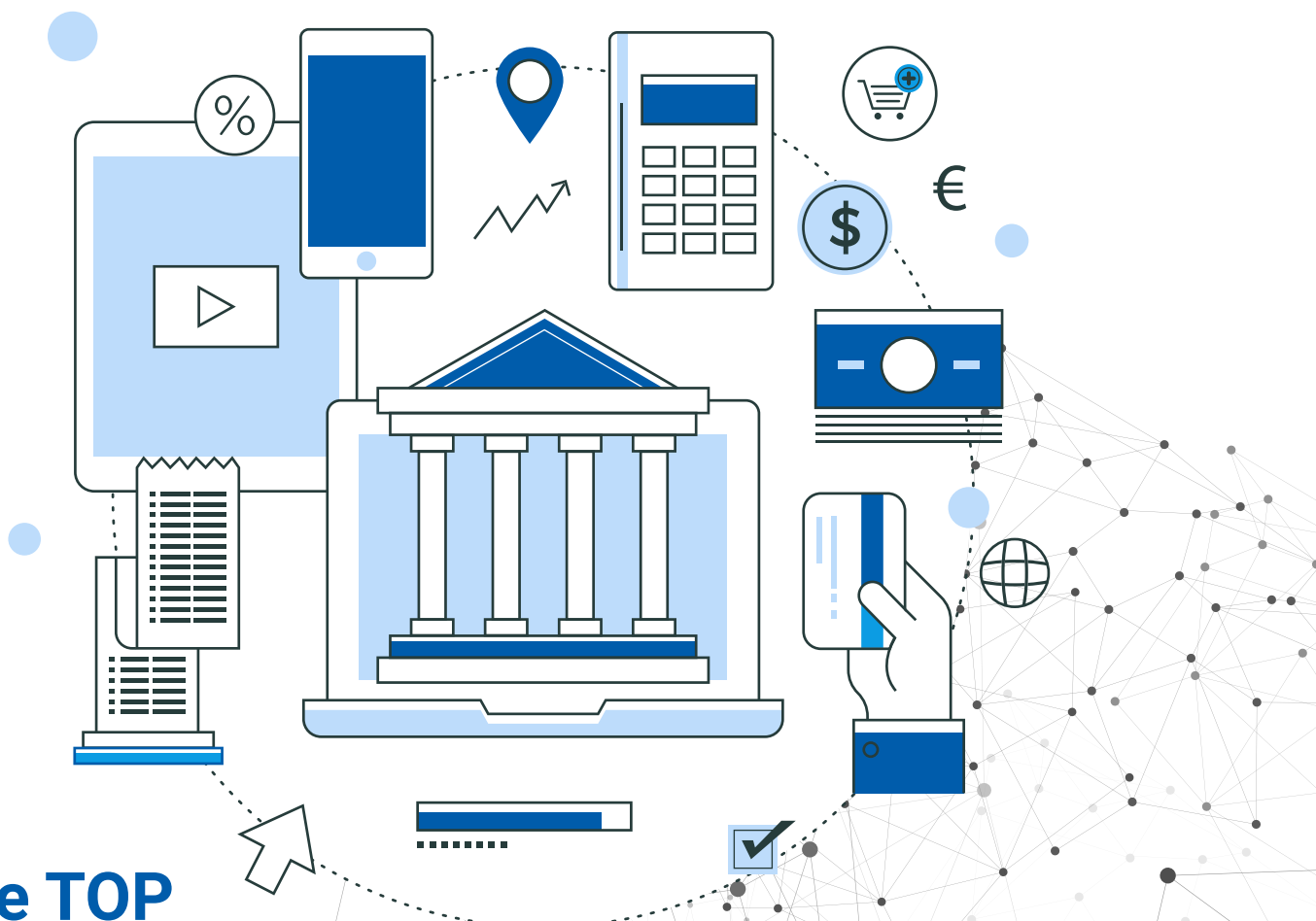


Banker\$

Get ready for 2018

If you are a bank or investment firm executive, member of a board, a financial software provider, a consulting services provider, or any other banking-related competency, this is a must read for you as we're going to reveal...



...The TOP

4

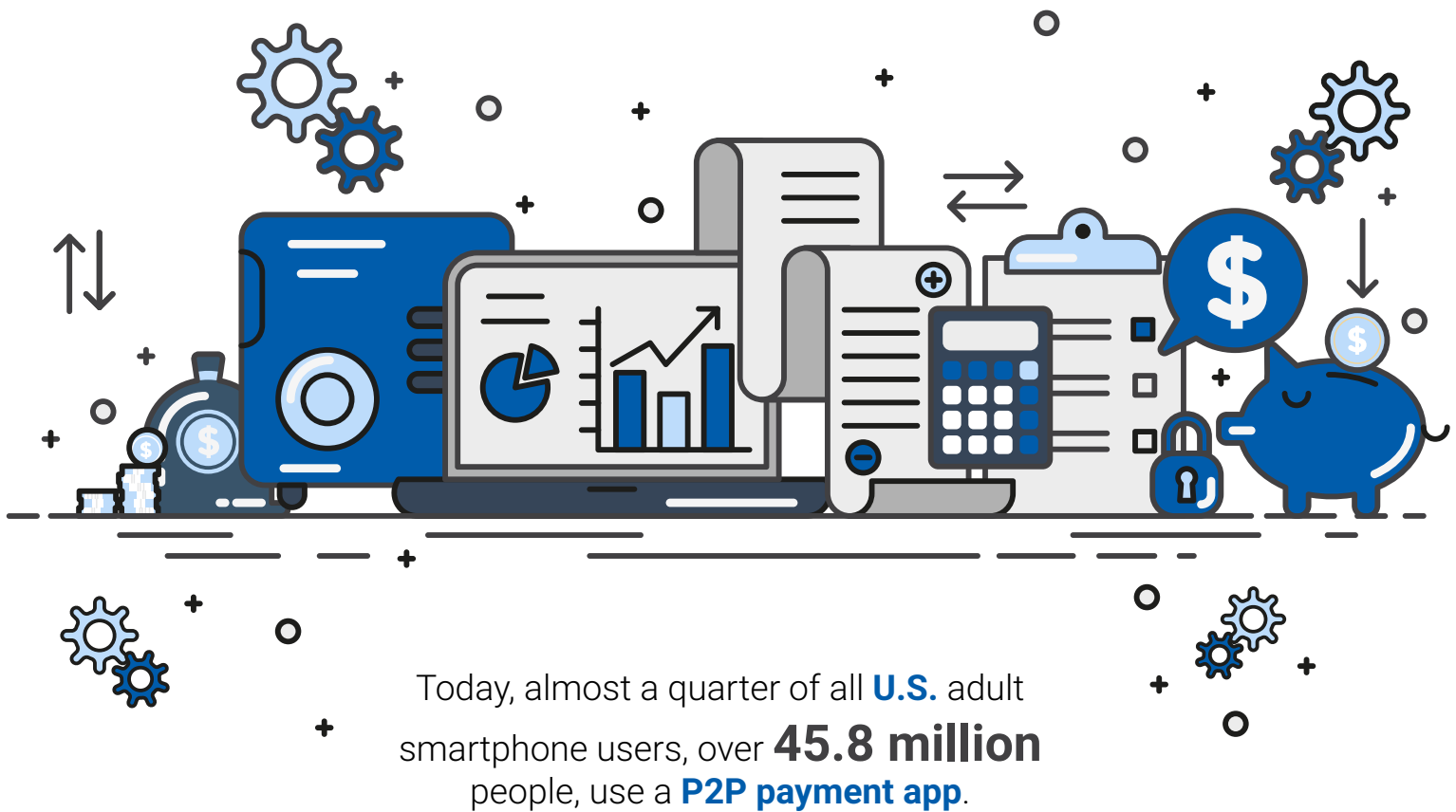
Technology Trends

that will have a **major impact in the way you do business in 2018.**

Consider these stunning facts:

Bank spending on **new technology** in the **U.S.** alone have reached **\$19.9 billion dollars.**

Global investments in **fintech** just last year totaled **\$49.7 billion dollars**, with the largest investment in the **U.S., UK/Ireland, Europe, China** and **India.**



Those stunning facts make it clear that banks today face a new reality – technology is more vital to all aspects of the business than ever before. At no time in the history of banking, investments, insurance and all related financial services and enterprises has there ever been such a dependence on technology... and such great promise.

Which is why now is an ideal time to take stock of what's in store for banks and financial institutions. That's why we've identified **four key trends** that we believe will have a significant impact in the coming...



Open API Economy: The Heart of Digital Banking

Simply put, **banks that don't begin to leverage the API economy in 2018 will be at a disadvantage to their competitors.** Why? The API economy creates new opportunities for traditional banks, as well as a new generation of fintech companies. APIs make it possible to:



Securely share data with third parties, enabling many interesting scenarios for banks.



Give consumers an unparalleled financial experience.



Streamline products and services delivery through internal collaboration, between banks and fintechs, and other third-party providers across the industry.



Seize on opportunities to enhance the customer experience, gain efficiencies and cuts costs.

The key to maintaining or even gaining a competitive advantage is **planning and executing on a methodical open API economy banking strategy in 2018.**

For more information on the API open economy, and how API management and Quality assurance plays a key role for the open banking era, read this [**spotlight report from IDC.**](#)

Must-reading for Open Banking

In their research report, [***How to Build an Open Bank***](#), Gartner offers a unique perspective on the various options CIOs can explore to leapfrog from traditional to digital banking.

Open Banking Opportunities Infographic

Creating an API ecosystem is a sound starting point and savvy strategic move for making inroads into open banking. Explore new possibilities unlocked by Open Banking for the Financial industry in this edition of the [***Quinnox – Gartner thought-paper.***](#)

Check out the Quinnox point of view on accelerating success in an Open Economy-
[***Banking on Digital***](#)



Blockchain: Banks Can't Afford to Ignore It

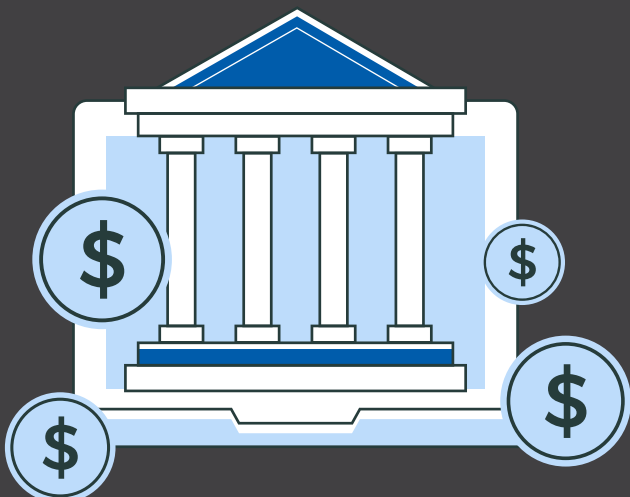
Blockchain has the potential to be one of the most disruptive technologies to hit the global banking industry in years. Yet, many financial institutions either don't understand it, ignore it, or are frankly scared of it. Even the regulatory environment is unsettling; when regulators themselves don't understand blockchain, it makes it impossible to impose effective regulations.

A testament to its potential impact comes from recent developments, with some of the industry's first movers. In 2015, nine financial companies, including global banks like Barclays, J.P. Morgan, UBS and others created the R3 consortium. Currently consisting of 70 of the world's biggest financial institutions, the goal is spearheading blockchain research and developing it for financial system use.

In 2016, a host of member banks announced the development and use of smart contracts on R3's Corda distributed ledger platform to process accounts receivable (AR) purchase transactions (or invoice financing or factoring) and letter of credit (LOC) transactions. This exemplifies how revolutionary blockchain can be in the simplification of legal documents, while dramatically slashing costs.

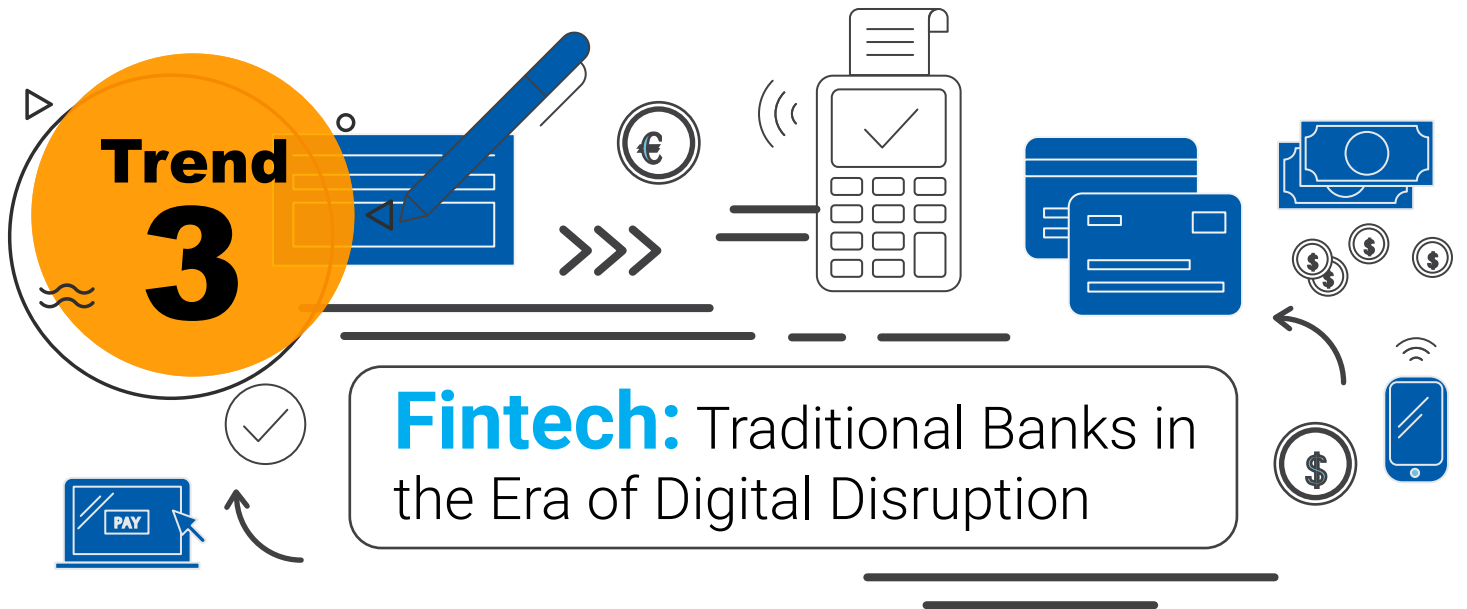


Kaustubh Tare, Quinnox Vertical Head Financial Services, explains [***why blockchain can't be ignored!***](#)

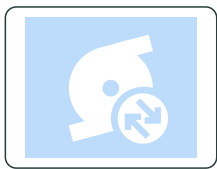


Blockchain could save banks up to **\$20 billion** in cross-border payment costs, securities trading, and regulatory compliance by **2022**.*

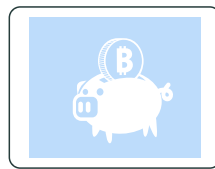
*Source: Santander InnoVentures, Anthemis and Oliver Wyman



Fintech is driving enormous digital disruption in banking and financial services. The largest banks in the world are busy integrating fintech, which leaves any financial institution not doing the same at a huge disadvantage. Even in its short history, fintech has a track record of notable successes in banking:



Well Fargo is investing in fintech to improve offerings for consumers and business users, using AI to personalize customer services, and developing applications that allow corporate customers to integrate the bank's products into their own digital systems.



American Banker identified [20 fintech startups that are at the top of their](#) class in bridging the digital divide many traditional banks struggle with today. These fintechs help banks use digital channels to replicate or even enhance strong bonds they share with their customers when interacting in person.



According to [Forbes](#), the last two years have signaled [a shift toward partnerships](#). Instead of financial technology companies and big banks fighting each other, significant strides were made in making amends and coming together. Experts say it will herald a new era in banking that could help solve many of the industry's biggest (and longstanding) problems and challenges.



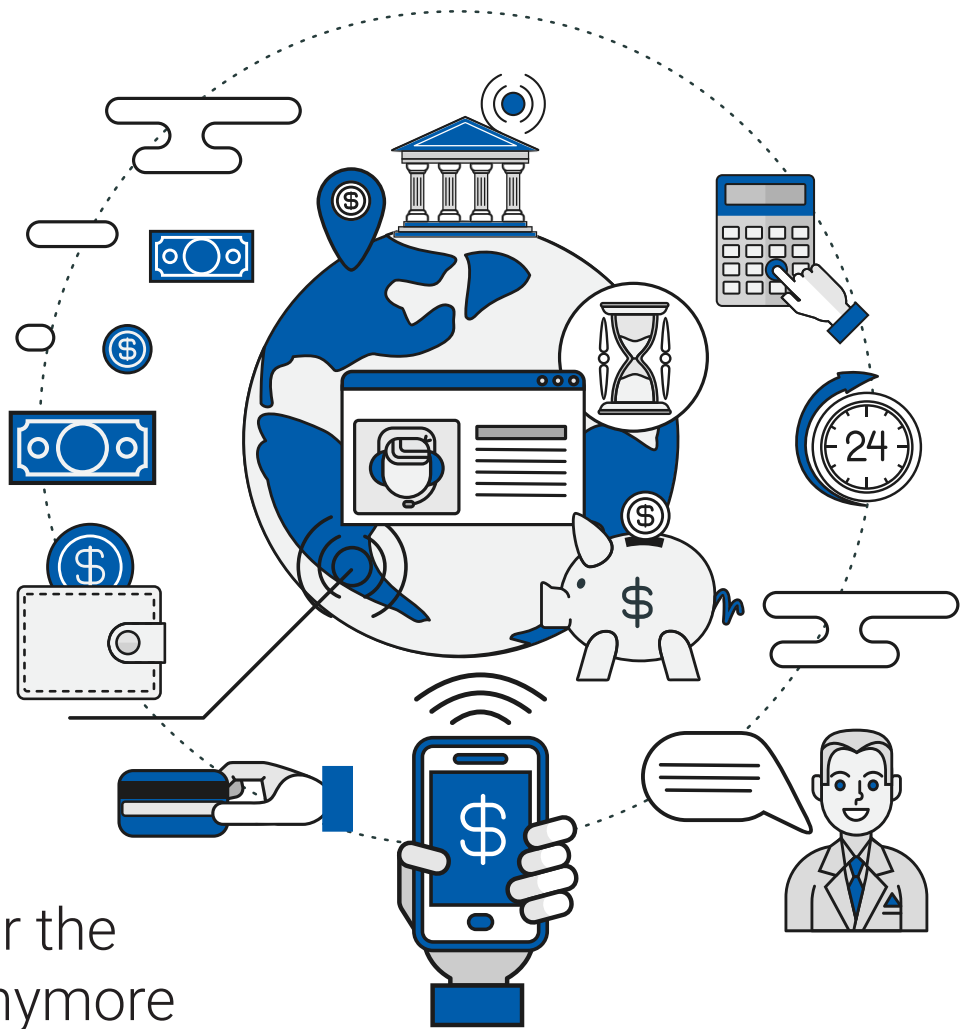
In his blog article, [Digital disruption in financial services and the roles of traditional financial institutions](#), **Kaustubh Tare** outlines four questions every traditional bank must ask themselves today.

Plus, check out this Quinnox infographic: [**Digital Disruption in Financial Services.**](#)

Analyst predict huge fintech growth

According to Opimas Research, AI spending in financial services is projected to hit **\$1.5 billion** this year, and grow by **75%** by 2021.

Trend 4

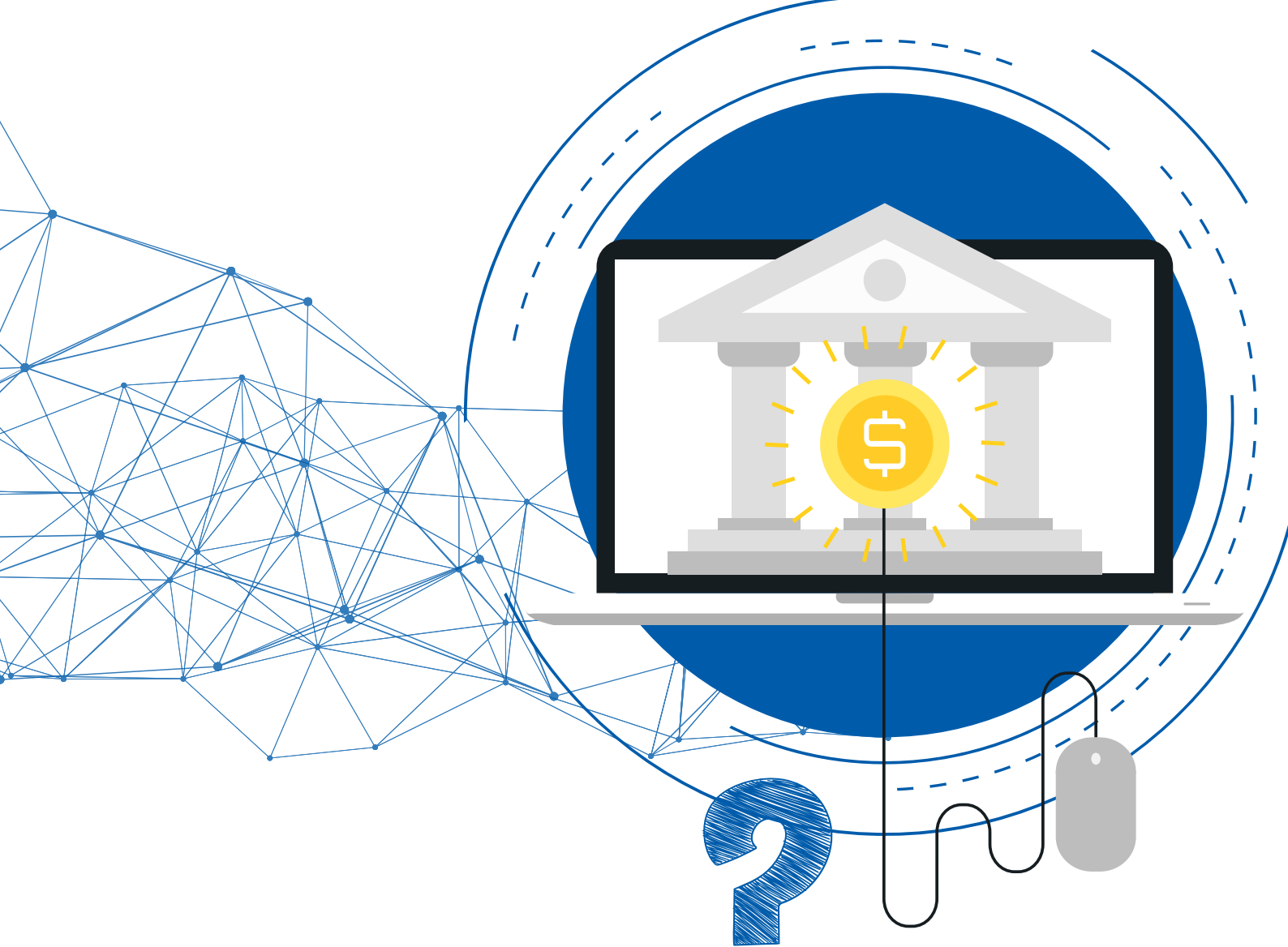


IoT: Not Just for the Home or Retail Anymore

Gartner forecasts that there will be 25 billion IoT devices in operation by 2020. The possibilities of IOT bringing industry-changing applications to market in transportation, energy, utilities, retail, and manufacturing are endless. Although IoT isn't usually associated with banking, Deloitte predicts that some IoT applications likely to gain traction in the coming year are ATMs, information kiosks, and the innovative use of credit or debit car sensing technology.

The impact of IoT on banking systems could be enormous, especially with the customer experience. IoT can offer more sophisticated and helpful consumer transaction processing, including those stemming from connected devices. And, by integrating this technology and making infrastructure investments, consumers can gain greater account and transaction details, and more options to manage their finances.

For more information, see the Quinnox blog, [**IoT – new digital for financial services**](#), as well as potential [**use cases for banking**](#) and financial services.



Ready for the change ●

Financial institutions today face a new reality- Accept the current dynamics and make plans to move with it or get ready for an uphill task as everything else starts moving against you. It is time to do away with the traditional risk averse attitude, typical of all banks and FIs and move with the speed of change.

Besides, these trends do not just present upcoming challenges, they are also opportunities in disguise. What one has to keep in mind is that technology is supposed to improve things, even though, in the short-term, it may seem disruptive.

Ultimately, all banks can benefit from emerging technologies, provided C-suite decision makers can see the writing on the wall, prepare their teams for what is inevitable, and embrace those innovations that can lead to transformational results for your business.

We hope that this information has provided deep insights into the trends likely to impact your institution in the coming year, and some guidance that will help you to be more competitive in 2018.

And, as always, we're here to help.



Ready to ride these trends to a competitive advantage in 2018?

A Quinnox team is here to help you explore how we can help your financial institution be prepared for these trends, and leverage these newer technologies to enhance the customer experience, reduce costs, and increase revenues. For an initial consultation, contact us at [contact information].



About Quinnox

Quinnox is an AGILE technology-driven business services enablement partner to forward-thinking enterprises. We drive digital business value, enable industry platforms and solutions, and simplify business processes. Quinnox has engaged in several major verticals, with expert teams that have highly specialized industry experience in financial services, manufacturing, and retail and consumer goods. As a midsize company, we focus on helping customers benefit and gain a competitive advantage from our unwavering commitment to customer centricity.

For more information, [visit www.quinnox.com](http://www.quinnox.com)

Write to us marketing@quinnox.com