

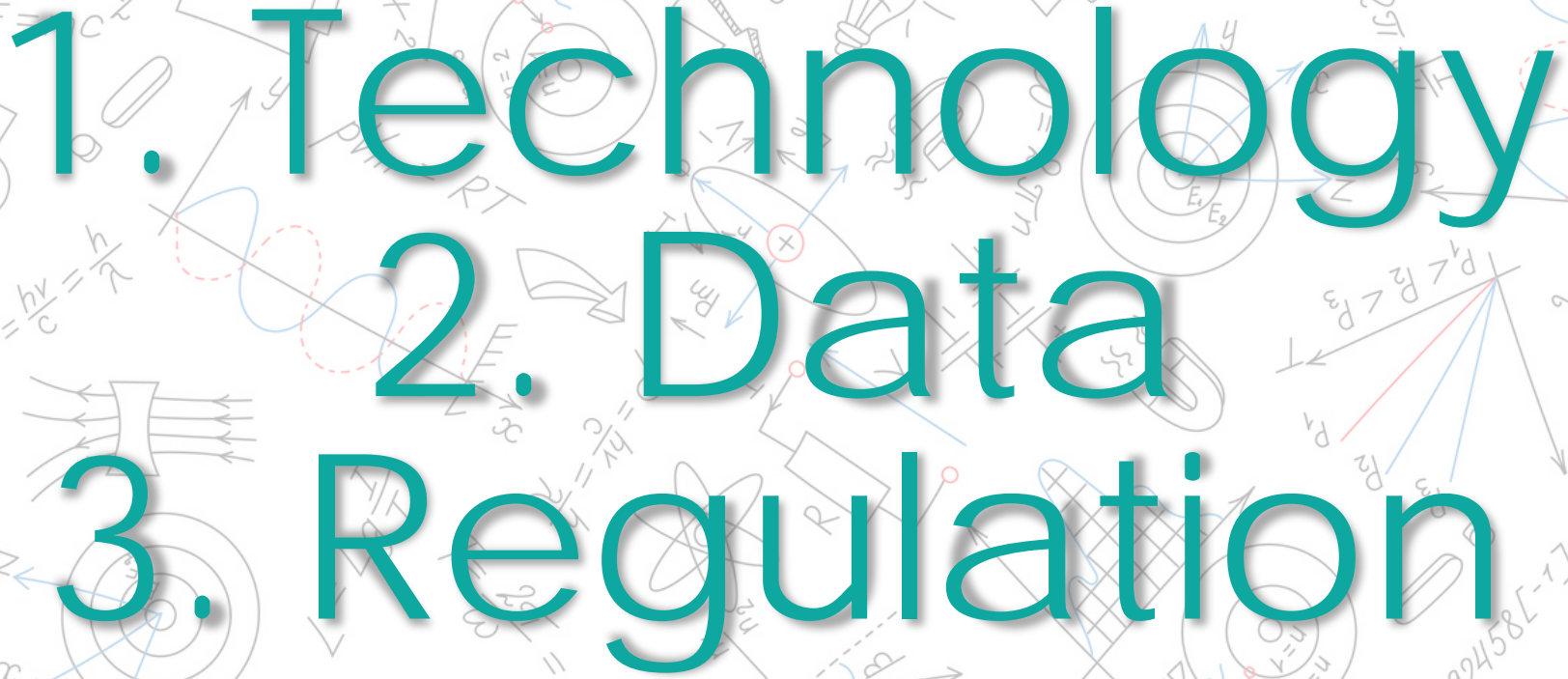


FINTECH
FORGE



ALLOY LABS
ALLIANCE

FINTECH & The Future of Banking 2019

The background is a dense, hand-drawn collage of various scientific and technological sketches. It includes circuit diagrams with resistors, capacitors, and light bulbs; mathematical equations such as $E=mc^2$, $P=\frac{h\nu}{c}=\frac{h}{\lambda}$, $\Delta E=h\nu$, $T=\frac{1}{2\pi f}$, and $\lambda=\frac{c}{f}$; geometric diagrams with vectors and angles; and other symbols like a lightbulb, a leaf, and a gear. The sketches are drawn in blue, red, and black ink on a white background.

1. Technology

2. Data

3. Regulation







“Technology companies treat data as the asset and products are how they monetize it; we banks view products as the asset and data as an afterthought”

- CEO of \$1.7b Bank



Regulatory Rigidity



Shadow banks fill regulatory gaps? Piskorski



What is the job to be done here?





*“It is noteworthy that P2P
lending is not an
innovation in the
product space...”*

- Balyuk

Unbundling of a Bank





Digital Lipstick on an Analog Pig

Experience Level

Tactical Level

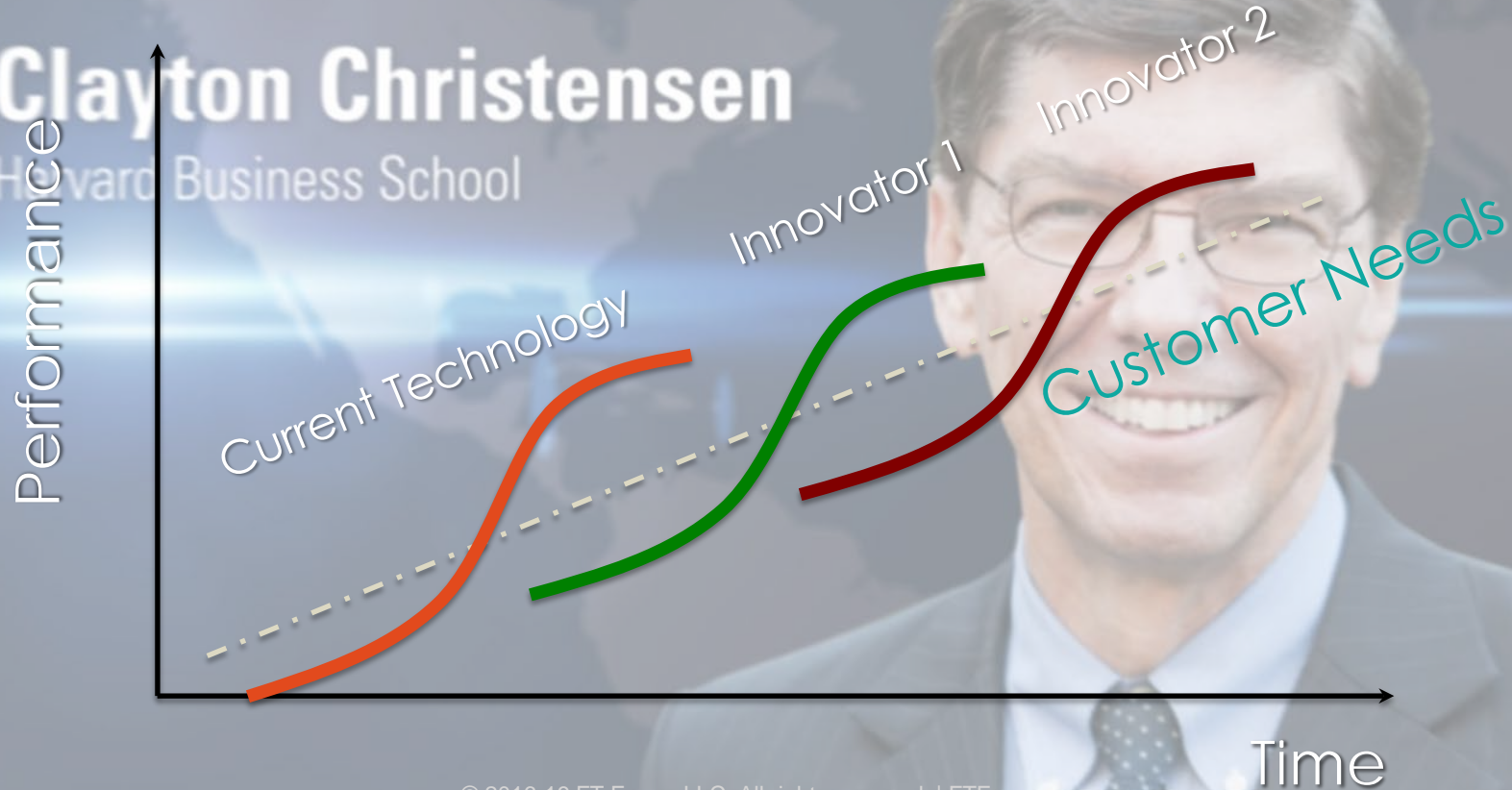
Strategic Level



The Innovator's Dilemma

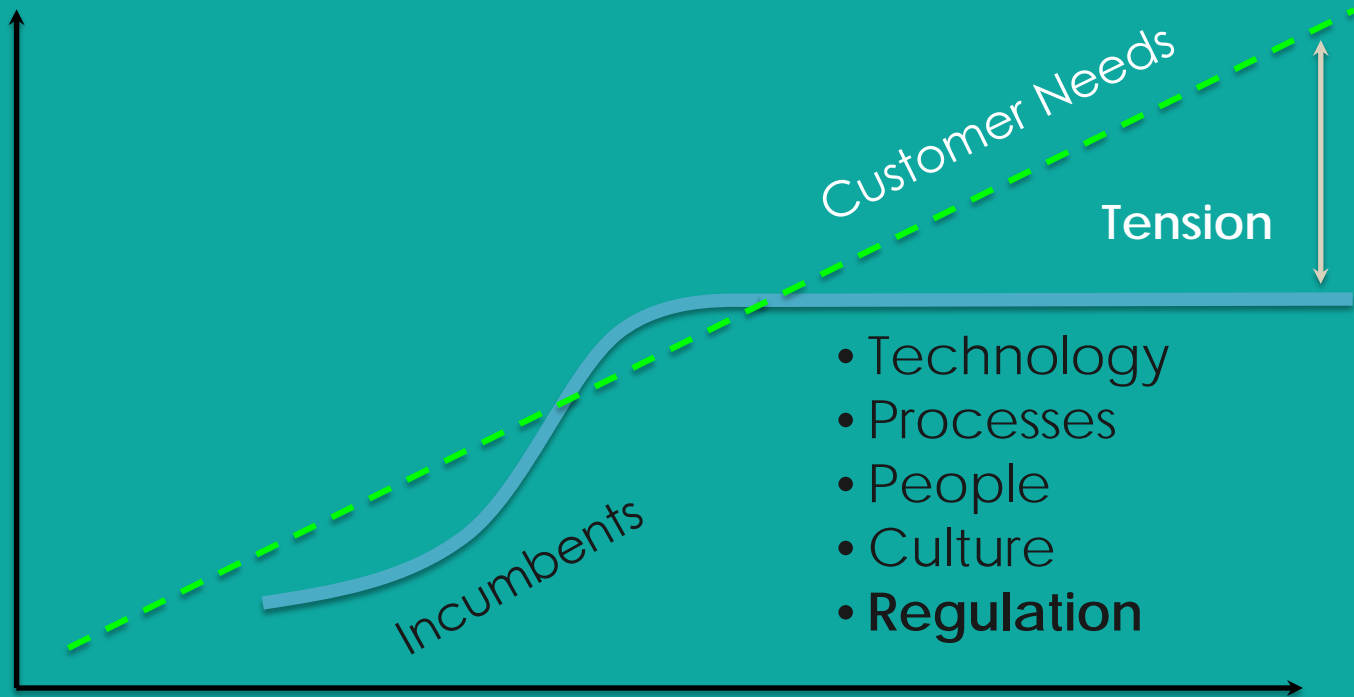
Clayton Christensen

Harvard Business School





...for Financial Services



\$100B+ invested in fintech companies in last 5 years

An iceberg floating in the ocean. The tip of the iceberg, which is above the water line, represents the visible investment of \$100B+ in fintech companies. The much larger, submerged part of the iceberg represents the underlying factors driving this investment, such as encroachment from adjacent players and a digital arms race from other incumbents.

Encroachment from adjacent players:

- Retailers/Marketplaces
- Tech Companies
- Insurance

Digital arms race from other incumbents:

- New strategies
- Acquisitions
- Acquihires

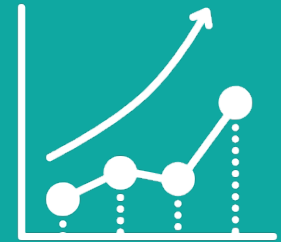
Extend
the Line



Bend the
Line



Jump the
Line



Core Strategies & Tactics

Innovation Strategies & Tactics

Dynamic
Fintech
Landscape



Highly
Regulated
Environment







The journey is
just begun