, composite applications can be delivered very rapidly to accelerate the rate of innovation and value creation. Several key technologies such as cloud computing, machine learning and open banking APIs are facilitating the creation of these advanced platforms with much greater degrees of freedom giving the FinTech the ability to adapt quickly to market challenges and opportunities.

The incumbent banking systems are not taking these FinTech disruptive threats idly. In fact, banks are finding ways to emulate FinTech business models by either attempting to create platforms of their own or spinning off a FinTech venture that can leverage core resources. Banks must evaluate the costs and risks of these initiatives and determine a strategic innovation growth strategy for FinTech products and services. The important realization for banks is the fact that legacy infrastructures will not be able to compete with FinTech ecosystems. Banks must adapt an innovation ecosystem approach to keep up with the pace of innovation in the financial services sector if they are to continue to be in business. In fact, banks are already significantly reducing the footprint of their branch operations in favor of digital channels. In addition to the talent required to build and launch platform-based ventures, these financial enterprises will need to develop an approach for business model innovation to create, distribute and capture new value in FinTech.

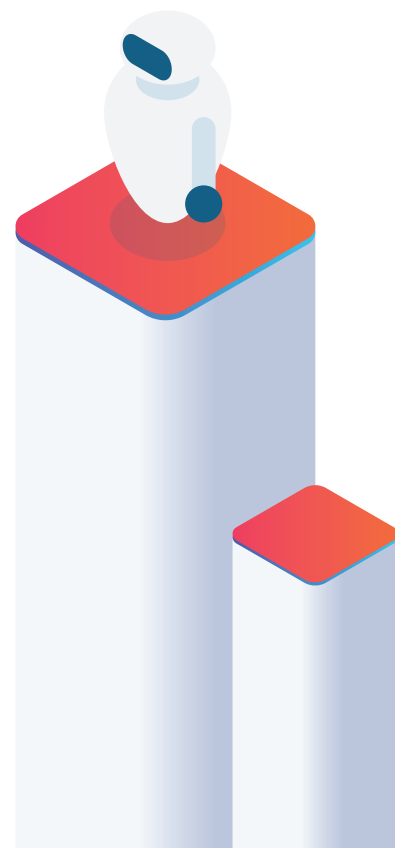
Enterprise Architecture for Business Model Innovation in FinTech

Achieving success in the new global FinTech market environment requires modern enterprises to consider powerful trends and dynamics in order to be able to adapt and respond at velocities much more rapid than ever. These FinTech market events and forces are having an effect of tearing apart the traditional banking enterprise that does not have the architecture to withstand the constant flux of change, competition, and customer demands. Disruption can happen at any time, to any incumbents and can threaten financial market leaders to such a degree that they can be replaced in a few years' time. Indeed, FinTech startups are not the only threat. Large corporations in other sectors are entering the FinTech market with innovative ventures such as Apple Pay and Walmart's new forays in this arena. In his book, *The Business Model Innovation Factory: How to Stay Relevant When the World is Changing*, Saul Kaplan uses the disruption Blockbuster experienced due to Netflix's business model innovation to coin a term to describe the phenomena: Blockbuster was "netflixed".⁵ Banking and financial services incumbents need to consider the scenario of being "netflixed" by stealth FinTech startups and corporations in other sectors to develop a strategy for innovation and business growth in the new economy.

In this environment, there is increasing pressure for financial services enterprise executives to develop dual strategies to preserve the profitable core business while innovating with new FinTech products and services on price, capabilities, and value for customers. The two types of strategic development require distinct set of lenses with which to identify the set of challenges and opportunities that must be addressed. On the one hand, robust analytical thinking is essential for optimizing the core but on the other, bold creativity is needed to generate additional market value to facilitate the reinvention and evolution of FinTech products and services. Using a systems thinking approach, it is possible to holistically map out the various facets of a new business model into the components of an enterprise architecture which can then be implemented with capabilities offered by cloud computing, AI and machine learning. More than ever, the imperative is to develop an approach to innovate business models and enterprise architecture which is manifested in a FinTech platform ecosystem that delivers much more than legacy infrastructure.

Personalization for Mobile, Empowered Consumer

The exponential proliferation of mobile devices and adoption by consumers has led to a phenomenal surge in the levels of consumption of financial services on the Web. The FinTech products and services enable new forms of value creation and empowerment but also change the expectations for how enterprise platforms need to be designed to support these emergent consumer behaviors. Consumers gravitate to FinTech content and services that are especially suited to their financial services needs in the context they desire. Online banking applications are common place but consumers' demands for more social intelligence in FinTech service offerings drive the level of analytical sophistication required in enterprise platform capabilities even higher. Consumers are expecting FinTech service providers to not only understand their individual identity but also their social graph and the open world around them. In the open world of consumers, time is also of the essence for delivery of those insights and capabilities to help manage financial uncertainty and maximize outcomes. Personalized content, capability, and context are all important to deliver if a FinTech enterprise seeks to gain competitive advantage in the financial services market.



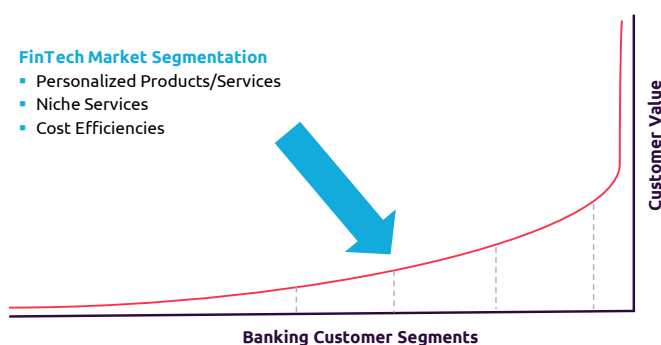
FinTech startups leverage disruptive technologies to reimagine financial services in their business model to gain tactical and strategic advantage over **larger banking and institutional players.**



Long Tail on the Demand Side

The long tail on the demand side illustrates the need for even further personalization in not only the product delivery but also marketing. Consumer segments must be targeted with specialized messaging to drive demand for niche products and services to capitalize on additional opportunities. However, the challenge for developing marketing campaigns for these segments is centered on cost. Banks have typically focused on a more lucrative customer segment that were relatively easier to reach in terms of marketing and higher-end services. However, customer segments in the long tail of financial services represent a significant opportunity that FinTech startups are capitalizing on with highly personalized products and services often powered by social networking intelligence.⁶

Enterprises need to build out analytical capabilities to execute these highly tailored marketing initiatives for each consumer segment in an efficient manner. The days of broadcast advertising to the mass market are history and new FinTech marketing models must be identified in order to enhance innovation possibilities in the long tail. Businesses also need to understand how to cultivate niche markets to gain greater traction in segments that are adjacent or lagging to the target. Transitioning across this chasm is key for financial services enterprises that want to achieve significantly greater market share for their products and services and compete with FinTech startups.



FinTech Market Segmentation in the Longtail

Disruptive Economics on the Supply Side

Another major force that every financial services enterprise must contend with is disruptive innovation within their market segments. Using open source technologies and cloud platforms, smaller and, often stealth, FinTech startups achieve significant efficiencies and time-to-market acceleration to deliver their innovative products and services that are faster, cheaper, or better than those produced by the market leader. The important economic factor with open innovation is the fact that those technologies can be acquired and integrated at no cost to the startup or enterprise. These disruptive economics lead to the reality that financial services enterprises must be able to evolve from their legacy infrastructure to counter threats presented by more agile and fast-moving FinTech competitors. The most immediate capability that can be leveraged to respond to these potential disruptors is cloud computing. Cloud computing enables the incumbents to integrate external capabilities into the enterprise core to achieve increased agility, velocity, and efficiencies with reduced capital expenditures typically associated with costly and cumbersome legacy initiatives.

Innovation Process and Design Thinking

The process and organization needed to take on a FinTech business model innovation initiative must be considered on a holistic, strategic level. Ad-hoc exercises do not yield the potentially transformative results that are achievable using a design thinking approach. Design thinking leverages a set of design practices within an informing over-arching framework that considers the linkages and interactions of the various components of the organizational and information technology structures. Design thinking is especially suited to address the context-driven, user-centric nature of the challenges posed to succeed in the FinTech economy. These skillsets are critical to developing a robust foundational operating enterprise core that can be extended or specialized at the edges to support iterative FinTech innovation cycles with accelerated cadences.

Design thinking can also empower creativity at the edges of the new FinTech operating model as well as provide a mechanism to validate hypothesis to ensure the new business model design is achieving the desired outcomes.

Execution versus Search Paradigms

FinTech business model innovation should follow a search paradigm that creatively experiments and tests hypotheses in the elements of the new design to determine whether the associated FinTech product or service is commercially viable. The search paradigm is inherently riskier and more feedback-oriented compared to the execution mindset necessary when optimizing an established business model. Modern enterprises need to excel at not only improving existing elements of its current business model but inventing entirely new business models whose exact structure and dynamics are emergent. The FinTech business model innovation initiatives may be organized as a set of ventures that operate outside of existing business units but leverage their resources. The management of shared resources across the portfolio introduces new requirements in the organizational and information technology architecture. The successful new FinTech business ventures may eventually become integrated into the core operating model so that they can be scaled and optimized to maximize value generation.

Intrapreneurs

Enterprise executives must consider that the management philosophy necessary to run these FinTech ventures is considerably different than what is expected for existing business units. Instead of applying a discipline for optimizing execution of operations, the team running a FinTech business model innovation venture is highly entrepreneurial, comfortable with risk, challenges the established modus operandi, and creatively pivots based on findings from market feedback. These FinTech intrapreneurs are essentially leading startups on the edges of the enterprise to find new market opportunities for value creation. Intrapreneurs apply design thinking to realize innovation for customers.

Enterprise Architects

The team setting out to develop the new FinTech enterprise architecture consists of individuals knowledgeable with a systems thinking approach for design. Enterprise architects apply design thinking to deliver transformational capabilities to executive management. The team establishes a clear vision that enterprise architecture is the organizing logic for business processes and IT infrastructure reflecting the standardization and integration requirements of the core operating model as well as the new FinTech venture entities. The designers must work closely with both management teams in the established business and new FinTech ventures to identify the architecture elements that can be shared and extended to support innovation beyond the operating core. The enterprise architecture team excels at creating the standardization and integration necessary to exploit resources to provide management with the capabilities for optimally running their business unit or FinTech venture while supporting innovation processes.

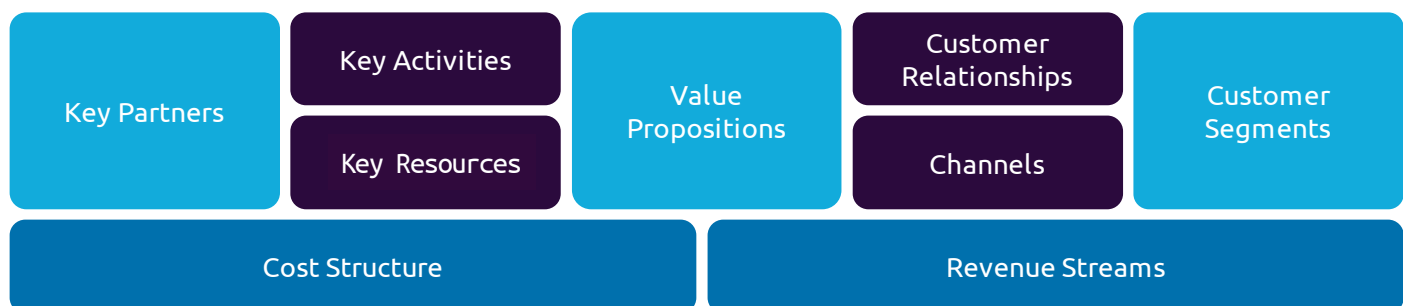
Business Model Design

Business model design sets out to define how a FinTech enterprise creates, delivers and captures market value. The interrelationship between those three facets is key to understanding how a business model can be invented to define a FinTech venture. Intrapreneurs exercise the ideation component to produce novel FinTech products or services to potentially create a new market with a compelling value proposition for target customer segments. The value proposition may also be addressed to niche or underserved customer segments to capture additional value. The activities and processes that need to be executed together with partners and suppliers to ship the FinTech product or service to customers define the value fulfillment mechanism. Lastly, the enterprise captures value when customers pay for the FinTech product or service contributing to revenue streams. Implementing this value generation cycle is the essence of FinTech business model design.

Business Model Canvas

A valuable tool to use for prototyping a FinTech business model is the Business Model Canvas. The Business Model Canvas is a strategic management asset to describe, design, and invent FinTech business models. The Business Model Canvas provides a visual representation for the main aspects that define how a FinTech enterprise creates, delivers and captures value.⁷ The canvas provides valuable insights that informs the accelerated decision-making required in FinTech ventures.

A Business Model Canvas is a valuable communication medium for teams creating new FinTech ventures. The canvas can be used to monitor progress in the business model design as well as track validation of hypotheses as the venture is tested in the target market. The canvas can also serve to identify elements for a pivot in a particular component of the business model. For example, intrapreneurs may discover that customers prefer to get access to their product or service in a particular channel. In fact, the Business Model Canvas may even reveal the need to pivot on the product or service itself. The faster the venture team can apply these findings the greater chances of success for the new FinTech enterprise.



Business Model Canvas (Business Model Generation, Osterwalder et al, 2010)

FinTech Venture Design Process

Starting a new FinTech venture within the enterprise for business model innovation begins with a mobilization of teams consisting of intrapreneurs, enterprise architects and executives from existing business units. Executives from these business units work together with enterprise architects to identify shared services and data that would support the FinTech ventures. Intrapreneurs initiate the ideation activities to identify possibilities for new value propositions for the target customer segments.

The team next seeks to understand the viability of the value propositions by conducting market research and identifying how they can take shape with new FinTech products and services. These activities require the team to analyze customer contexts and feedback to gain a deep understanding of the needs and problems that present an opportunity.

In the design phase, the elements of the business model are discussed and defined with the FinTech innovation team. FinTech business model prototyping is the key activity to experiment with various designs on the Business Model Canvas. The team can use post-it notes on a wall in the design room to rapidly change the elements in the Business Model Canvas. Different versions of proposed FinTech business model prototypes can be evaluated to determine best fit and optimal viability for the target customer segments. Other factors such as key resources and key activities can be assessed to support channels, customer relationships, and revenue streams. The deliverable from this design phase is a Business Model Canvas that has been selected with the highest evaluation determined by the FinTech innovation team. In fact, it is in the design phase that enterprise architects begin the process of mapping the business model to an operating model.

Enterprise architects collaborate with intrapreneurs to identify the data and processes to enable the elements in the FinTech business model.

A plan to deploy the selected Business Model Canvas is then developed to begin delivering the FinTech value propositions in the market. The plan should include a roadmap to keep key partners synchronized with the deployment timeline and to ensure dependencies will be met. Enterprise architects work with partners to facilitate the integration of services and data to enable the processes in the FinTech business model design. Intrapreneurs also begin working with channels to drive demand for the offerings in the target customer segments.

After the FinTech business model is deployed, a program to manage the adaptations in response to market feedback should be operationalized. The program should include tracking the validity of business model hypotheses and measuring performance.

Identifying a FinTech Operating Model

An operating model is the first layer in the foundation for execution in an enterprise architecture. The FinTech operating model is the business process standardization and integration necessary to deliver value to customer segments. It is the conceptual component in the organizing logic that defines an enterprise architecture. In this sense, the operating model is the initial manifestation of the business model when it is deployed as it indicates how value is created, delivered and captured by the FinTech venture. Research conducted by MIT's Center for Information Systems Research found that enterprises implementing an operating model reported the following⁸:

- 17% greater strategic effectiveness,
- 31% higher operational efficiencies,
- 33% more customer intimacy,
- 34% higher product leadership, and
- 29% greater strategic agility than those companies that did not.

In FinTech, the operating model is designed on the value proposition that will deliver benefits to customers. In general, these value propositions are organized around raising capital, optimizing outcomes for capital outlays or information acquisition and delivery to perform a financial evaluation. More specifically, the following FinTech categories can help to define the operating model needed to design the new venture.

Markets and Exchanges – connecting buyers and sellers of goods and services for best alignment on price, speed, or value proposition.

Insurance Tech – optimized for evaluating risk in accelerated manner to help customers gain efficiencies and cost savings at times of incidents.

Payments and Transfers – deliver financial resources at time of need, at point of need.

Financial Asset Management – management of wealth assets to deliver optimized capital outcomes from investments.

Lending and Finance – deliver liquidity and capital for customers in the context desired.

Mobile Banking – provide access to traditional banking services from a mobile device.

Mobile Trading – provide greater access to zero-cost trading services from a mobile device.

Cryptocurrencies – digital currency services built on distributed ledger technologies.

Designing an Ecosystem to Support the FinTech Operating Model

In order to begin implementing an enterprise architecture to support a foundation for execution, it is important to consider the composition of the types of architectural practices, standardized technologies, and platforms in a FinTech ecosystem.

Technology standardization is part of the evolution of the enterprise system landscape toward an optimized, agile FinTech ecosystem that provides the responsiveness needed to enable strategic initiatives to be implemented at higher velocities. Identifying the set of FinTech services and platform capabilities in a holistic manner allows a systems thinking approach to support design initiatives for the enterprise architecture.

There is increasing pressure for financial services enterprise executives to develop dual strategies to preserve the profitable core business while innovating with new **FinTech products and services on price, capabilities**, and **value for customers**. More than ever, the imperative is to develop an approach to innovate business models and enterprise architecture.



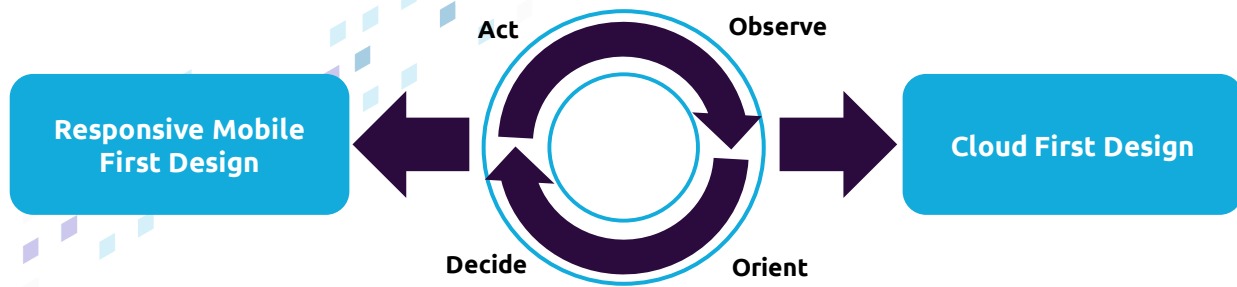
The cost benefits are also significant as it gives enterprise architects a roadmap to perform technology and platform evaluations that are compliant with the FinTech ecosystem governance model to avoid redundant deployments and wasted resources.

Agile Architecture Principles

Enterprise architecture principles that inform program portfolios related to the core operating model and new FinTech ventures can serve as valuable guides to building out the ecosystem in a cohesive, consistent manner.

These principles also facilitate increasing organizational capability to design, develop, test, and deploy FinTech solutions with higher quality and high velocities. Establishing a set of architectural principles for enterprise architecture development underscores the important consideration that process is just as important as technology for creating world class FinTech solutions. Besides agility, economies of scale and scope can be achieved by leveraging or extending core architectural components and subsystems to deliver new solutions required to support a new FinTech venture. These architectural principles specifically help address the challenges needed to succeed in the FinTech economy.

Architecture Principle	Objectives
Responsive Mobile First Design	<p>Responsive Mobile First Design is the principle to design interfaces as if they were targeting a mobile audience that may be using various types of devices such as smart phones or tablets. The objectives of this principle are:</p> <ul style="list-style-type: none"> ▪ Personalized content, capabilities, context delivery ▪ Enhanced customer relationships ▪ Support for ambient awareness ▪ Optimized channel distribution for demand generation, service delivery
OODA Loop⁹	<p>The Observe-Orient-Decide-Act Loop principle is a paradigm that informs designing analytical and event-processing capabilities in new FinTech ventures. The OODA Loop includes components for decision modeling. Some of the objectives driving this architectural principle include:</p> <ul style="list-style-type: none"> ▪ Open world decision support for consumers ▪ Real-time data insights ▪ Distributed enterprise collaboration and decision support
Cloud First Design	<p>Cloud First Design is the principle to design all services with business modularity and cloud computing capability to maximize utility of network effects. The principles helps to achieve these objectives:</p> <ul style="list-style-type: none"> ▪ Global class integration ▪ Rapid scaling of FinTech products and services ▪ Digital supply chain agility ▪ Agile FinTech product and service delivery



Ecosystem Architecture Principles

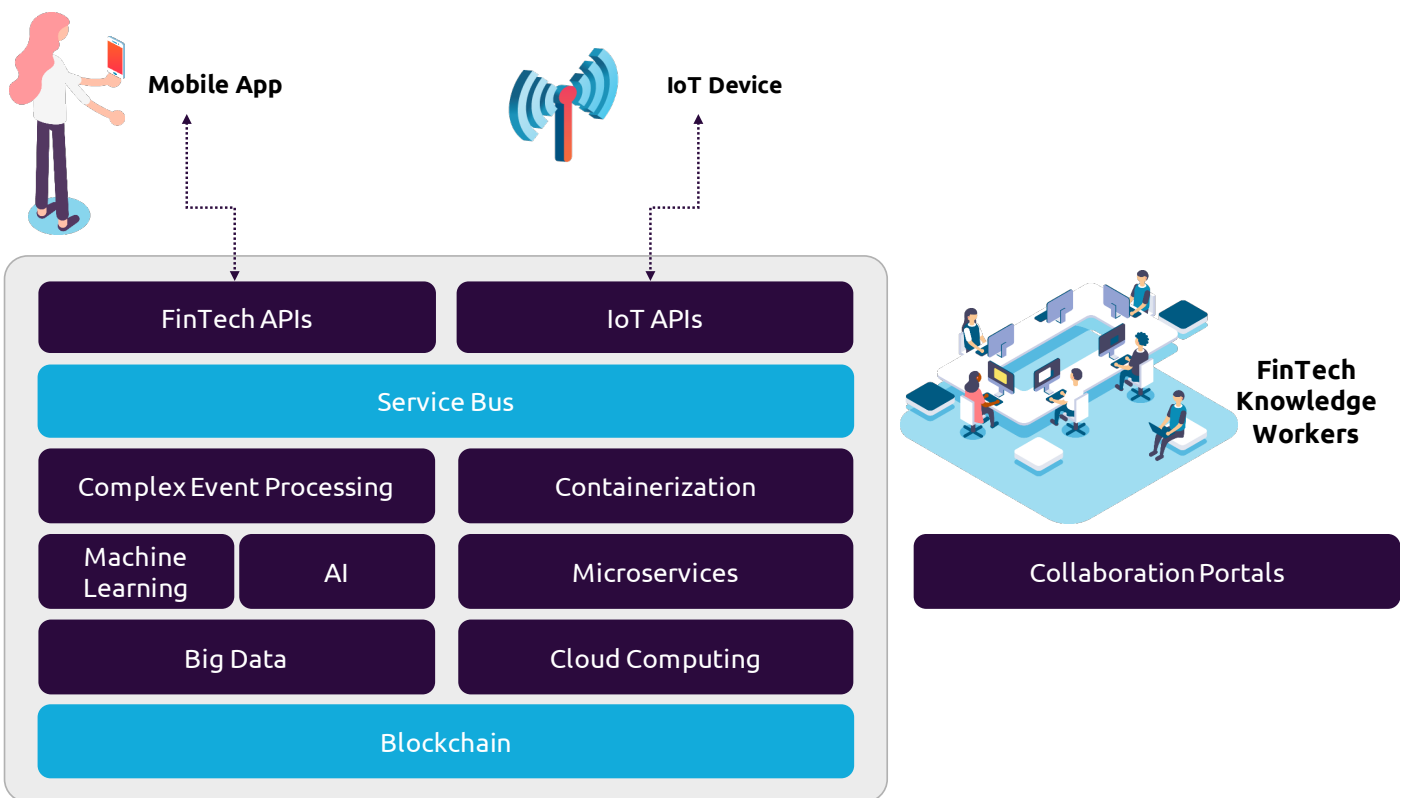
FinTech Technology and Platform Capabilities

In addition to standardizing the process for designing the ecosystem, the technology infrastructure and platform capabilities also need to be classified to facilitate deployment decisions. These categories are essentially the toolbox for the enterprise architect to use to create solutions to power new FinTech ventures launched from business model innovation initiatives. The categories have been defined as they help address specific aspects of the types of capabilities needed to succeed in the global connected economy. It should be noted, however, that the ontology presented in the table below is not exhaustive. Enterprise architects should develop a more comprehensive catalog of the technology and platform capabilities needed to support the operating model and any extensions for new FinTech ventures.

Technology/Platform	Objectives/Candidates
Mobile	Mobile platforms produce responsive interfaces for consumers using smart phones or tablets. Platforms should facilitate deploying context-aware, personalized content and capabilities in the various relationships, channels, and revenue streams the consumer is engaged.
Ubiquitous Computing	Ubiquitous computing is driven by need to capture more open world contextual data via sensors to develop enhanced situational awareness to empower the decision modeling in the FinTech enterprise. Some example devices include: <ul style="list-style-type: none"> ▪ RFID ▪ Energy IoT sensors ▪ Manufacturing IoT sensors ▪ Weather and Traffic IoT sensors
Big Data and Machine Learning	Big Data is the collection of large volumes of data from diverse sources at high velocities. Big Data can enable business context insights to move with high velocities across business units and/or partners in the operating models as well serve as the source for shared data. To unlock value from vast amounts of data over large numbers of dimensions, machine learning platforms can provide the numerical analysis to develop insights based on classification, regression, and predictive analytics. As such, these platforms can also drive personalization for FinTech products and services and facilitate open world decision modeling in customer segments.

Technology/Platform	Objectives/Candidates
Cloud Computing and Microservices	<p>Cloud computing provides elastic computing resources for scalability and also relay mechanisms for enabling linkages between business units and enterprises. This platform capability is especially valuable for business model innovation since these services can be used in an on-demand basis. Moreover, using a microservices implementation of FinTech services can develop greater business agility for delivering new products and services faster. A compositional approach with microservices can provide FinTech executives with greater leverage to respond to market challenges and capitalize on new opportunities.</p>
Complex Event Processing	<p>Complex event processing is necessary to capture rich context information in real-time. Events occurring in the consumer's open world or in the collaborative distributed enterprise contains contextual data that should be incorporated into decision modeling for determining how to respond via automated mechanisms or human expert intervention.</p> <p>Gathering data from complex event processing develops intelligence for delivering better FinTech products and services.</p>
Enterprise Service Bus	<p>In modern enterprise architectures that have successfully evolved to support composite FinTech services and applications, an enterprise service bus is often a key enabler for reaching the data velocities required for business agility. An enterprise service bus provides key capabilities to support high data velocity such as message routing, service brokering, mediation, and message processing including transformation and enrichment, operations management, as well as quality of service.</p>
Enterprise Collaboration Portals	<p>Enterprise collaboration portals are the interface for group collaboration and decision-making within the FinTech venture. These platforms virtual teaming capabilities to support standardized business processes and accessing shared data to accelerate decision support. Portals can deliver insights via dynamic dashboards provide at-a-glance view of trends, KPI performance and anomaly alerts.</p>
Containerization Technology	<p>Containerization is a powerful technology to help FinTech enterprises to scale microservices and to provide a high level of business service quality and continuity. Containerization provides FinTech enterprises a mechanism to rapidly deploy new products and services while achieving elastic scale to meet growing demand. This technology also affords FinTech ecosystem with a much greater degree of business agility and acceleration for faster time to market of new products and services.</p> <p>Containerization strategies can be powerful enablers for enterprise pivots when searching for product/market fit.</p>
Blockchain	<p>Blockchain technology can be used to implement distributed trust mechanisms and smart contracts. Currently blockchain is mainly applied in the Cryptocurrency operating model but the technology has use cases in others such as Insurance Tech. From a FinTech perspective, blockchain technology can be an integral component of the digital supply chain to develop secure and trusted financial services ecosystem.</p>

Technology/Platform	Objectives/Candidates
Open APIs	<p>Open APIs can help enterprises provide an interface to partners or 3rd party consumers of FinTech products and services. For incumbent banks, developing an Open API layer to core resources and services provides an ability to gain network effects and opportunities for developing multi-sided platforms to compete with FinTech startups.</p> <p>Another important consideration is Open APIs can also be used to provide an interface to acquire contextual data associated with consumption of FinTech products and services. Contextual data can be leveraged for developing greater intelligence to create more valuable insights about customers.</p>
Artificial Intelligence	<p>AI can serve to develop capabilities for gathering information to feed into financial evaluation operations. Computer vision, for example, can provide contextual image data to deliver real-time risk assessment. AI capabilities can help the FinTech enterprise develop a greater awareness of the open world in which its customers depend on their products and services. The data can be aggregated over time to gain valuable insights to optimize outcomes delivered by FinTech products and services.</p>



A standardized portfolio of **FinTech technologies and platform capabilities** can serve as a toolbox for enterprise architects to create solutions that power new **FinTech ventures launched** from business model innovation initiatives.

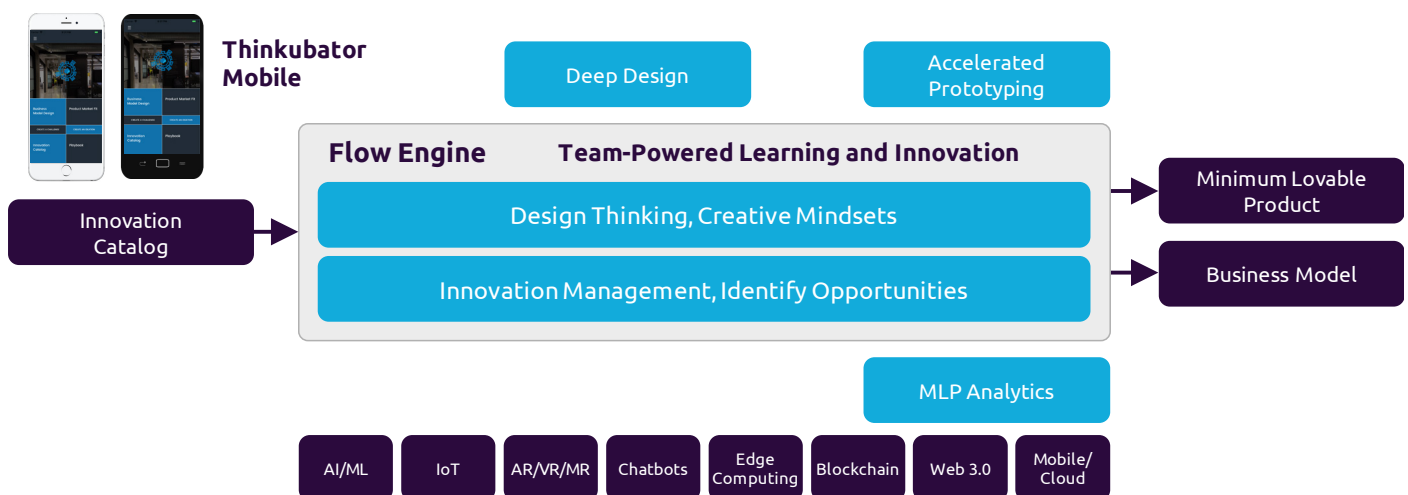


Thinkubator Business for FinTech Innovation

FinTech ventures require an assembly of the right talent, the right technologies and a repeatable, high-velocity approach to innovation. Whether it be to develop internal innovation capabilities, seeking to develop a partner ecosystem or launch entirely new brands, FinTech ventures need to be supported by a robust enterprise innovation platform that enables radical market-centric collaboration. SogetiLabs developed the Thinkubator Business enterprise innovation platform and services to partner with innovative ventures seeking these capabilities. Ventures can leverage the Capgemini innovation ecosystem to accelerate time-to-value creation.

Thinkubator Business is a design-oriented corporate accelerator which applies a scalable and sustainable operating model for enterprise innovation that delivers rapid business value in the form of innovative FinTech products, services and solutions. Thinkubator Business:

- Enables individuals with innovation techniques and mindsets.
- Empowers teams through a learning and innovation platform.
- Deploys innovation pipelines directly into the enterprise.



Thinkubator Business is powered by a highly customizable team-based enterprise innovation platform with

- An artificial intelligence and machine learning toolkit for deep design,
- Software factory automation for accelerated prototyping,
- And an integrated innovation flow engine to deliver value fast.

Thinkubator Business combines design thinking with innovation management to align creative production with strategic growth opportunities to achieve real business impact. With innovation management, new FinTech ventures can:

- Apply techniques for creating vision,
- Develop strategies to accelerate product/market fit,
- Incorporate proven methods for designing innovative business models,
- Implement innovation monitoring and tracking mechanisms.

Thinkubator Business can bring together the talent from the Capgemini innovation ecosystem to successfully meet the challenges and opportunities of the new FinTech venture.

- **SogetiLabs** – Sogeti consulting and engineering think tank for applying innovation and leveraging disruptive technologies to deliver business value.
- **Capgemini Invent** – Capgemini strategy and business design firm with deep and broad sector-based experience.
- **Applied Innovation Exchange** – Capgemini innovation ecosystem that facilitates connections with startups, universities, sector experts and technology partners across a global network of locations.
- **Lohika** – Part of Capgemini, specializes in complex, rapid-scaling and integration of technology platforms used in the financial services sector.

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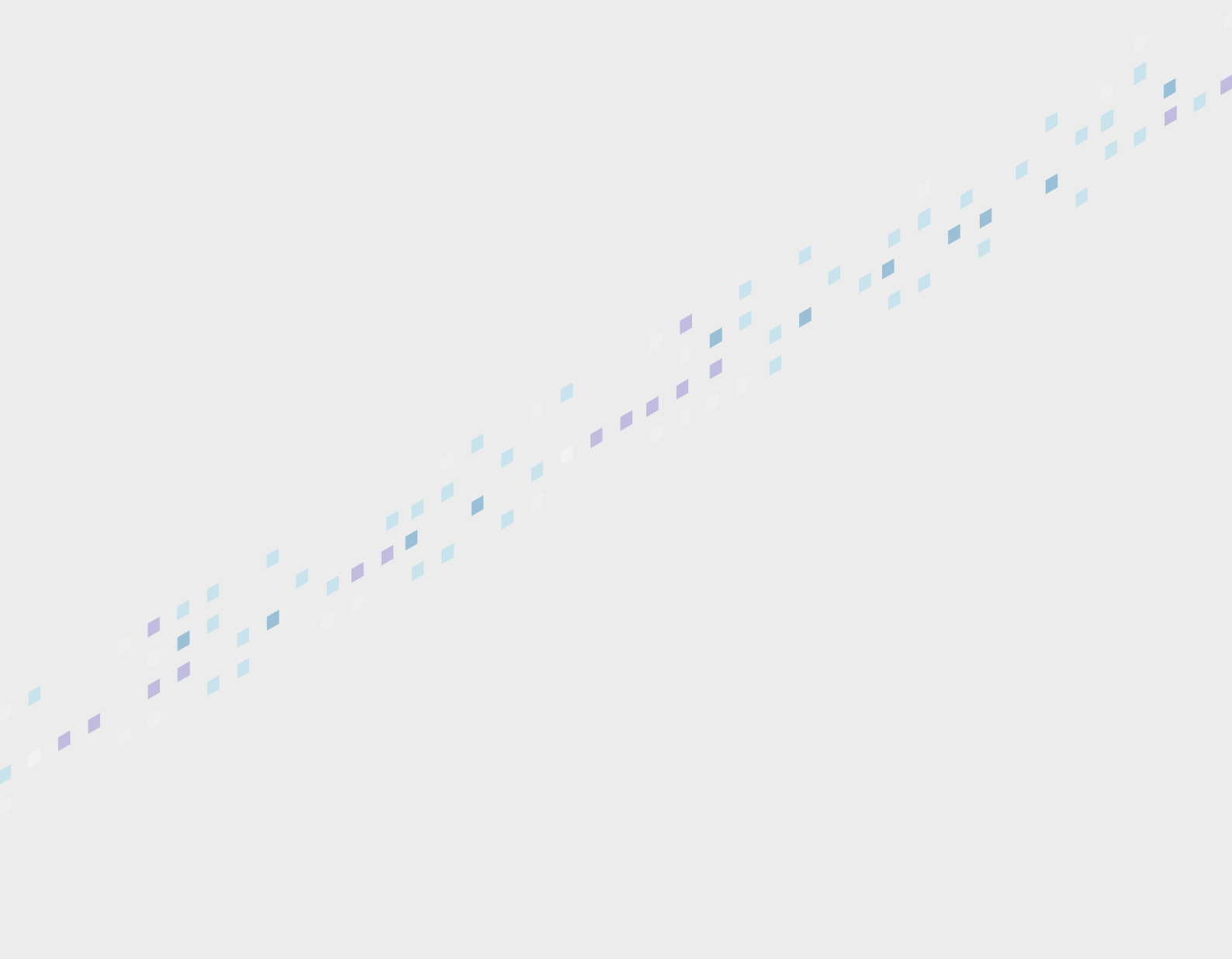
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SogetiLabs is a network of technology leaders from Sogeti worldwide. SogetiLabs covers a wide range of digital technology expertise: from embedded software, cybersecurity, AI, simulation, and cloud to business information management, mobile apps, analytics, testing, and the Internet of Things. The focus is always on leveraging technologies, systems and applications in actual business situations to maximize results. SogetiLabs also provides insight, research, and inspiration through reports, articles, presentations, and videos that can be accessed on the SogetiLabs website www.labs.sogeti.com

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Part of the Capgemini Group, Sogeti operates in more than 100 locations globally. Working closely with clients and partners to take full advantage of the opportunities of technology, Sogeti combines agility and speed of implementation to tailor innovative future-focused solutions in Digital Assurance and Testing, Cloud and Cybersecurity, all fueled by AI and automation. With its hands-on 'value in the making' approach and passion for technology, Sogeti helps organizations implement their digital journeys at speed. www.sogeti.com