



RETAIL BANKING

LEZIONE N° 2

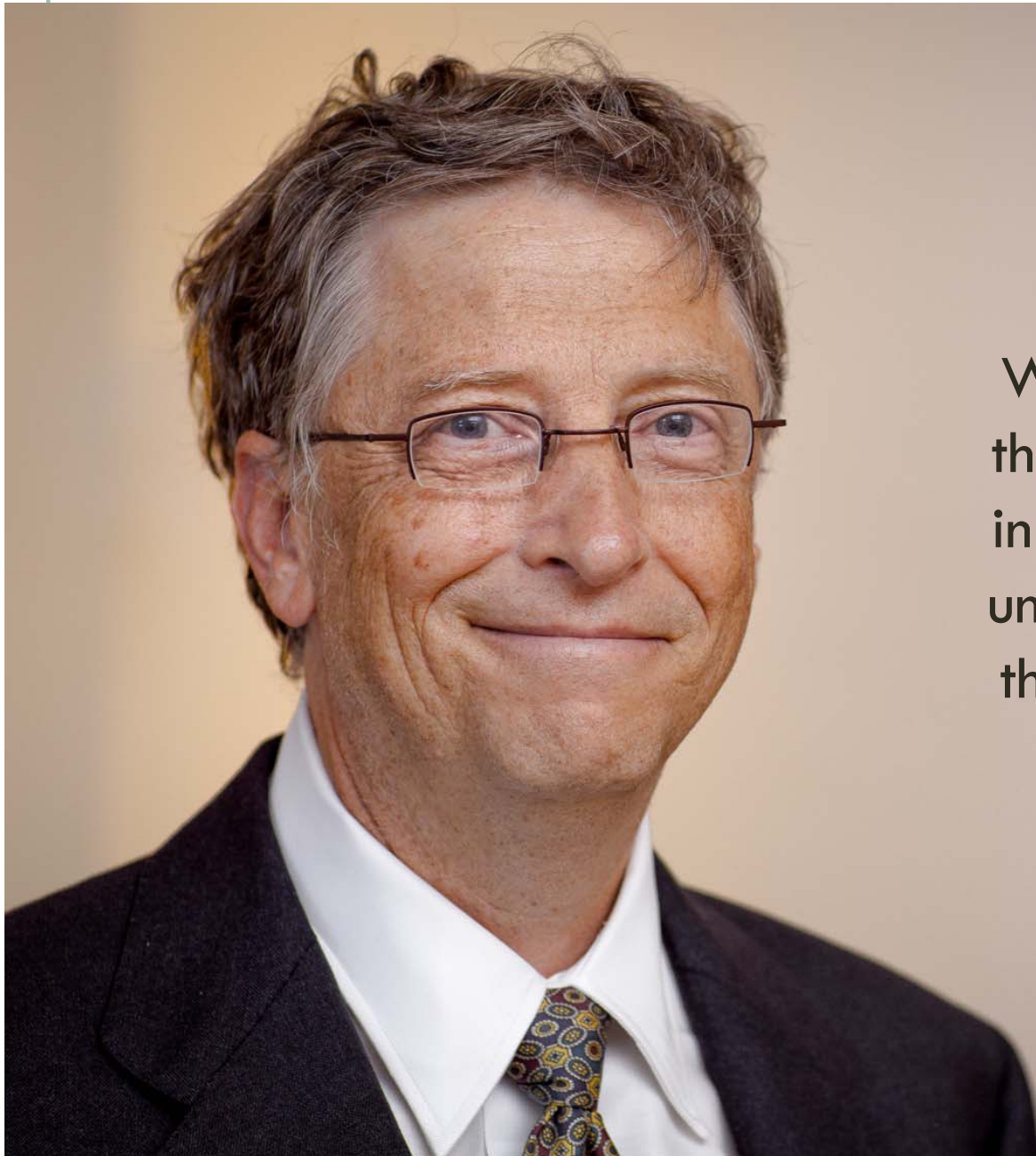
RETAIL E DIGITALIZZAZIONE

Università di Roma «Tor Vergata»

CLEMIF

A.A. 2022/2023

Prof. Umberto Filotto

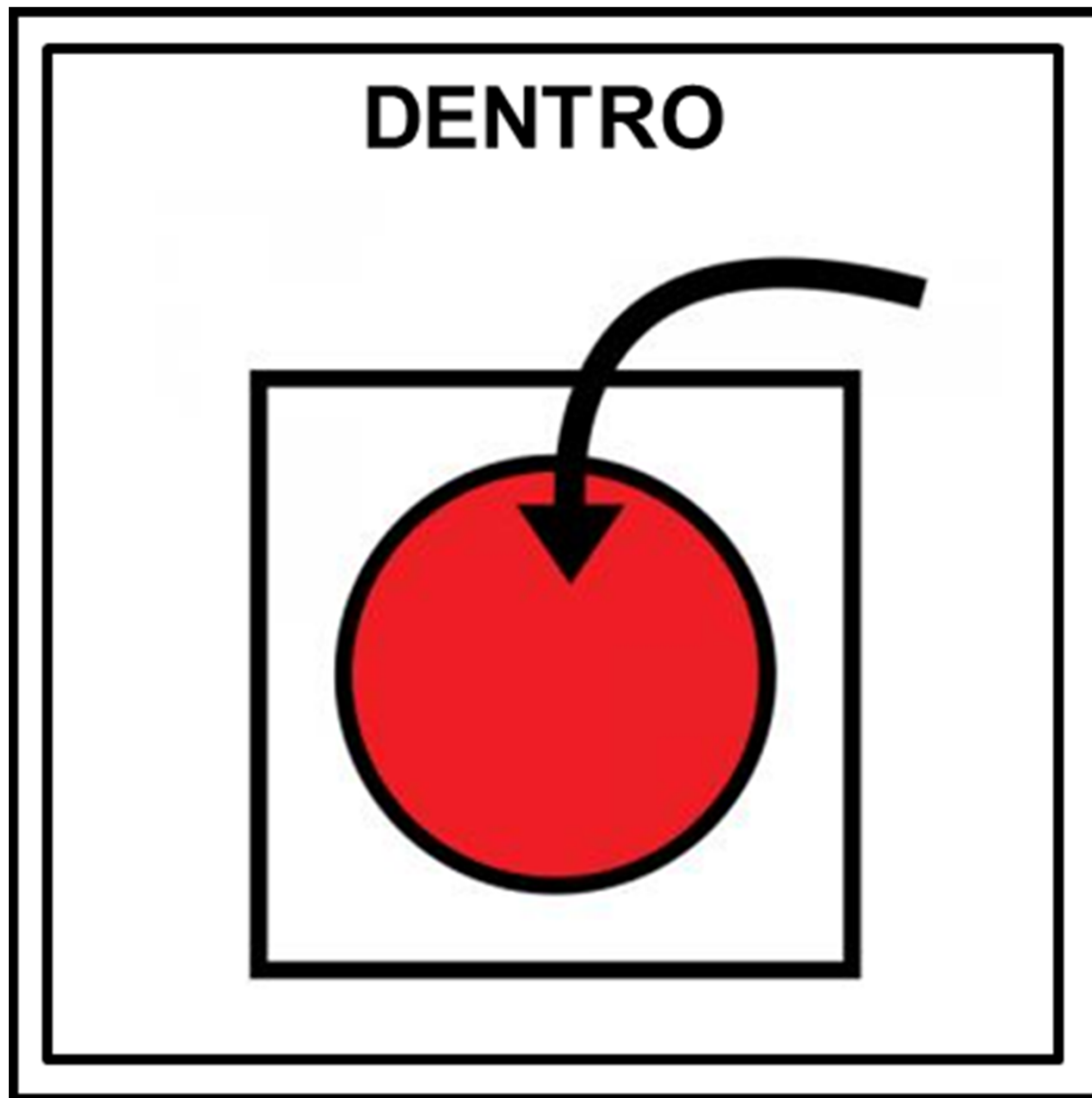


We always overestimate
the change that will occur
in the next two years and
underestimate the change
that will occur in the next
ten.



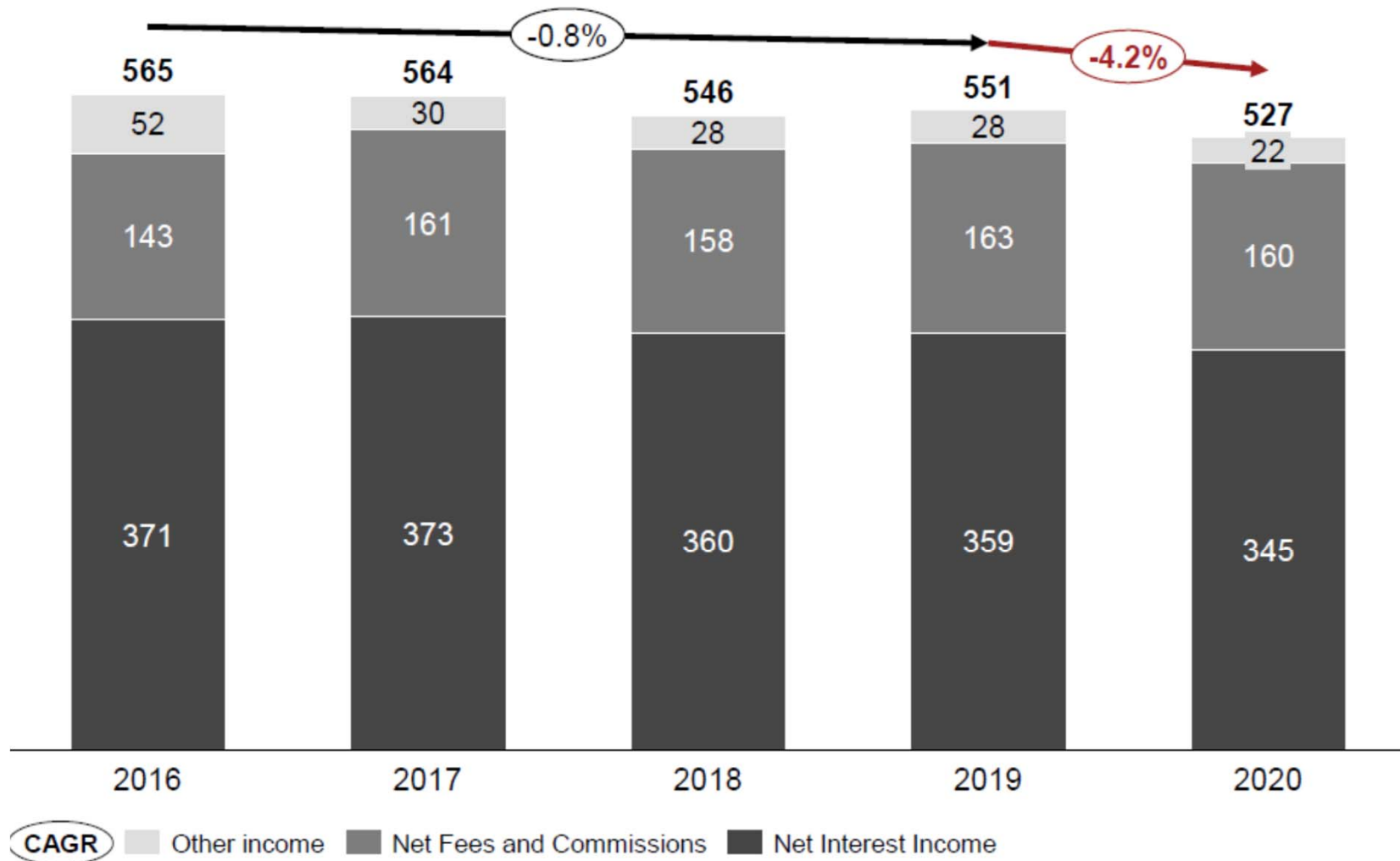


COSA CAMBIA «DENTRO» LA BANCA



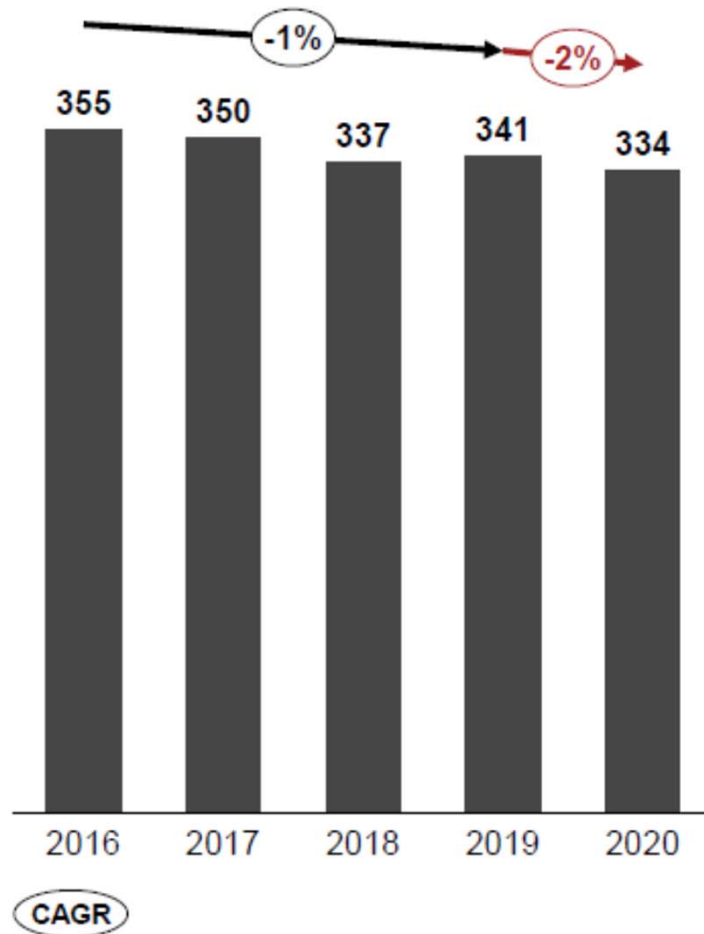
LA REDDITIVITÀ E' SEMPRE PIÙ SOTTO PRESSIONE

Operating income per customer
(European sample, weighted average in EUR)



LA REDDITIVITÀ È SEMPRE PIÙ SOTTO PRESSIONE

Operating costs per customer (European sample, weighted average in EUR)



HSBC – **35,000 jobs cut** by 2022 with **\$4.5bn cost savings**
(BBC, August 2020)

Santander with **~4,000 job cuts** and more than \$20bn in digital investments to reduce **CIR below 45%**
(Reuters, November 2020)

Commerzbank to **cut 10,000 jobs**
(Bloomberg, January 2021)

Société Générale **closing 600 bank branches** in profitability push – **expected ~€450mn cost saves** in 2025
(Reuters News, December 2020)

6,000 job cuts and **450 branches** to be closed at UniCredit
(Reuters, February 2020)

18,000 jobs cut and up to **\$17bn cost savings** by 2022 at Deutsche Bank
(Bloomberg, October 2019)

KBC with **~2000 jobs cut** and \$0.3bn in digital investments to reduce **CIR below 54%**
(Reuters, September 2019)

Phasing of investments to control spending, reduction of **CIR below 60%** at Barclays
(Annual results, 2020)

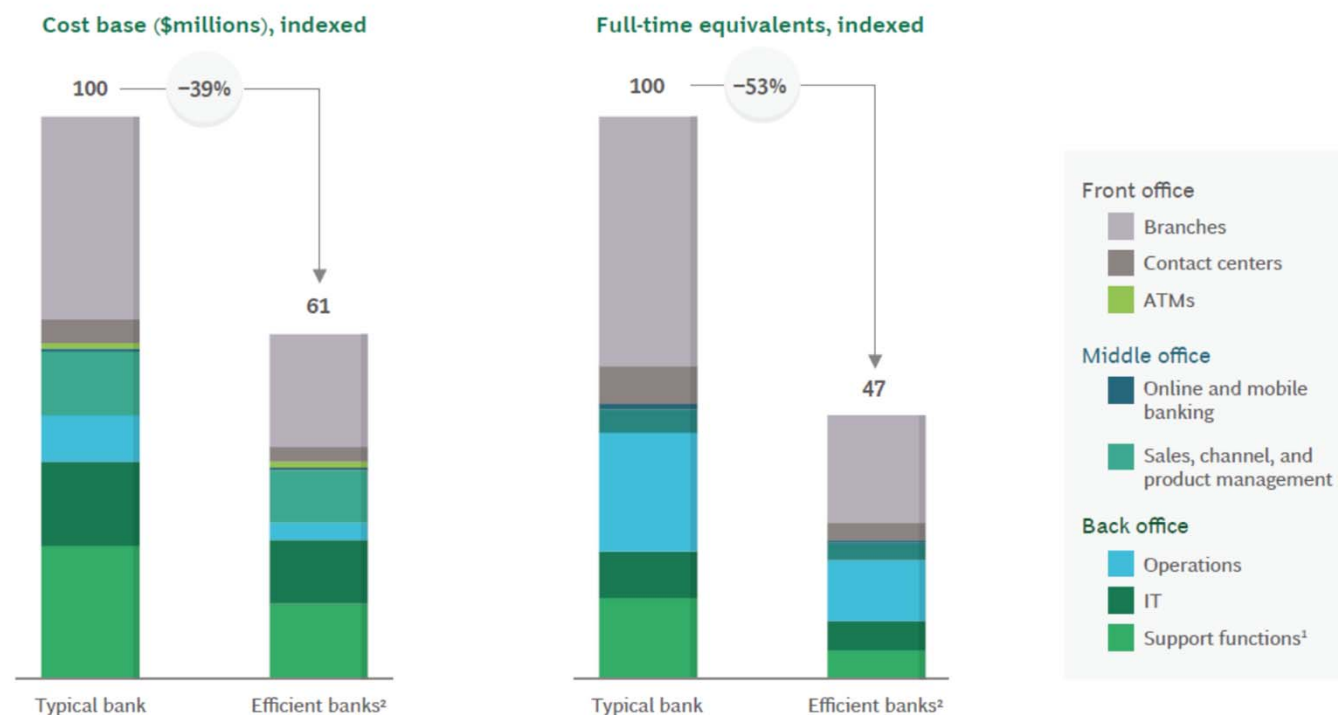
Outlook (exemplary)

PER MOLTI (MA NON PER TUTTI)

The Best Banks Already Operate Far More Efficiently Than the Industry as a Whole

Retail bank with 4 million customers

E le differenze sono a livello di sistema ma anche di singolo player



Source: BCG's Retail Banking Excellence COVID-19 Pulse 2020.

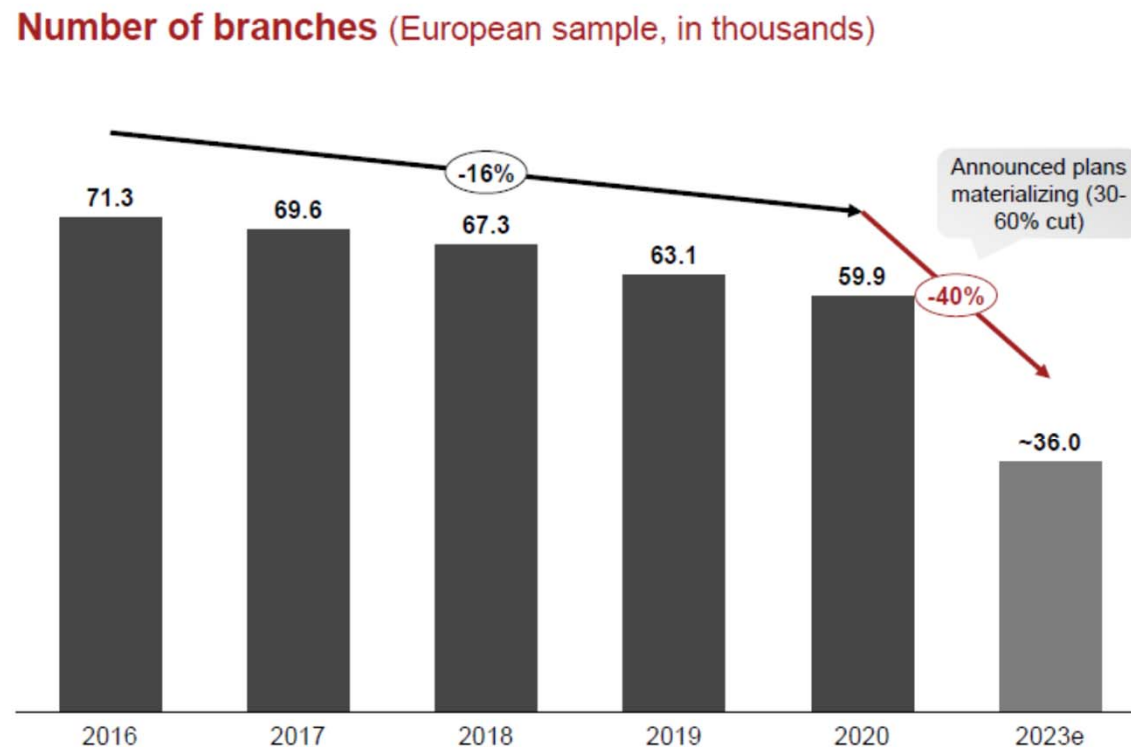
Note: Based on our analysis of a group of leading global banks. ATM = automated teller machine.

¹Includes risk, compliance, and legal functions.

²The average for the top 25% of banks in the sample.

NEL COMMERCIAL BANKING SE SI PARLA DI COSTI SI PARLA DI DISTRIBUZIONE

Il processo di «dematerializzazione» delle relazioni con la clientela continua ad accelerare

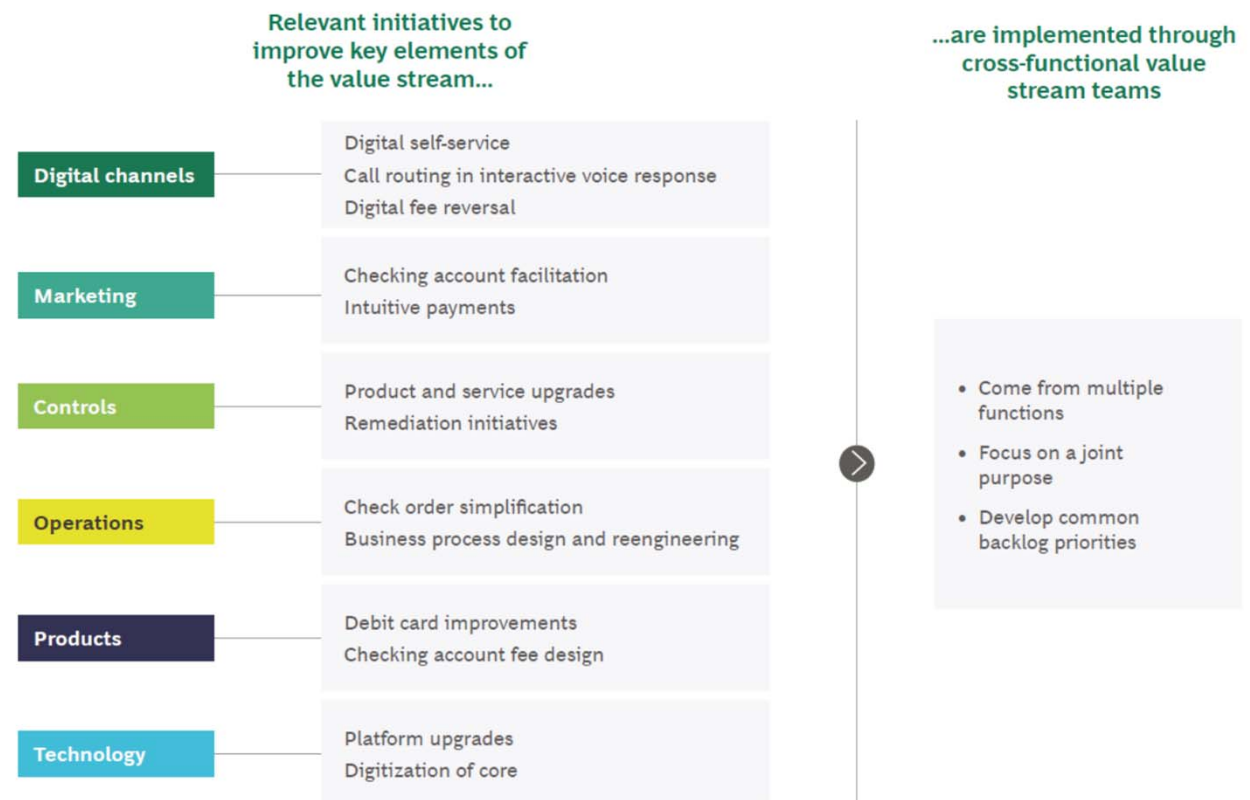


ANCHE SE NON SI TRATTA SOLO DI TAGLIARE MA ANCHE DI RIPENSARE

Banks Should Organize Solution Delivery Around Value Streams

Value stream example: Joining the bank

La digitalizzazione deve avere come obiettivo non solo l'efficientamento dei processi ma soprattutto la creazione di valore per il cliente

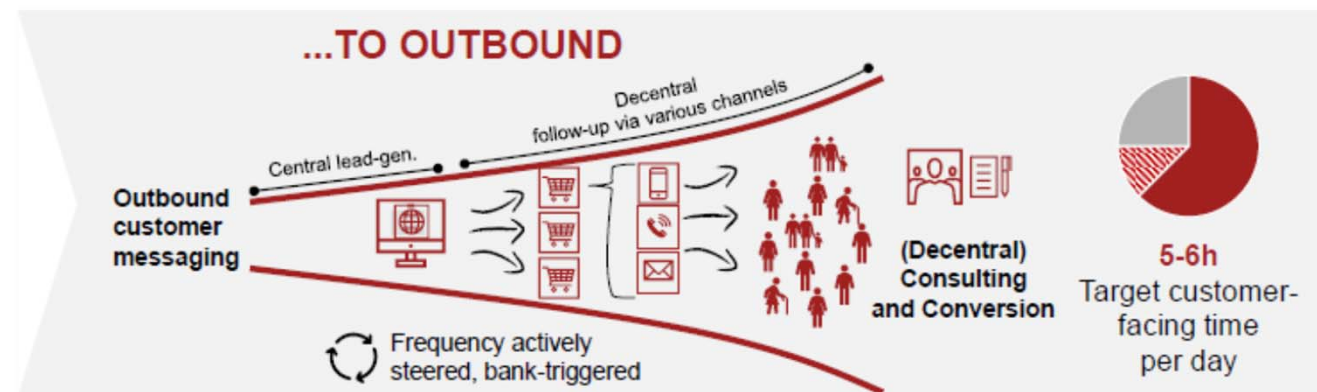
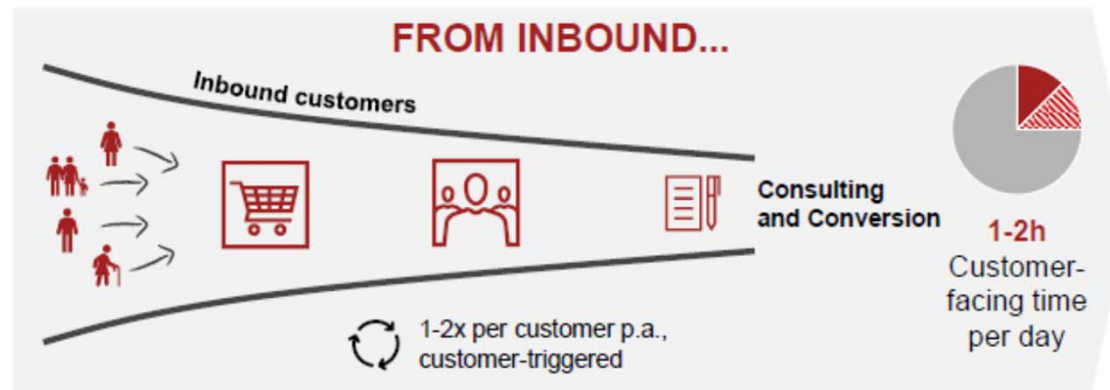


Source: BCG analysis.

ANCHE SE NON SI TRATTA SOLO DI TAGLIARE MA ANCHE DI RIPENSARE

Liberando spazio dalle transazioni e veicolando i contatti in modo da favorirne la conversione in relazioni commerciali

Future sales model

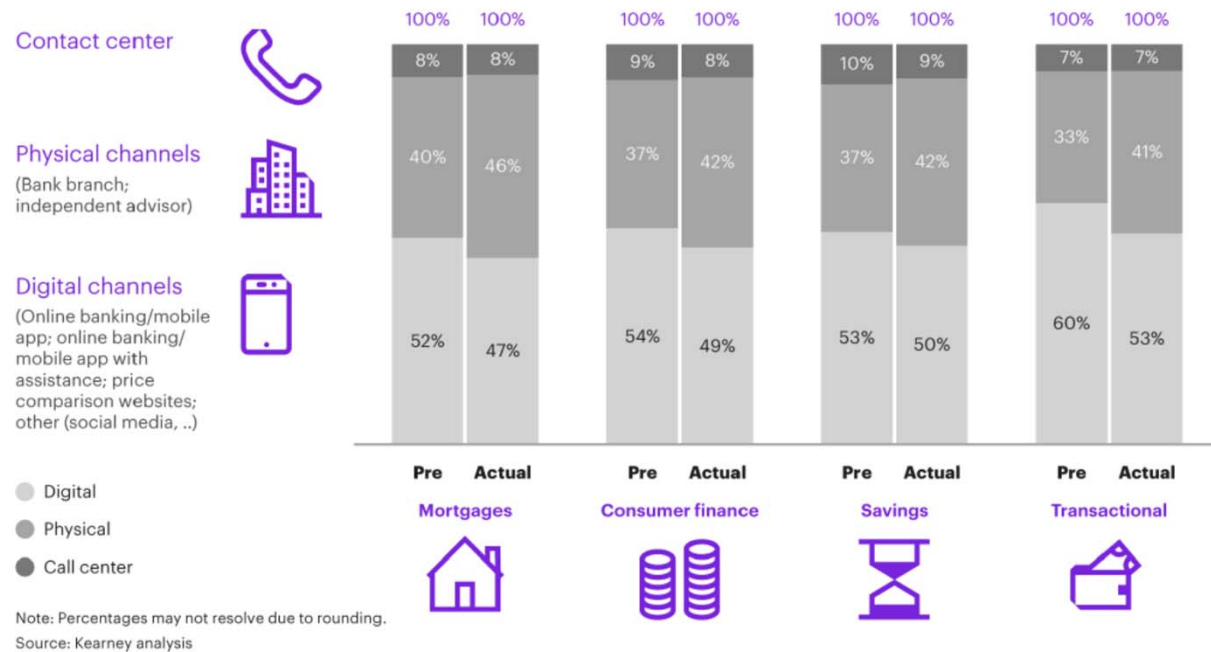


SEMPRE GUARDANDO ALLE DIFFERENZE TRA BUSINESS

La conversione
da informazione
(digitale) ad
acquisto reale
non è affatto
scontata

Figure 2

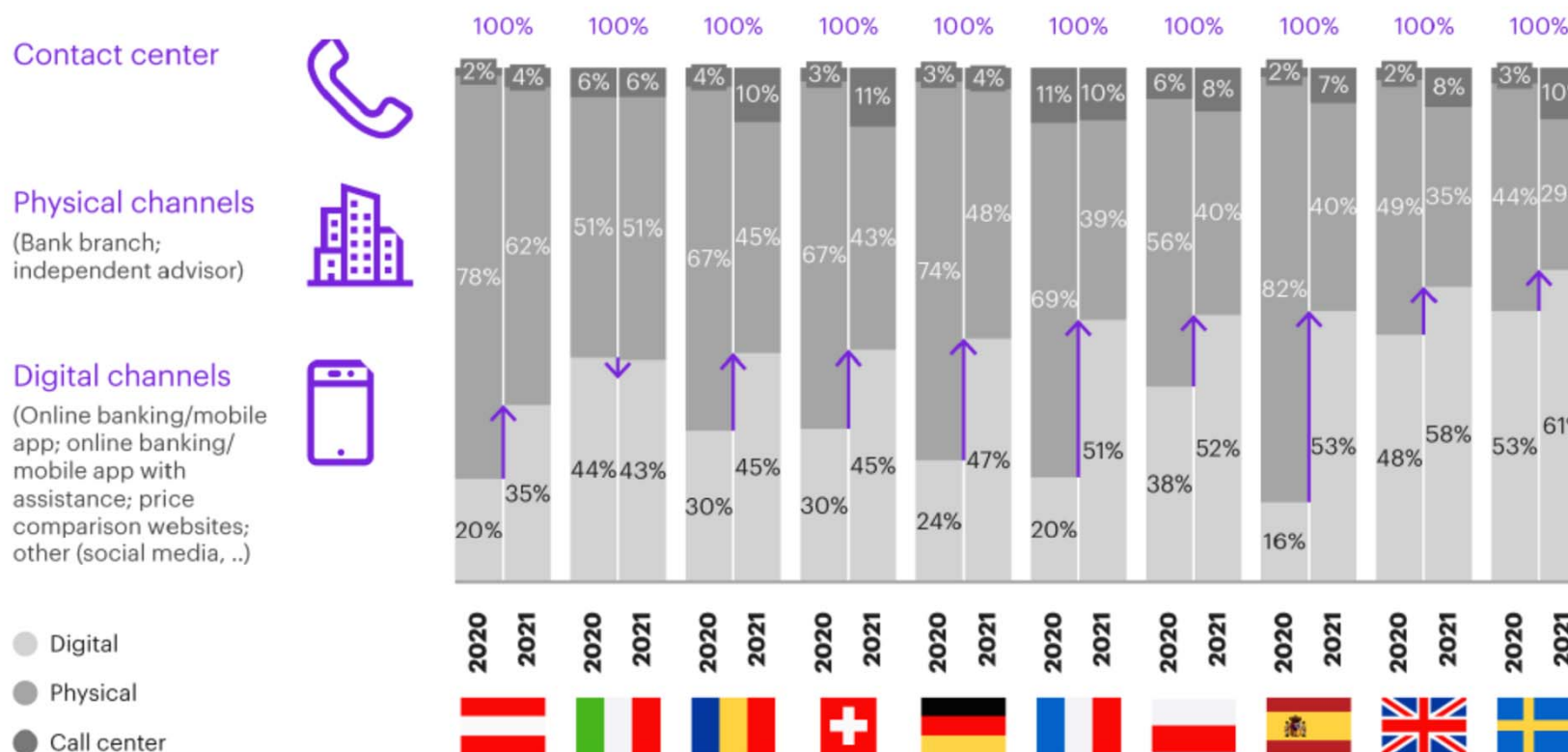
**Prepurchase research vs. actual purchase channels by product across all countries
(2021)**



...E TRA PAESI

Figure 1

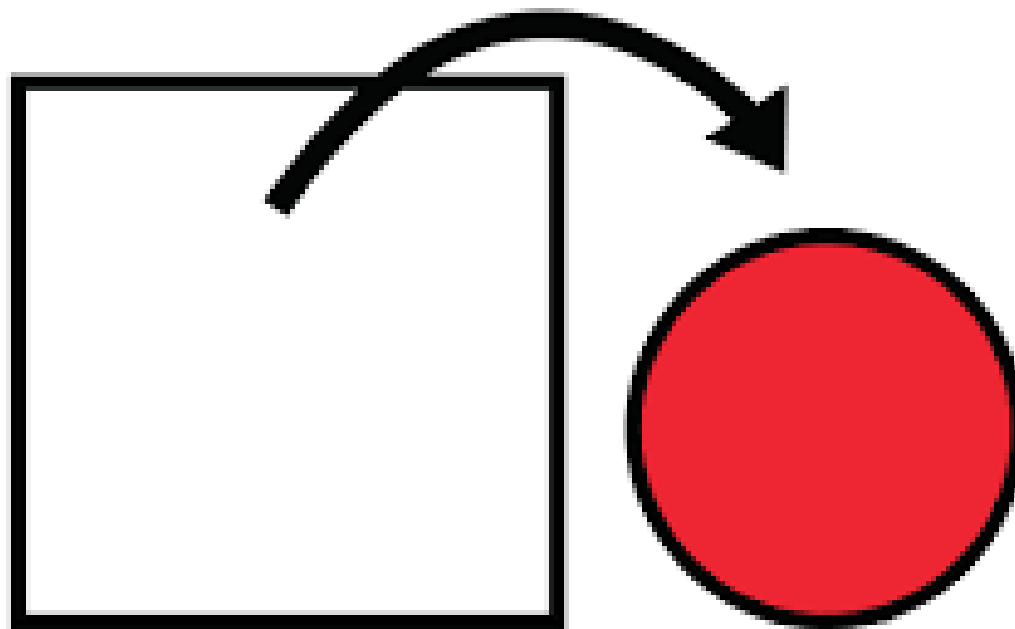
Actual purchase by channel across all banking products
(2020-2021)



Note: Percentages may not resolve due to rounding.

Source: Kearney analysis

COSA CAMBIA «FUORI DALLA BANCA»



UNA SOCIETÀ SOSTENIBILE (E DIGITALE)



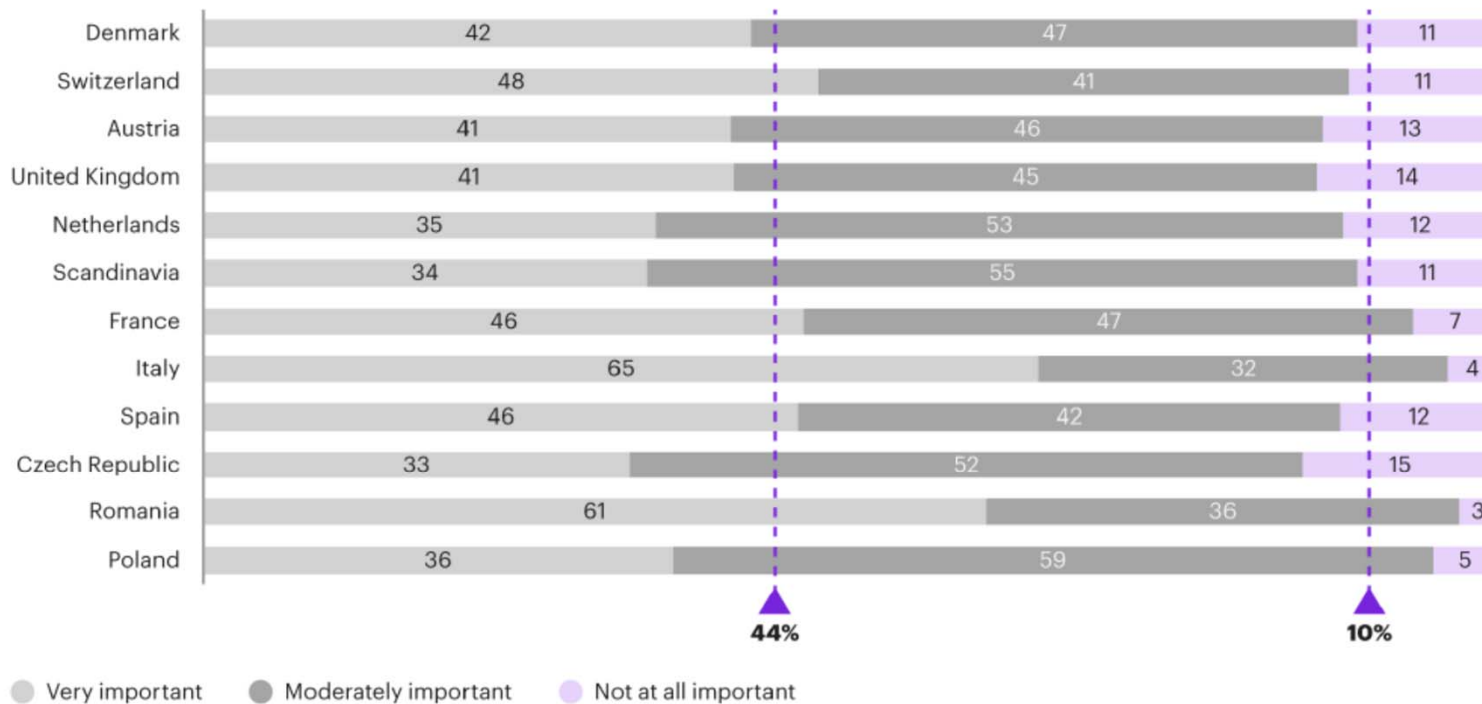
CAMBIA IL SENTIMENT DELLE PERSONE

Emergono nuovi valori ed orientamenti

Figure 2

On average 44% of banking customers rate environmental and social issues as very important compared to 10% who think it not at all important

Environmental and social issues' importance for banking customers



Notes: Scandinavia includes Sweden and Denmark. Percentages may not resolve due to rounding.

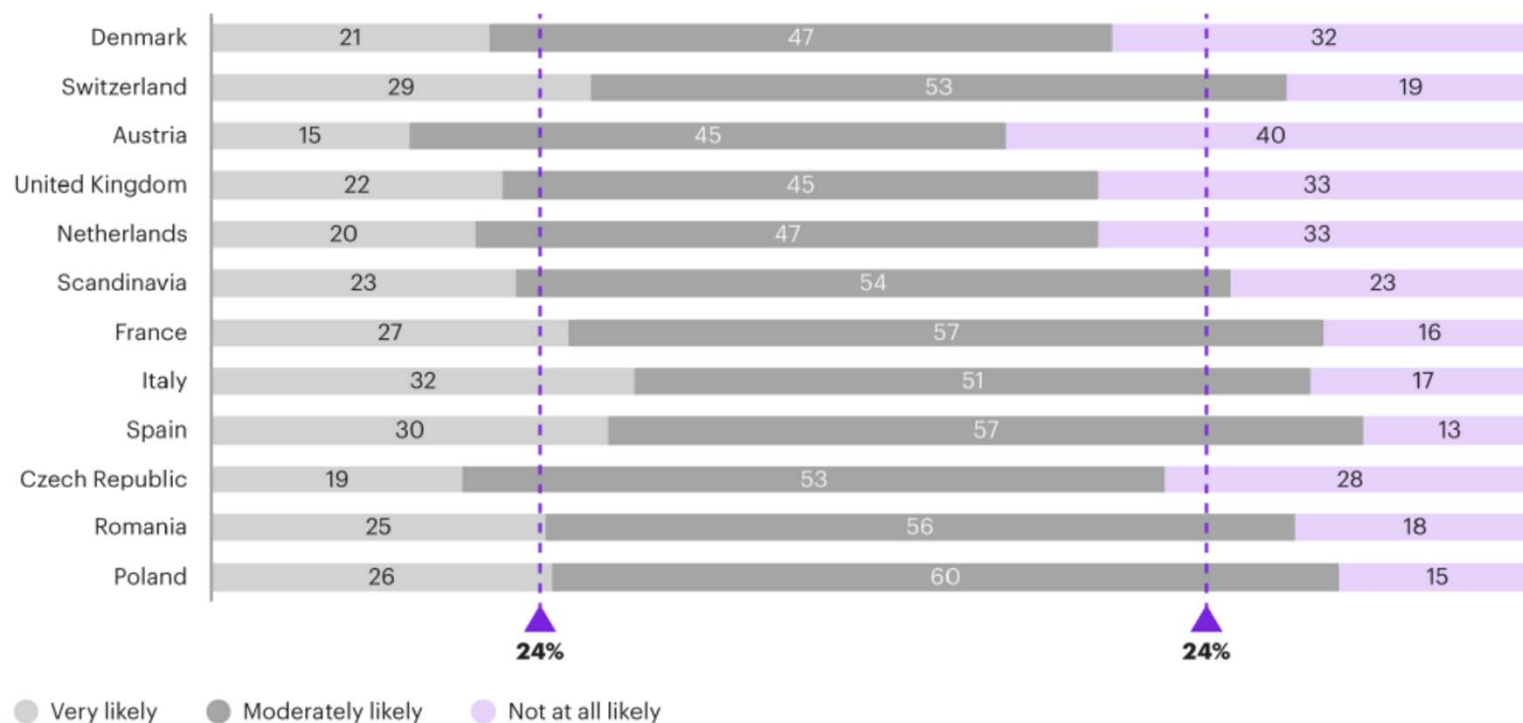
Source: Kearney analysis

E QUESTI INDIRIZZANO LA RELAZIONE CON LA BANCA

Figure 3

Nearly 1 out of 4 customers declare it is likely they would switch banks due to environmental and social issues

Customers' likelihood to switch banks due to environmental and social issues



Notes: Scandinavia includes Sweden and Denmark. Percentages may not resolve due to rounding.

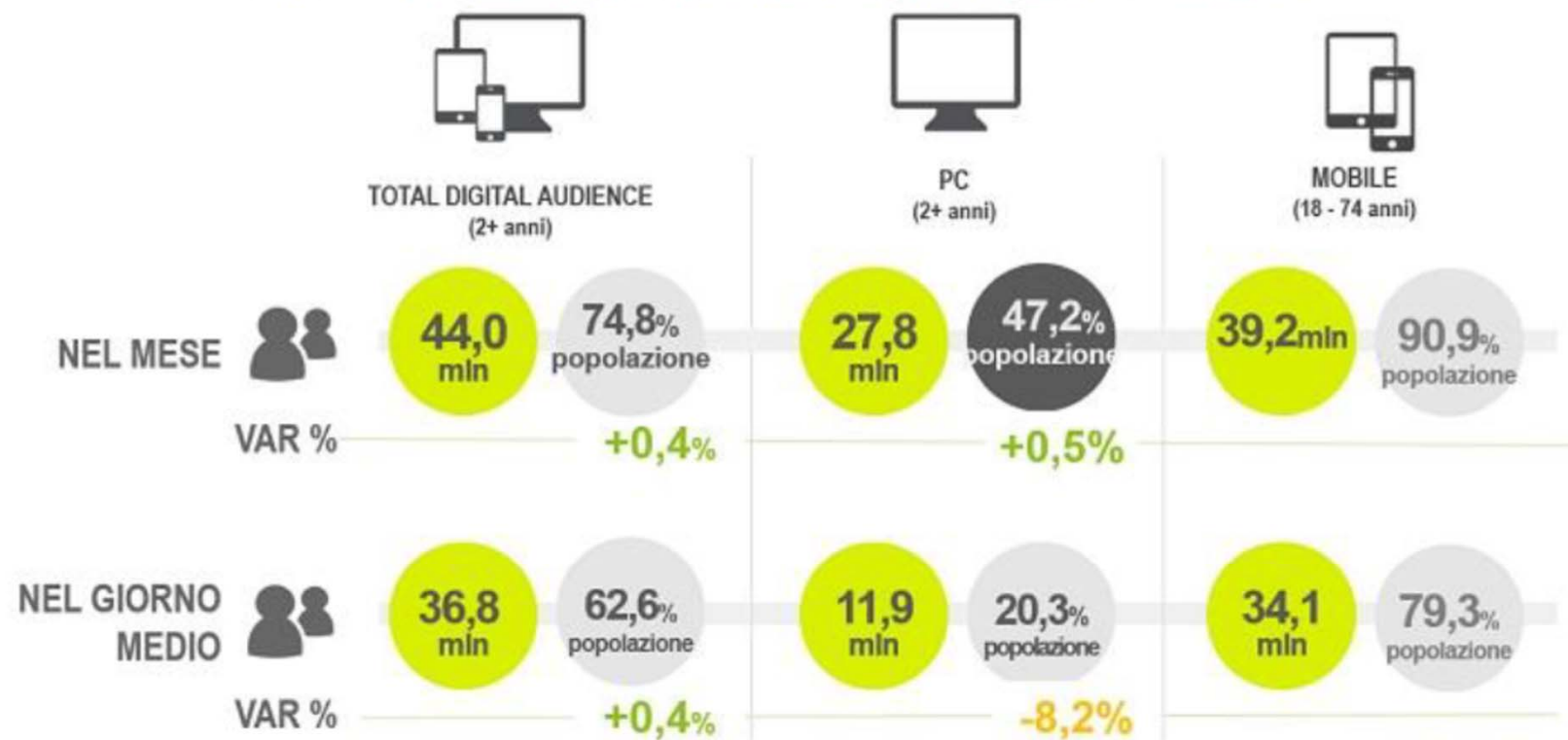
Source: Kearney analysis

UNA SOCIETÀ DIGITALE (E SOSTENIBILE)



LO STATO DELL' «ARTE»

LA TOTAL DIGITAL AUDIENCE NEL 2022

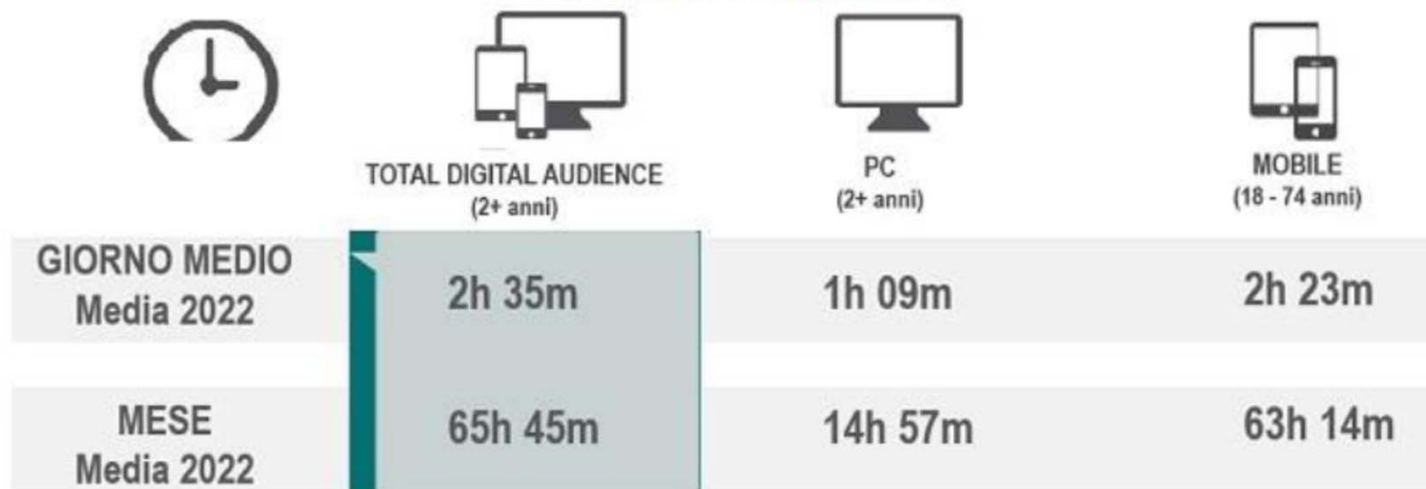


Fonte: Audiweb Database, Media 2022 e confronto con MEDIA 2021 - Audiweb powered by Nielsen

BASE: Total digital audience e PC = Individui dai 2 anni in su. Smartphone e Tablet audience = Individui di 18-74 anni.

LO STATO DELL' «ARTE»

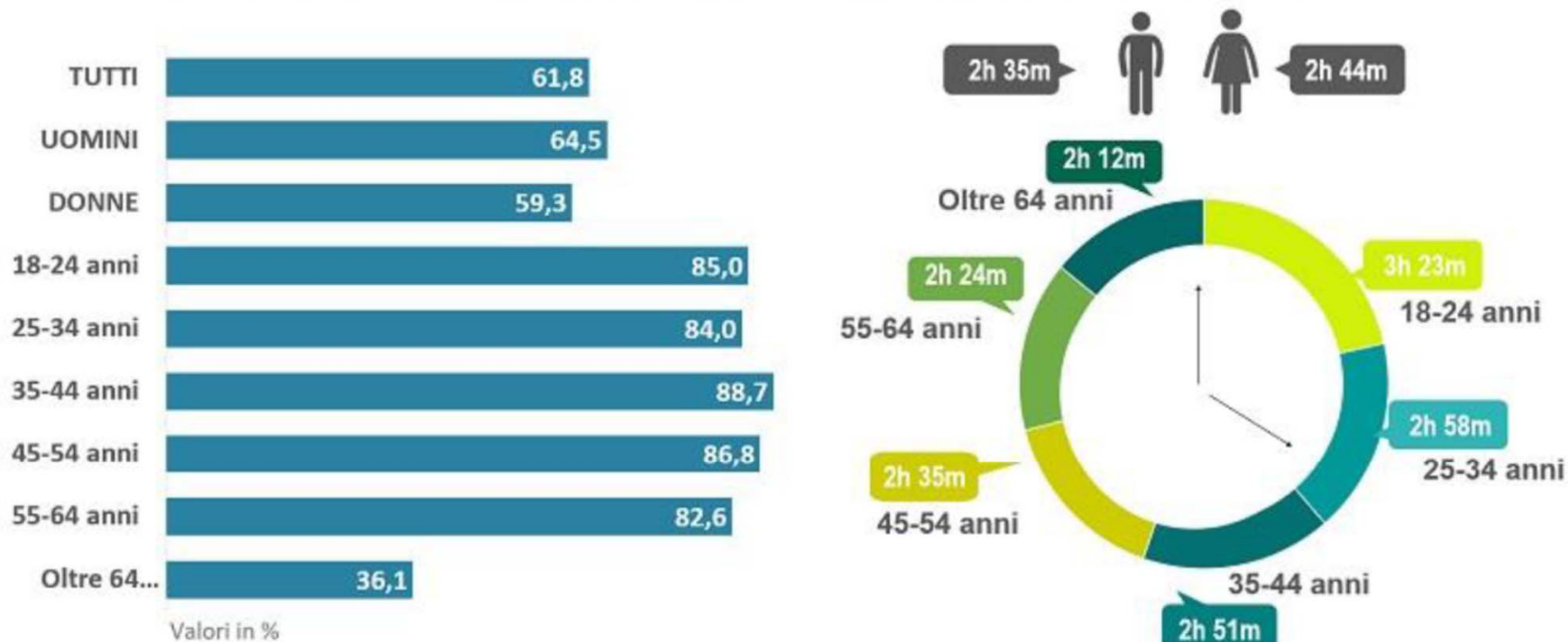
IL TEMPO TRASCORSO ONLINE NEL 2022 GIORNO MEDIO



Fonte: Total Digital Audience – tempo speso per persona MEDIA 2022, dati Giorno Medio - Audiweb powered by Nielsen
Base: Individui 2+ anni per TDA e Computer; individui 18-74 anni per MOBILE. (Smartphone e/o Tablet)

LO STATO DELL' «ARTE»

CHI ACCEDE A INTERNET - GIORNO MEDIO DICEMBRE 2022



Fonte: Total Digital Audience DICEMBRE 2022, dati Giorno Medio - Audiweb powered by Nielsen

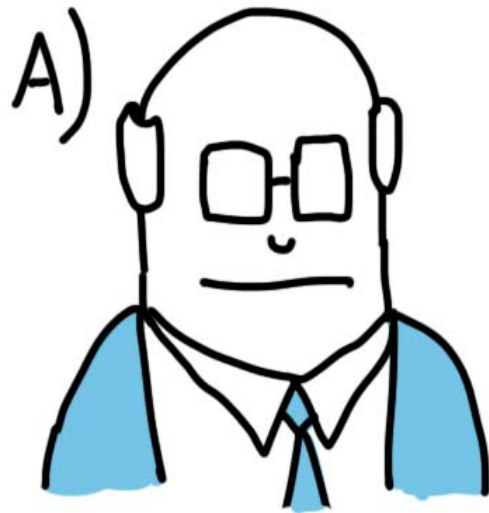
Base: Individui 2+ anni per TDA e Computer; individui 18-74 anni per MOBILE. (Smartphone e/o Tablet)

audiweb
powered by Nielsen

LO STATO DELL' «ARTE»



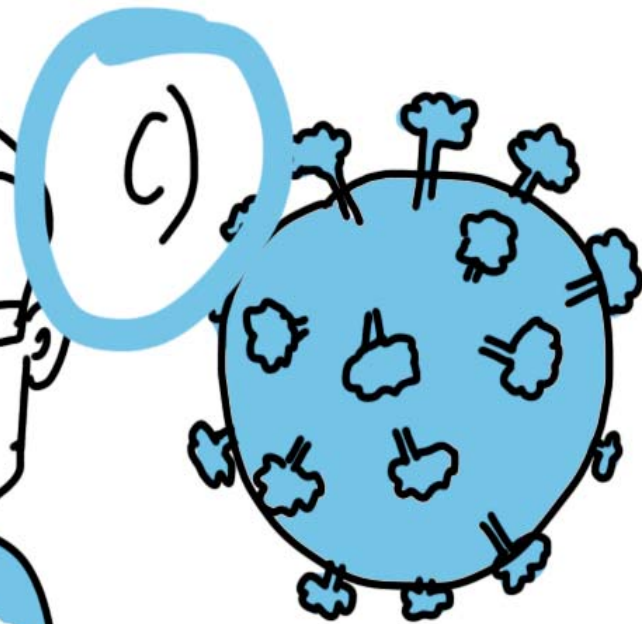
WHO LED THE DIGITAL TRANSFORMATION
OF YOUR COMPANY ?



THE CEO



THE CTO



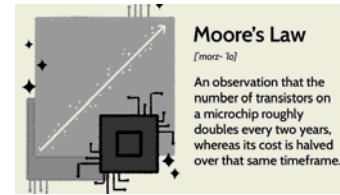
COVID-19

A close-up photograph of a person's finger pressing a computer keyboard key. The image has a blue tint and a digital, futuristic feel. Overlaid on the image in white, bold, italicized capital letters is the text "DIGITAL TRANSFORMATION". The background shows other keys on the keyboard, some with circular symbols, and a blurred digital pattern.

***DIGITAL
TRANSFORMATION***

I FATTORI ABILITANTI

Il livello di digital literacy



La potenza
della
tecnologia



La demografia

Change

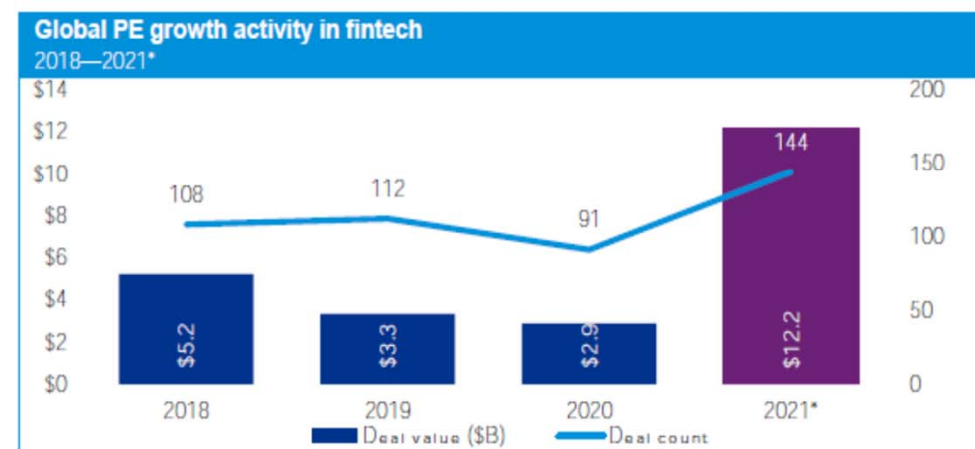
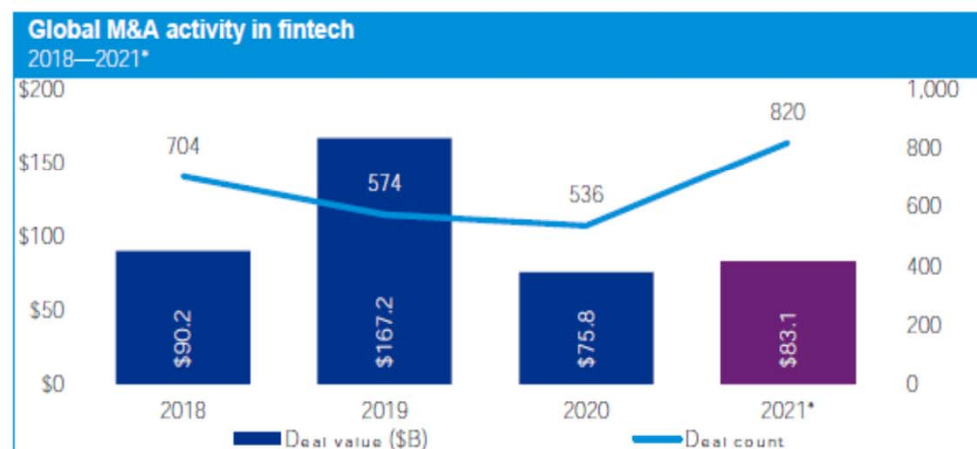
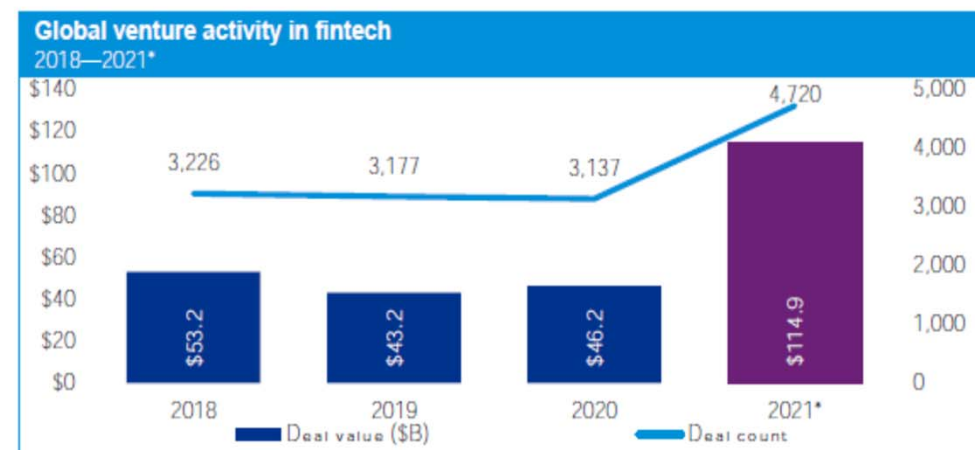
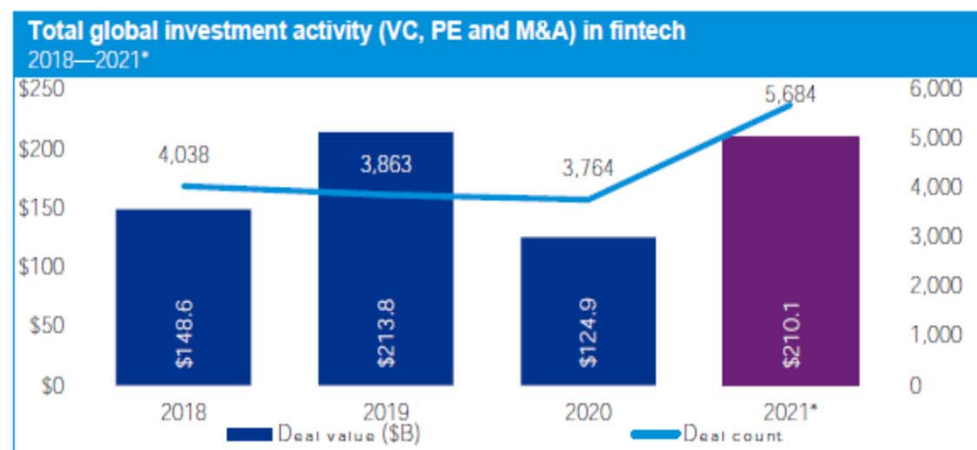


Il ruolo dei «big
players»
OTT/GAFA

Le risorse a disposizione

LE RISORSE A DISPOSIZIONE

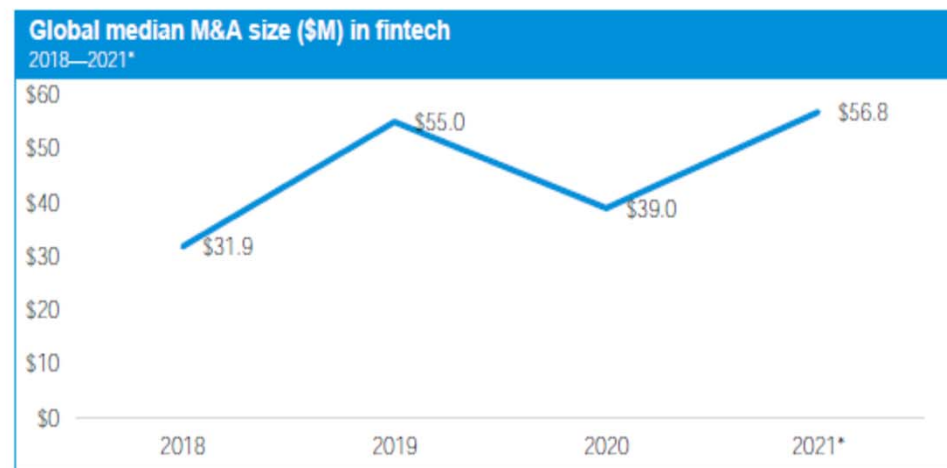
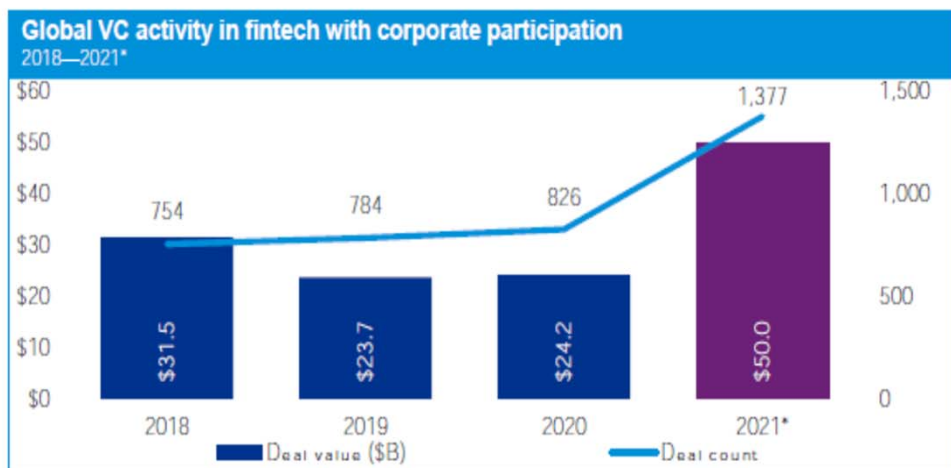
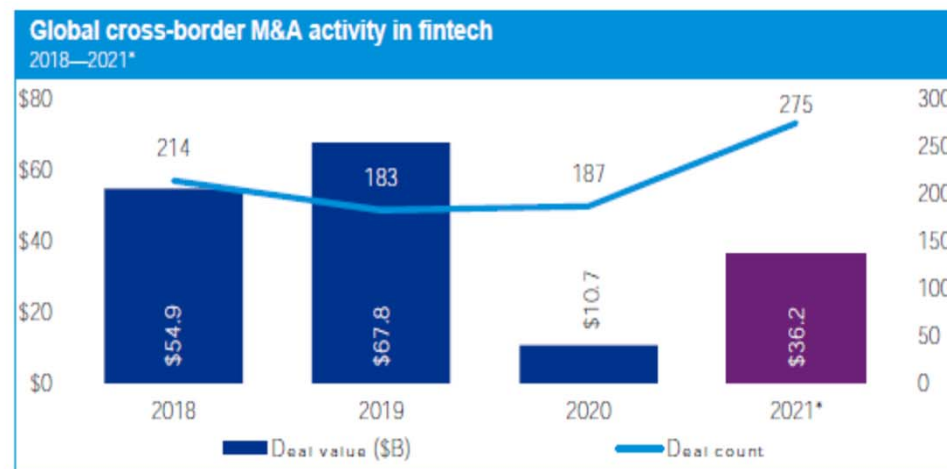
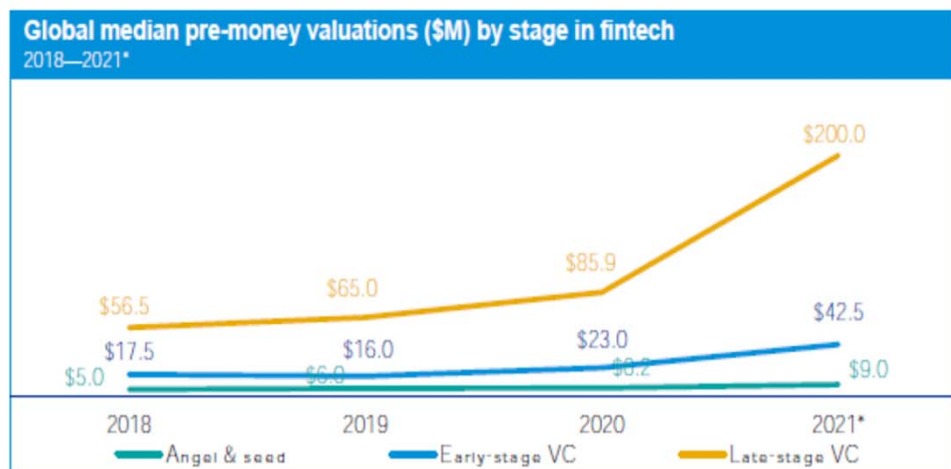
2021 ends with record volume



Source: Pulse of Fintech H2'21, Global Analysis of Investment In Fintech, KPMG International (data provided by PitchBook), *as of 31 December 2021.

LE RISORSE A DISPOSIZIONE

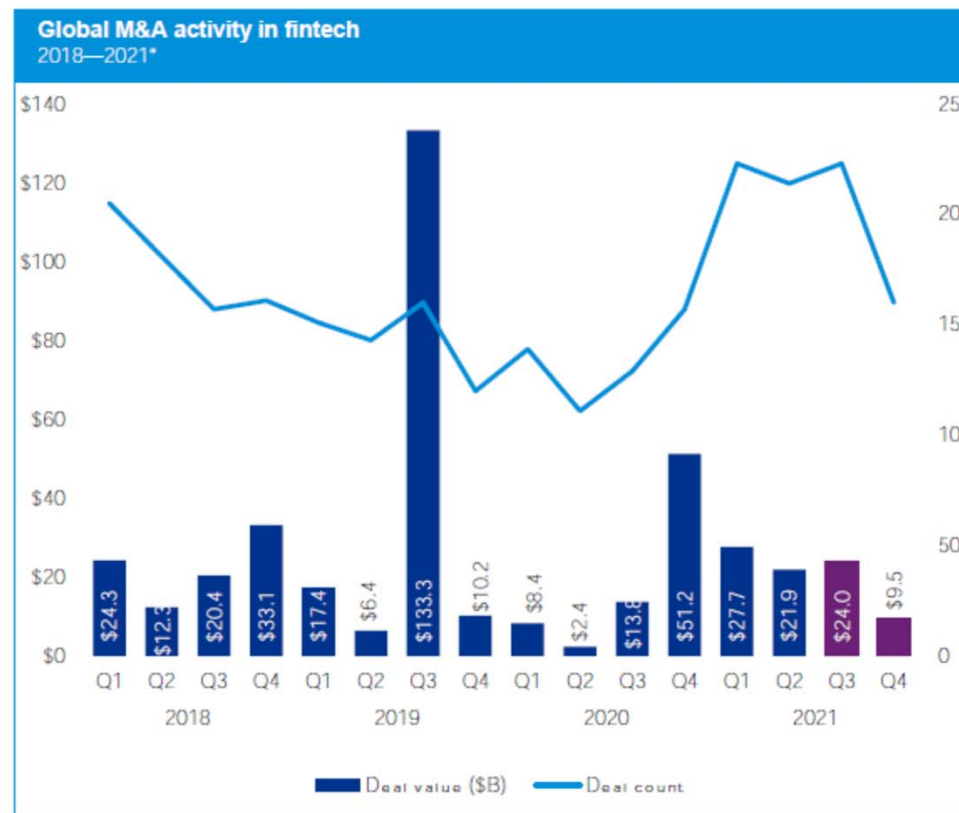
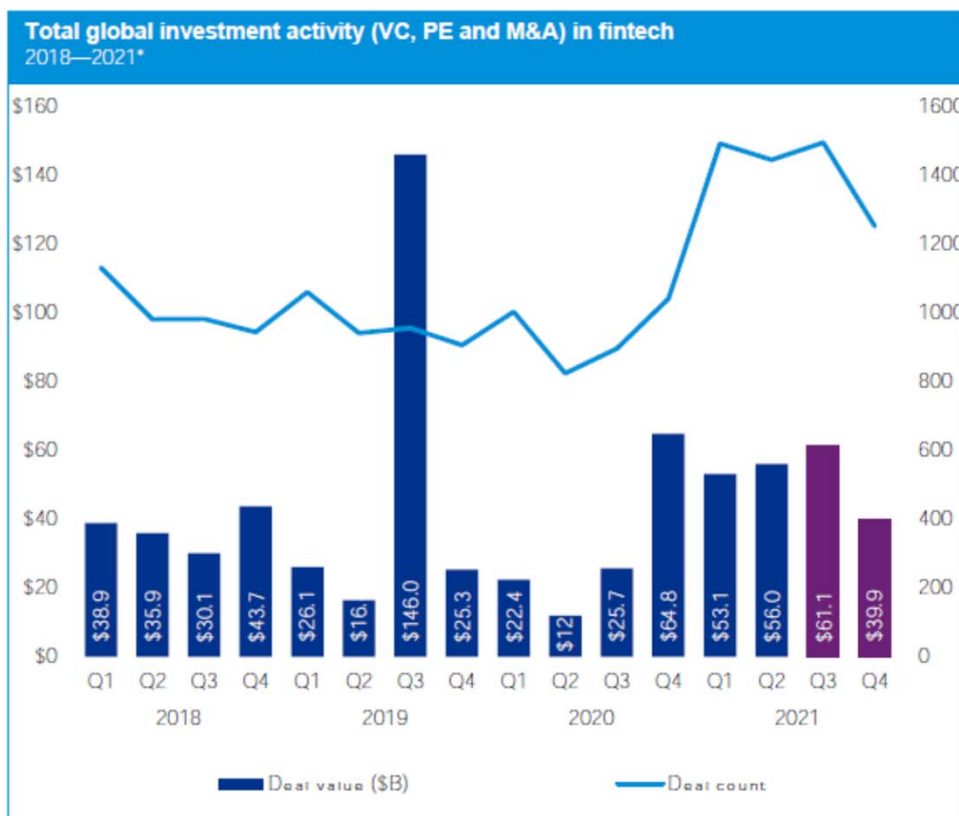
Venture valuations soar to a new high



Source: Pulse of Fintech H2'21, Global Analysis of Investment in Fintech, KPMG International (data provided by PitchBook), as of 31 December 2021.

LE RISORSE A DISPOSIZIONE

Financing volume maintains consistent, record-breaking pace

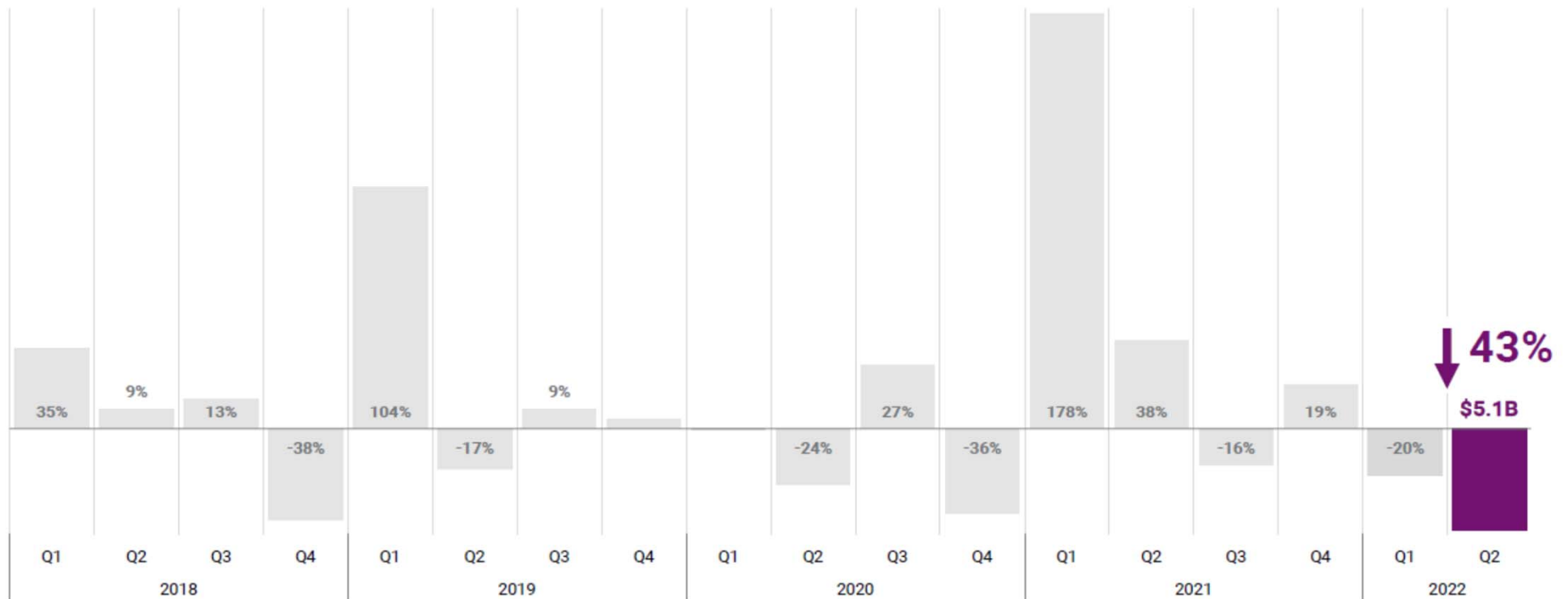


Source: Pulse of Fintech H2'21, Global Analysis of Investment in Fintech, KPMG International (data provided by PitchBook), *As of 31 December 2021.

ANCHE SE....

State of Payments | Global Trends | Investment Trends

Payments funding falls 43%, the largest QoQ decline in recent years



ORO O PIRITE (L'ORO DEGLI SCIOCCHI)?

Il tema chiave è quello della redditività attuale o prospettica.

Naturalmente le start ups assorbono cassa; ma hanno il potenziale per generarla?





La cronaca è ricca di casi in cui in modo più o meno «casuale» alcune grandi promesse sono finite in una bolla di sapone

amazon





theranos







CLIENTI O REDDITTIVITÀ?

APAC		Valuation (USD bn, 2020)	Customer Base (mn)	
WeBank (2014)		30	200	2016
KakaoBank (2016)		18	12	2019
Niyo Bank (2015)		0.14	1.1	
Judo Bank* (2016)		1.6	9700 (SMBs)	2020

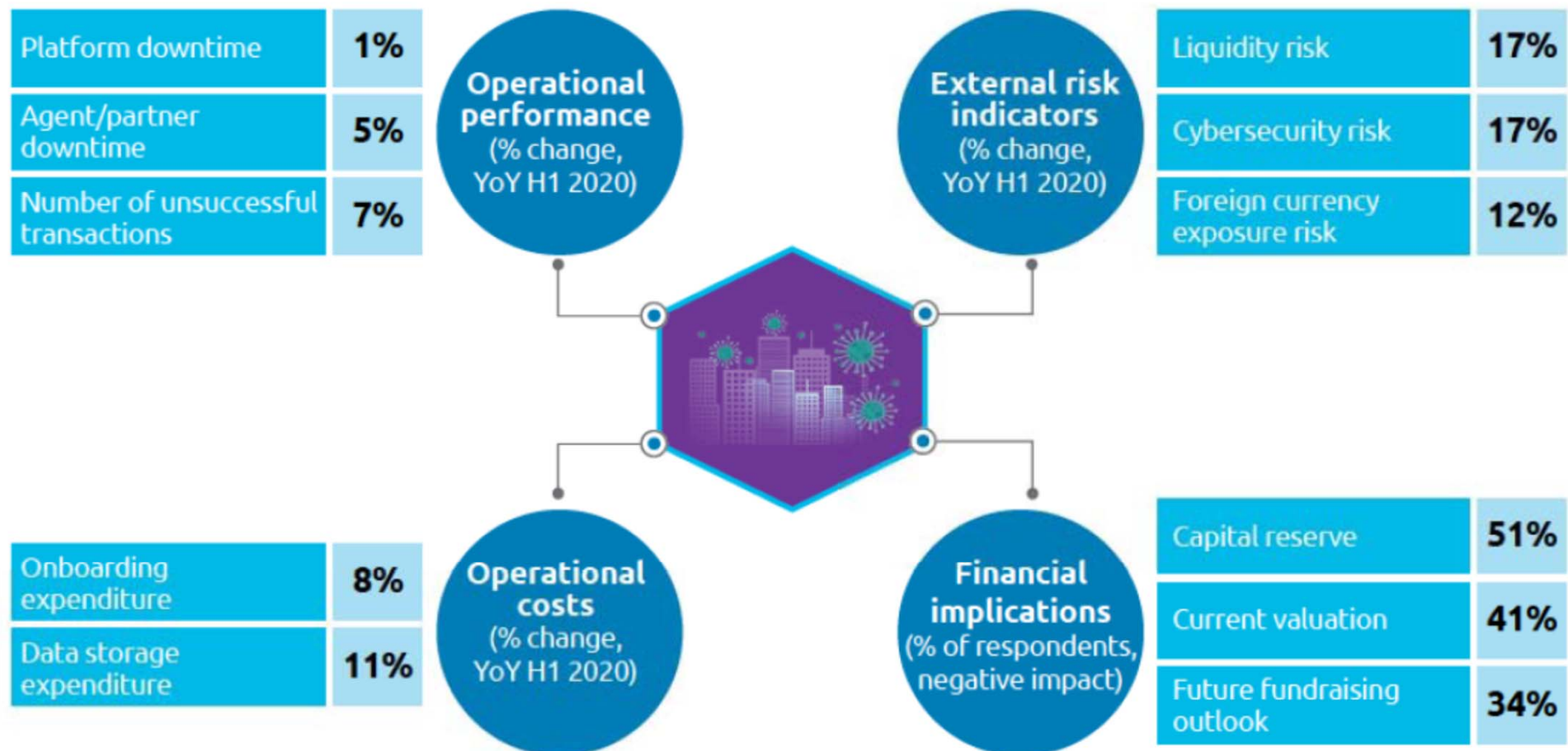
*Judo Bank customers are actual numbers and not in millions

Europe		Valuation (USD bn, 2020)	Customer Base (mn)	
Klarna (2015)		31	87	
Tinkoff (2006)		6.3	13.3	2008
Revolut (2015)		5.5	12	2018, 2020
Starling Bank (2014)		1.8	2	2020

Americas		Valuation (USD bn, 2020)	Customer Base (mn)	
NuBank (2013)		25	34	
Robinhood (2013)		20	13	
Chime (2014)		14.5	12	2020
Koho (2014)		0.23	0.35	

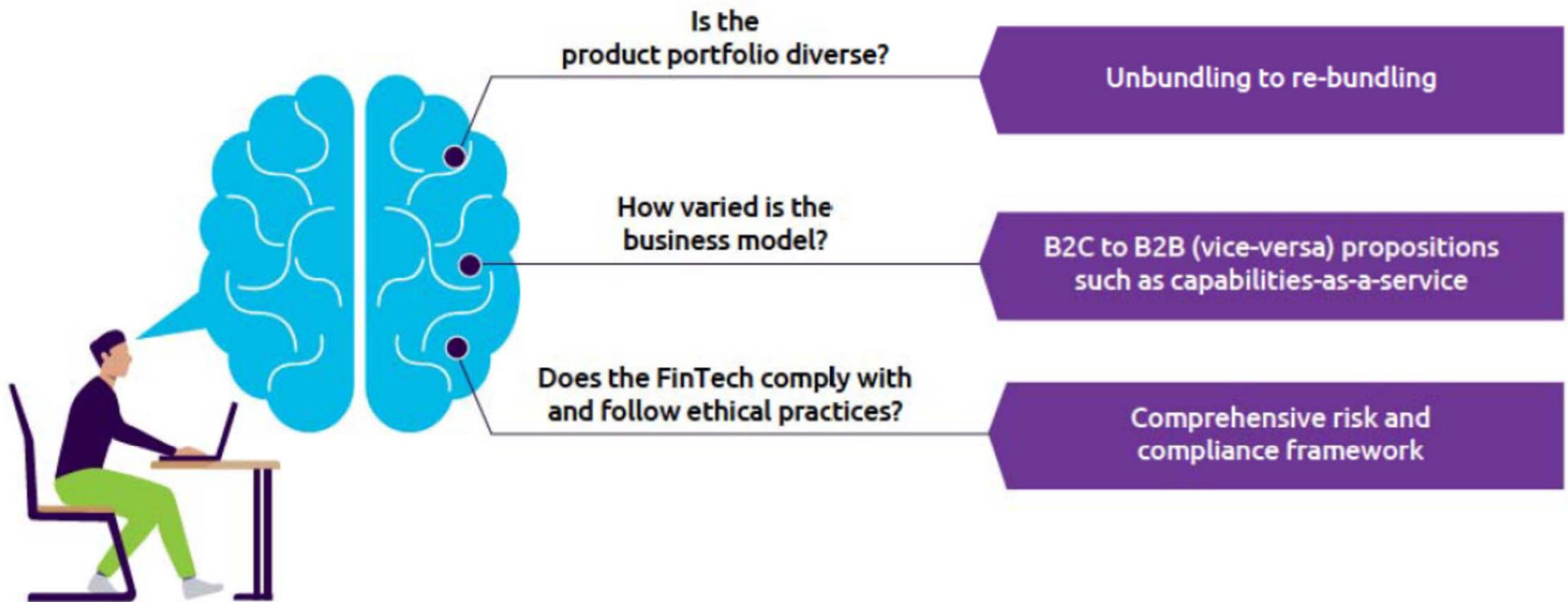
Unprofitable
 Close to Breakeven
 Profitable

LA VULNERABILITA' DEL FINTECH



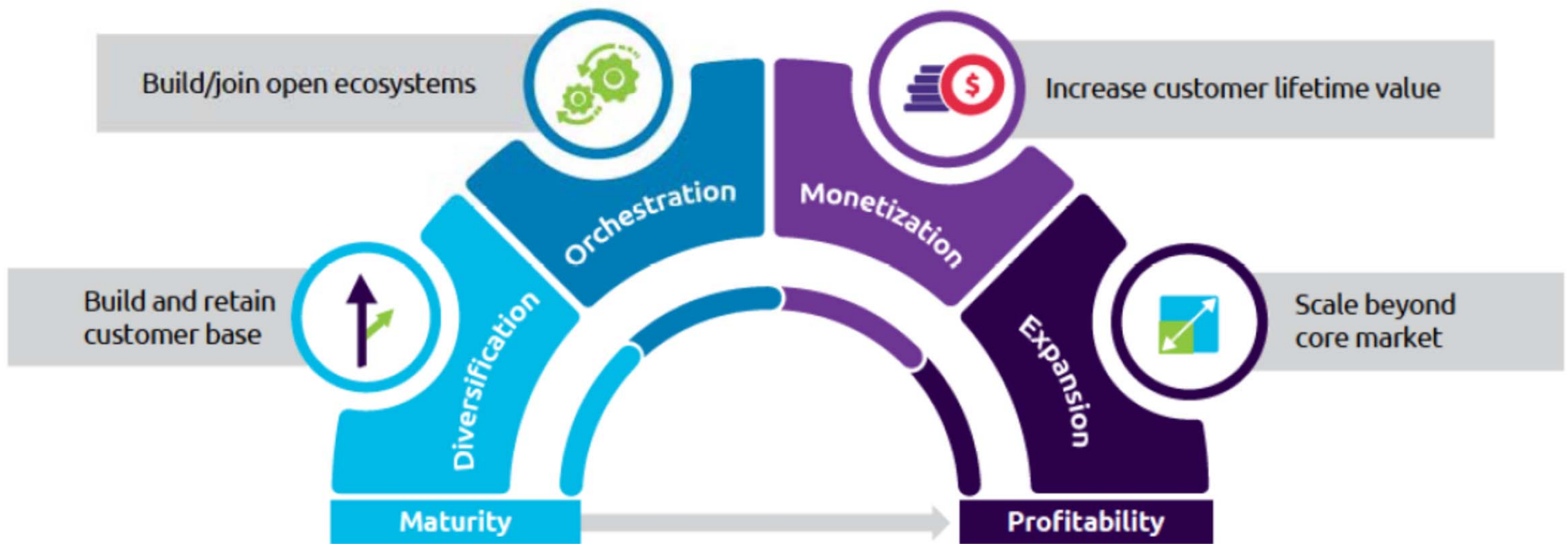
Sources: Capgemini Financial Services Analysis, 2021; [World Economic Forum](#).

COSA CERCANO GLI INVESTITORI?



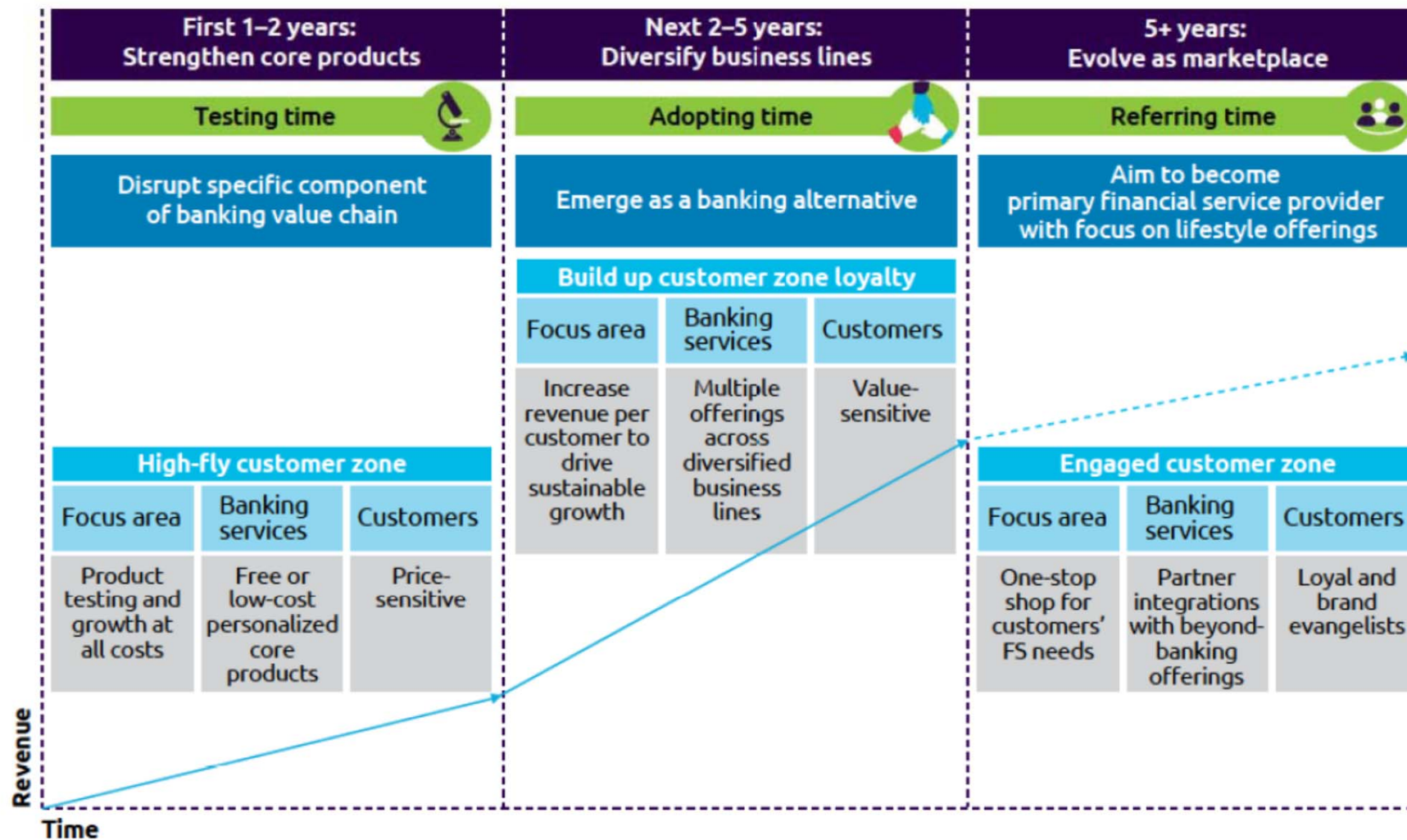
Source: Capgemini Financial Services Analysis, 2021.

LA STRADA PER LA REDDITTIVITÀ



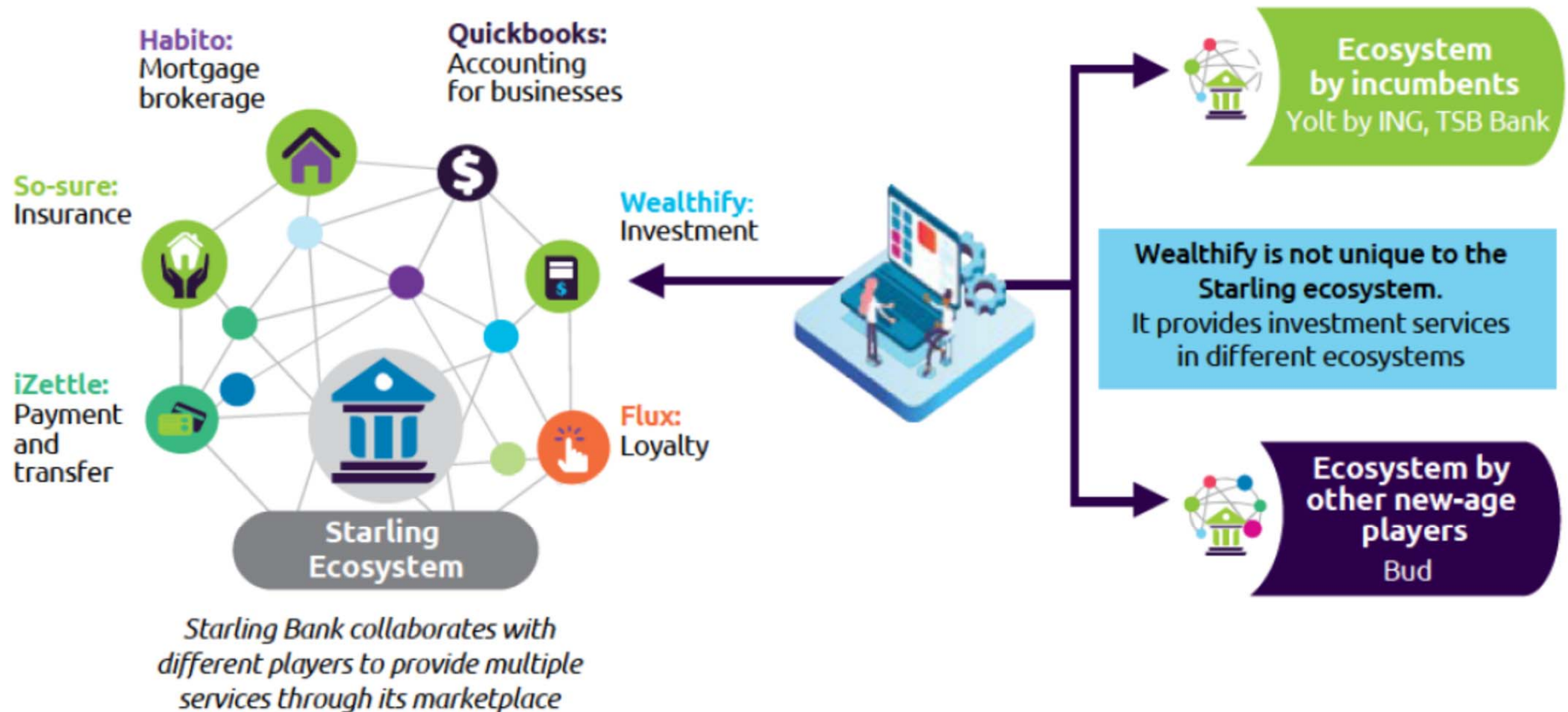
Source: Capgemini Financial Services Analysis, 2021.

DIVERSIFICARE PER COSTRUIRE UNA SOLIDA BASE CLIENTI



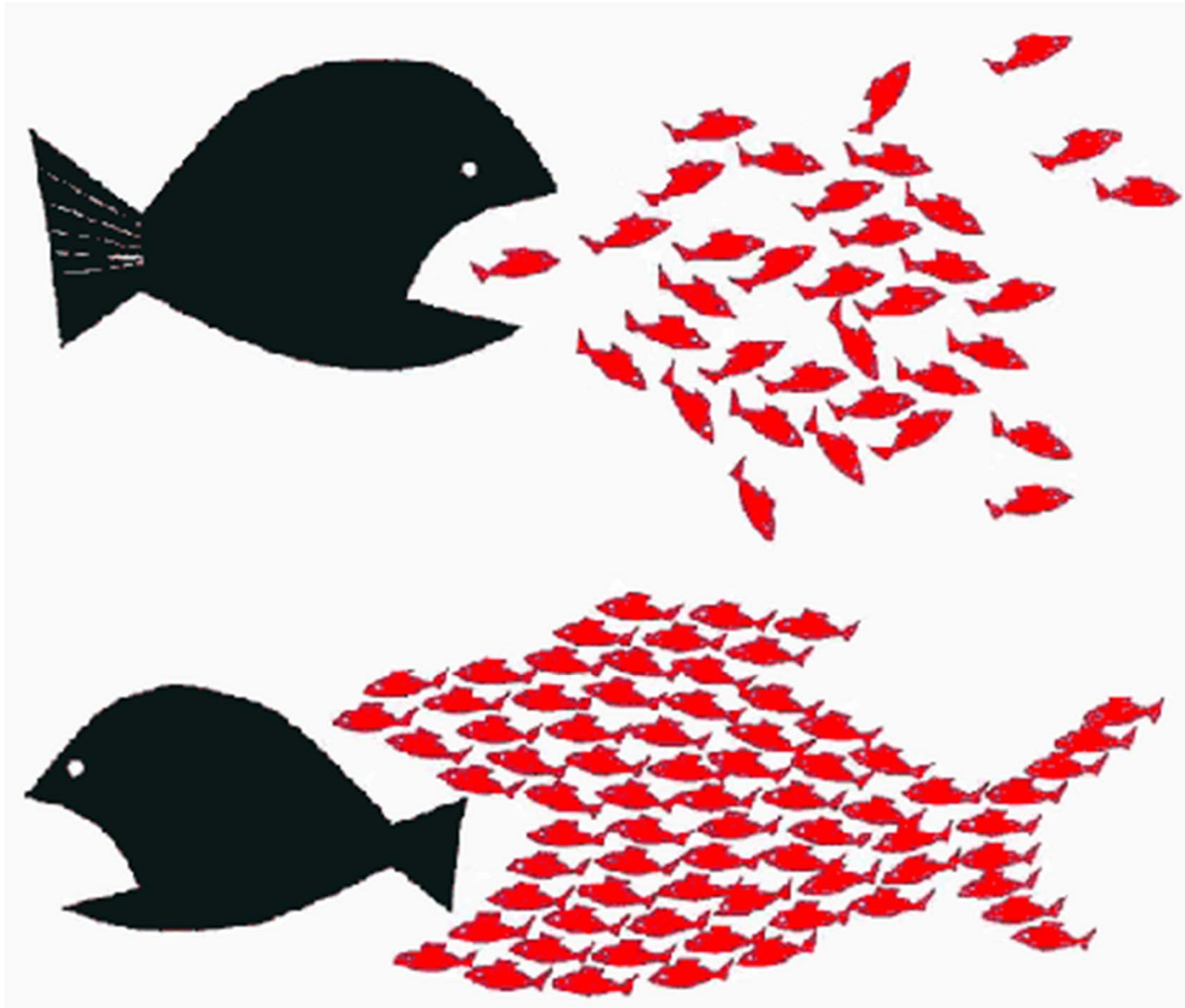
Source: Capgemini Financial Services Analysis, 2021.

RAGGIUNGERE LA SCALA ATTRAVERSO L'ECOSISTEMA



Sources: Capgemini Financial Services Analysis, 2021; [Starling Bank](#); [Wealthify](#); [Finextra](#).

BANCHE E FINTECH: COMPETERE O COOPERARE?



LE FINTECH E INSURETECH ITALIANE

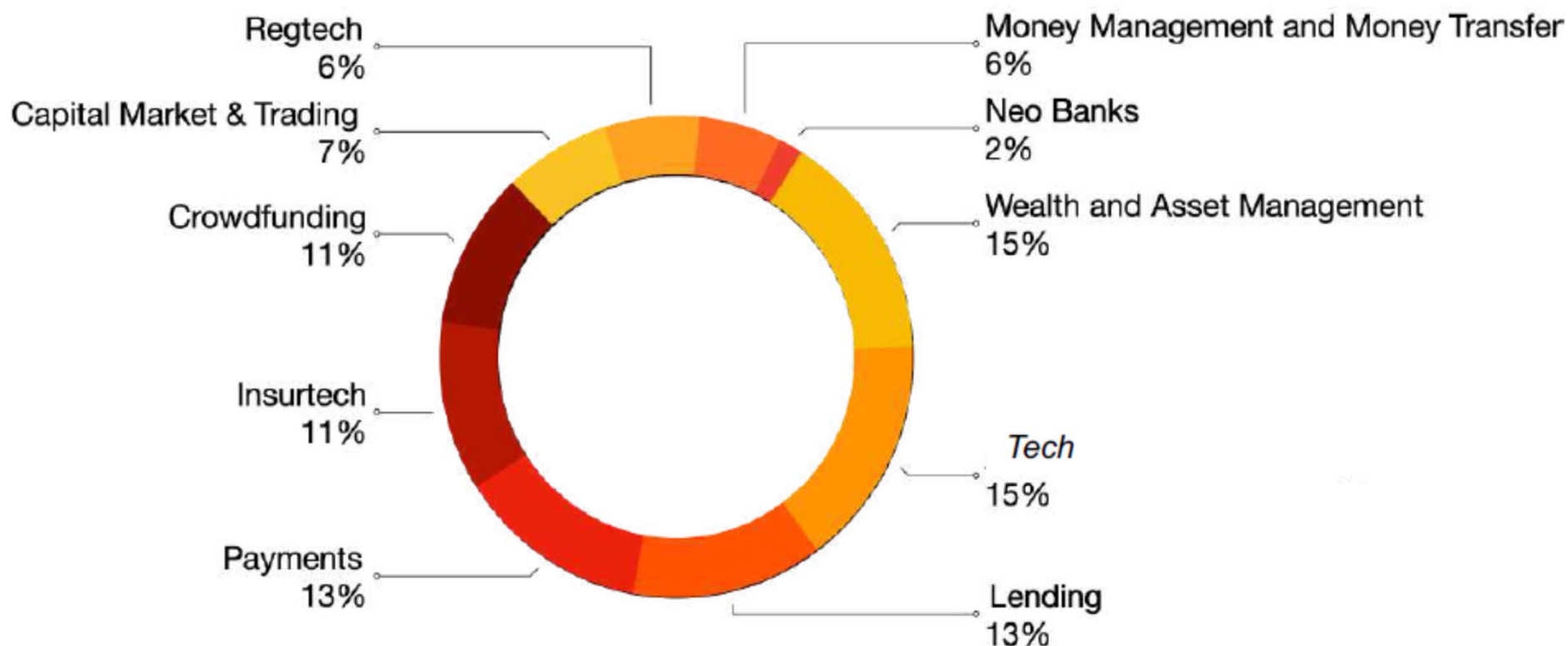


Figura 3.1 I segmenti di *business* analizzati.

CeTIF FinTech Lighthouse Report 2021

LE FINTECH E INSURETECH ITALIANE



564
REALTÀ
INNOVATIVE



2 MLD €
FONDI COMPLESSIVI
RACCOLTI

SUDDIVISIONE GEOGRAFICA PER PRINCIPALE SEDE OPERATIVA



NORD ITALIA



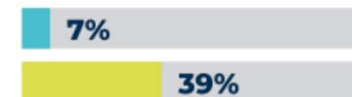
CENTRO ITALIA



SUD ITALIA



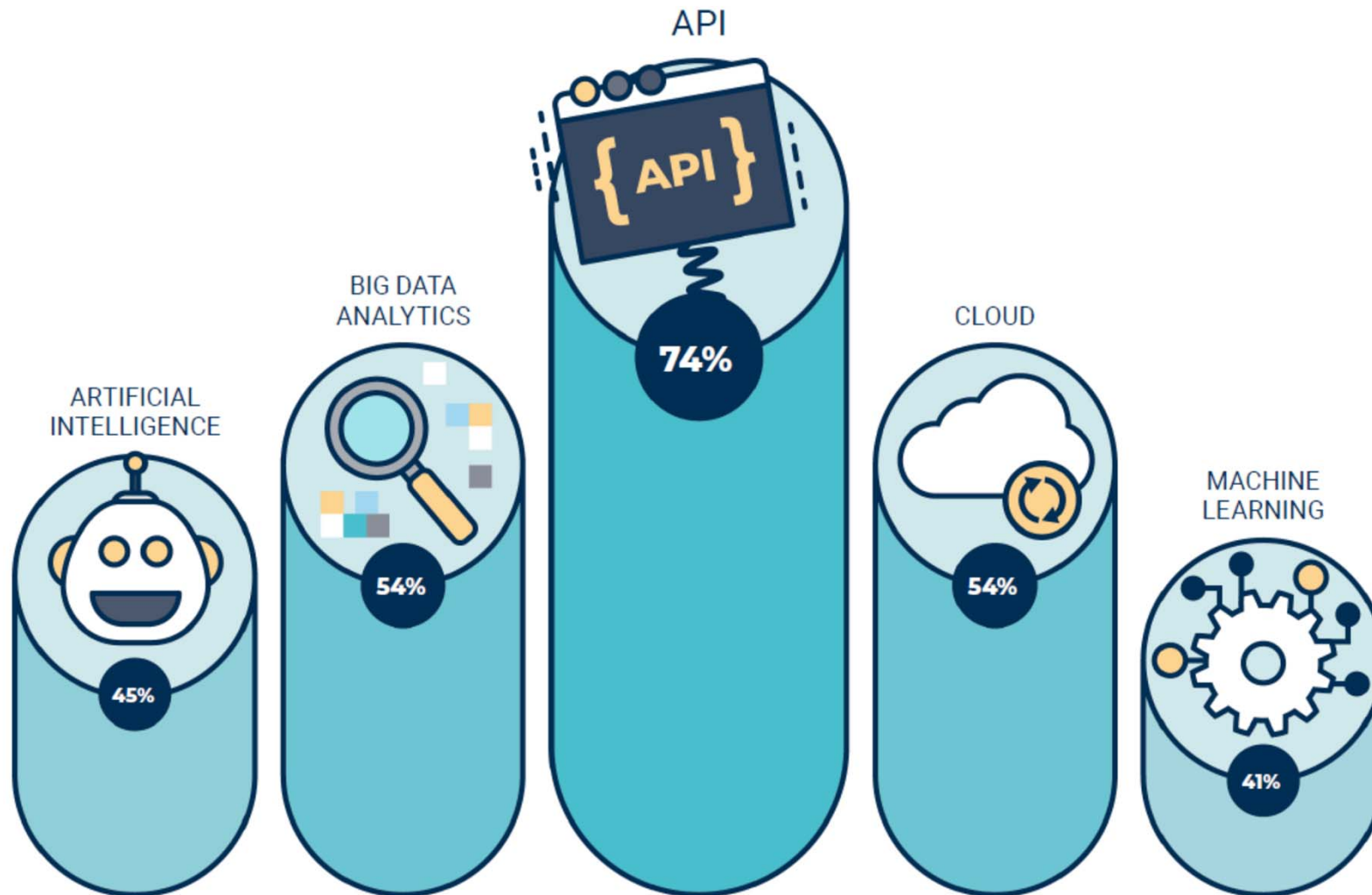
ESTERO



● REALTÀ INNOVATIVE

● FONDI RACCOLTI

LE FINTECH E INSURETECH ITALIANE: TECNOLOGIE UTILIZZATE



IL FINTECH E INSURETECH ITALIANE

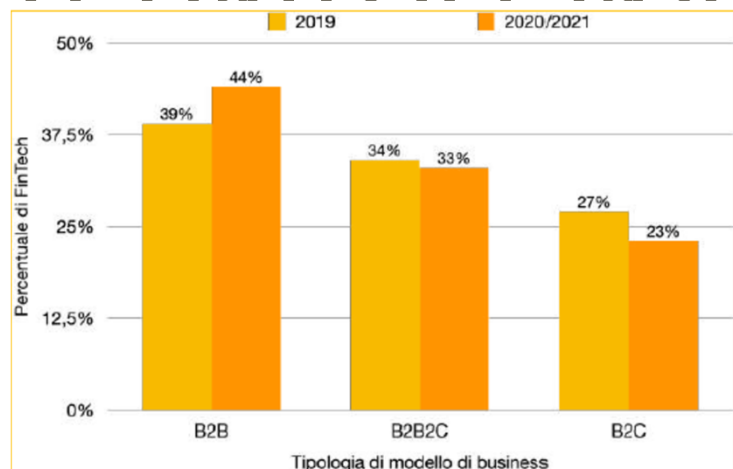


Figura 3.16 Distribuzione di FinTech per modello di business

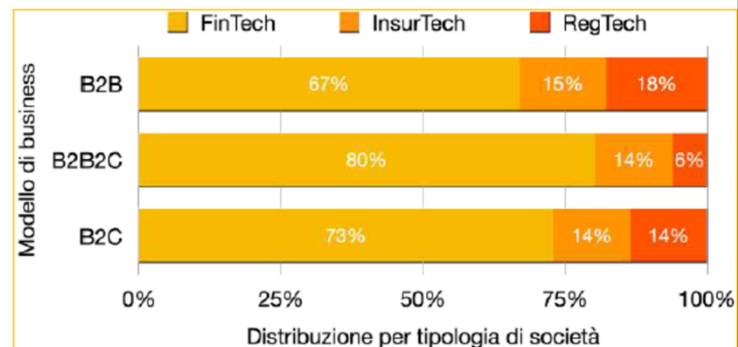


Figura 3.18 Distribuzione di FinTech suddivise in tipologie e per modello di business (relativi al 100% di ogni Modello di Business)

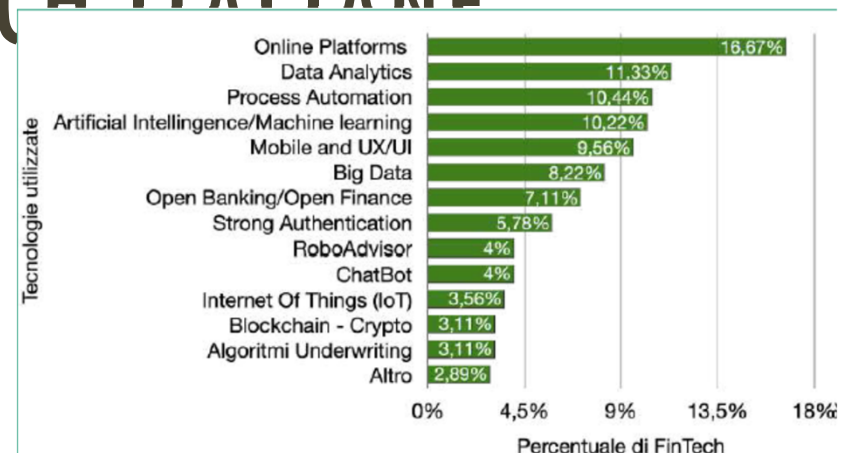


Figura 4.1 Distribuzione delle tecnologie utilizzate

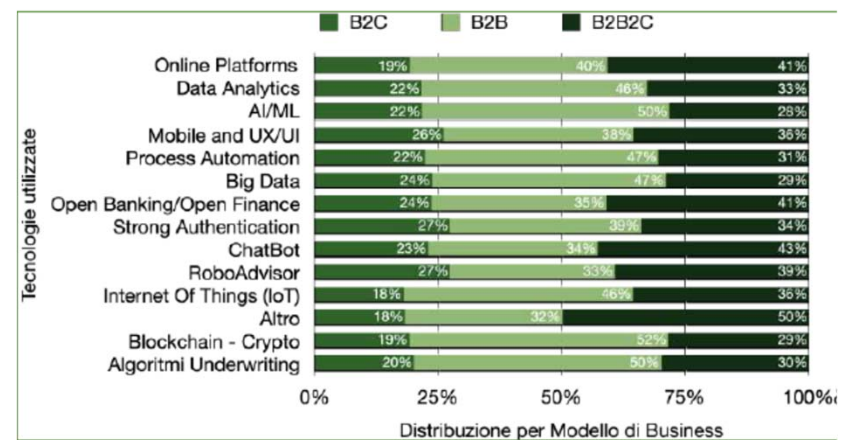


Figura 4.2 Distribuzione delle tecnologie utilizzate per Modello di Business (riferiti al 100% di ogni tecnologia utilizzata)
Report 2021

Prevale il modello B2B (eB2B2C). Come mai?

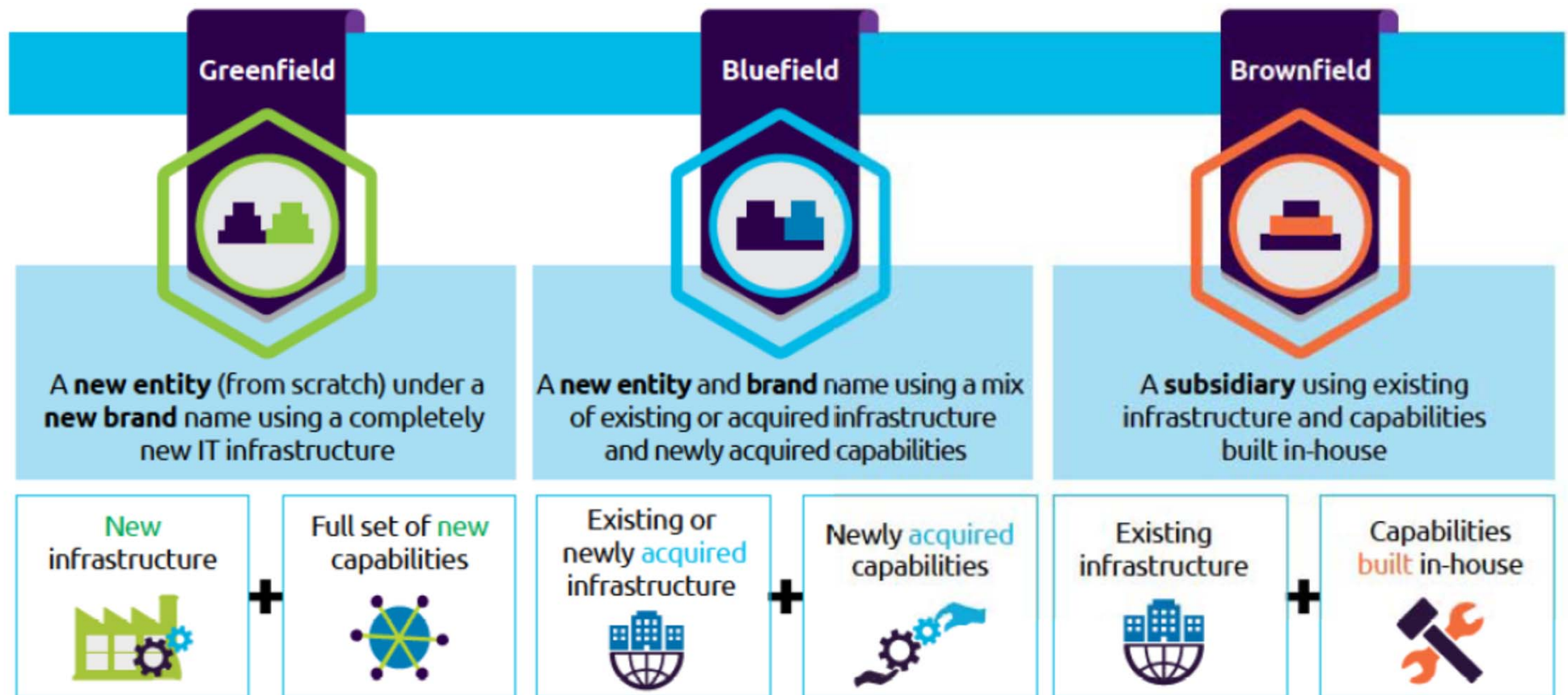
IL PERCORSO DI SVILUPPO (E SOPRAVVIVENZA)

La spiegazione, forse, risiede nel fatto che proprio per le caratteristiche di forte focalizzazione su uno specifico business, difficilmente una fintech può raggiungere la scala e la diversificazione che la mette in grado di restare indipendente e di raggiungere e superare il punto di pareggio.

In generale le fintech appaiono dei laboratori di sperimentazione destinati ad essere assorbiti dagli incumbents

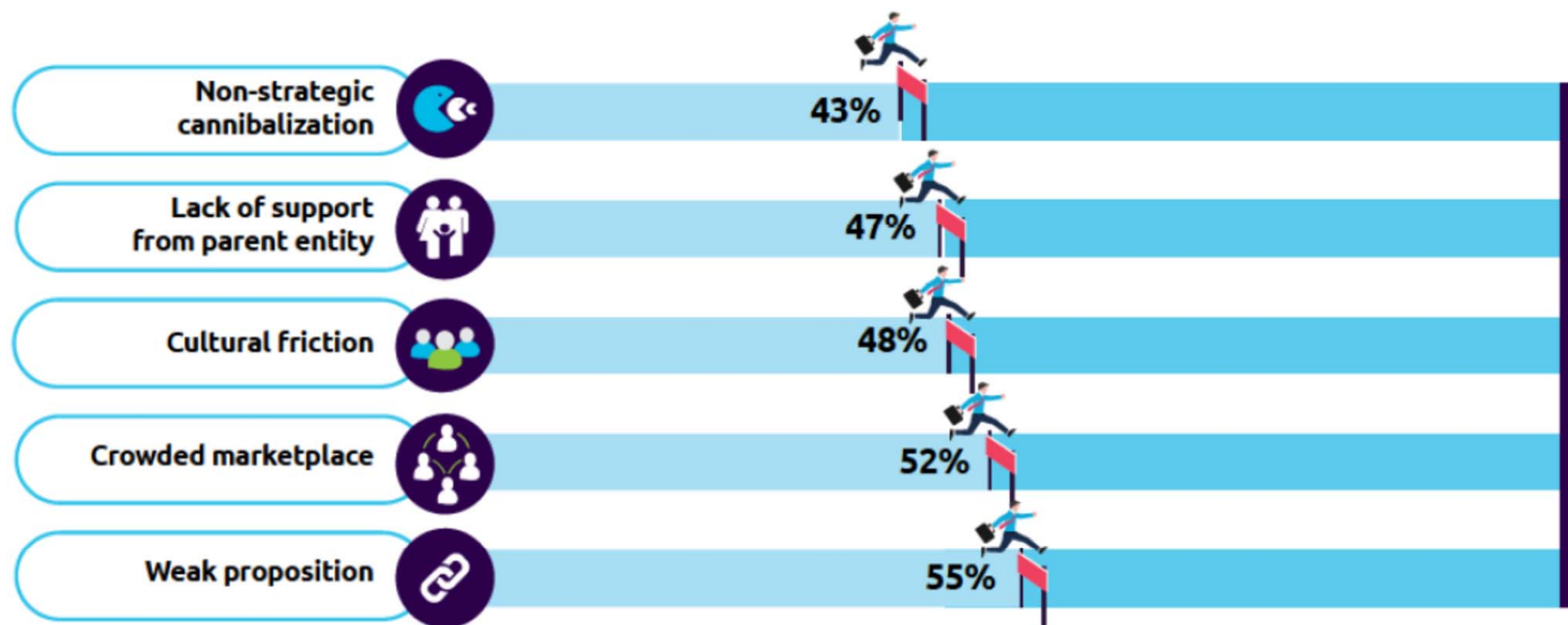


COOPERAZIONE E SVILUPPO



Source: Capgemini Financial Services Analysis, 2021.

COOPERAZIONE E SVILUPPO: ALCUNI PROBLEMI



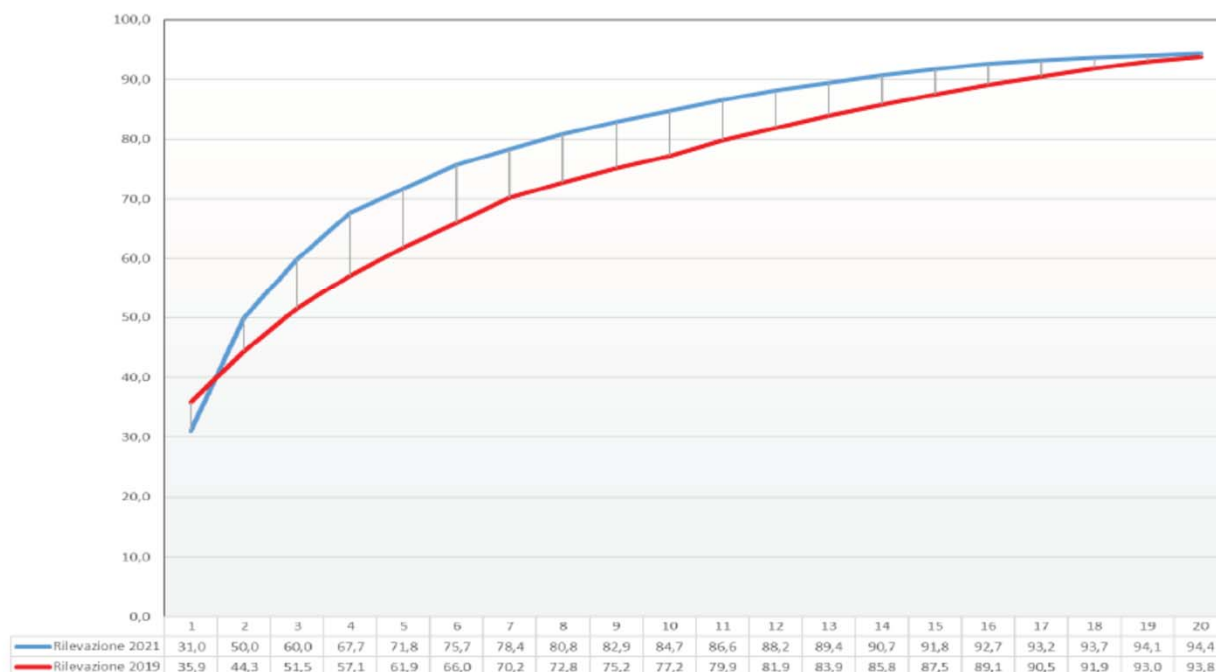
Source: Capgemini Financial Services Analysis, 2021; World FinTech Report 2021 Executive survey, N=122.

Question: What, according to you, are the challenges of a traditional bank (parent entity) when launching/expanding a digital-only bank? Please rate on a scale of 1 to 7, with 1 = not a challenge, 7 = very challenging.
Figure 17 reflects responses from executives who scored 5 or above.

COME COOPERANO BANCHE E FINTECH IN ITALIA

Figura 1

INVESTIMENTI DEI PRIMI 20 INTERMEDIARI (valori percentuali)

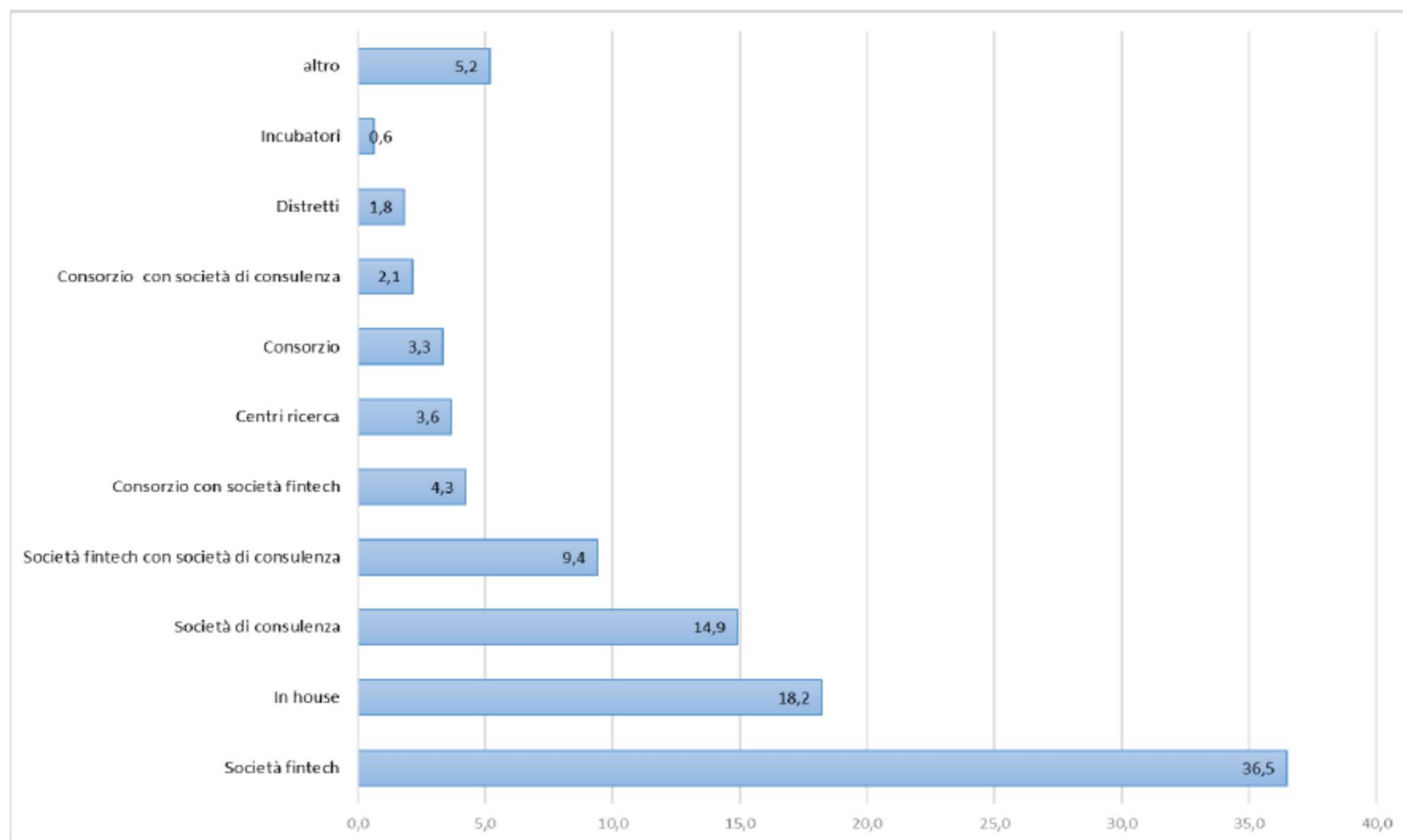


1.1 Gli investimenti

La spesa per investimenti in tecnologie innovative è stata pari a 456 milioni di euro nel biennio 2019-2020; ammonta a 530 milioni di euro per il biennio 2021-2022 e a 280 a partire dal 2023. Il 57 per cento della spesa è attribuibile a 253 progetti totalmente nuovi e non segnalati nella precedente indagine; la parte rimanente deriva da 76 progetti censiti nella precedente rilevazione, che continuano ad essere sviluppati e a generare flussi di cassa.

COME COOPERANO BANCHE E FINTECH IN ITALIA

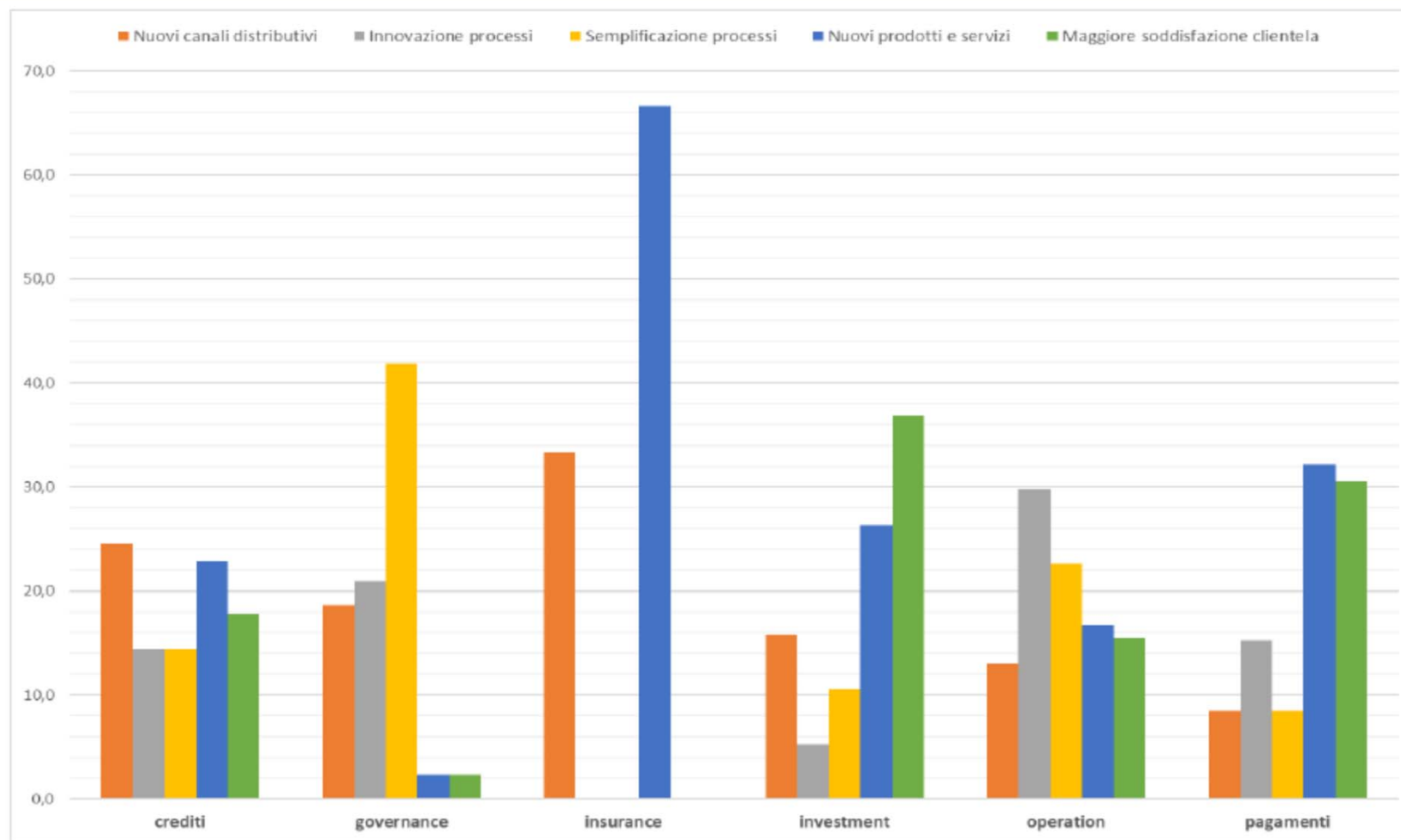
Modalità di realizzazione dei progetti in %



COME COOPERANO BANCHE E FINTECH IN ITALIA



COME COOPERANO BANCHE E FINTECH IN ITALIA

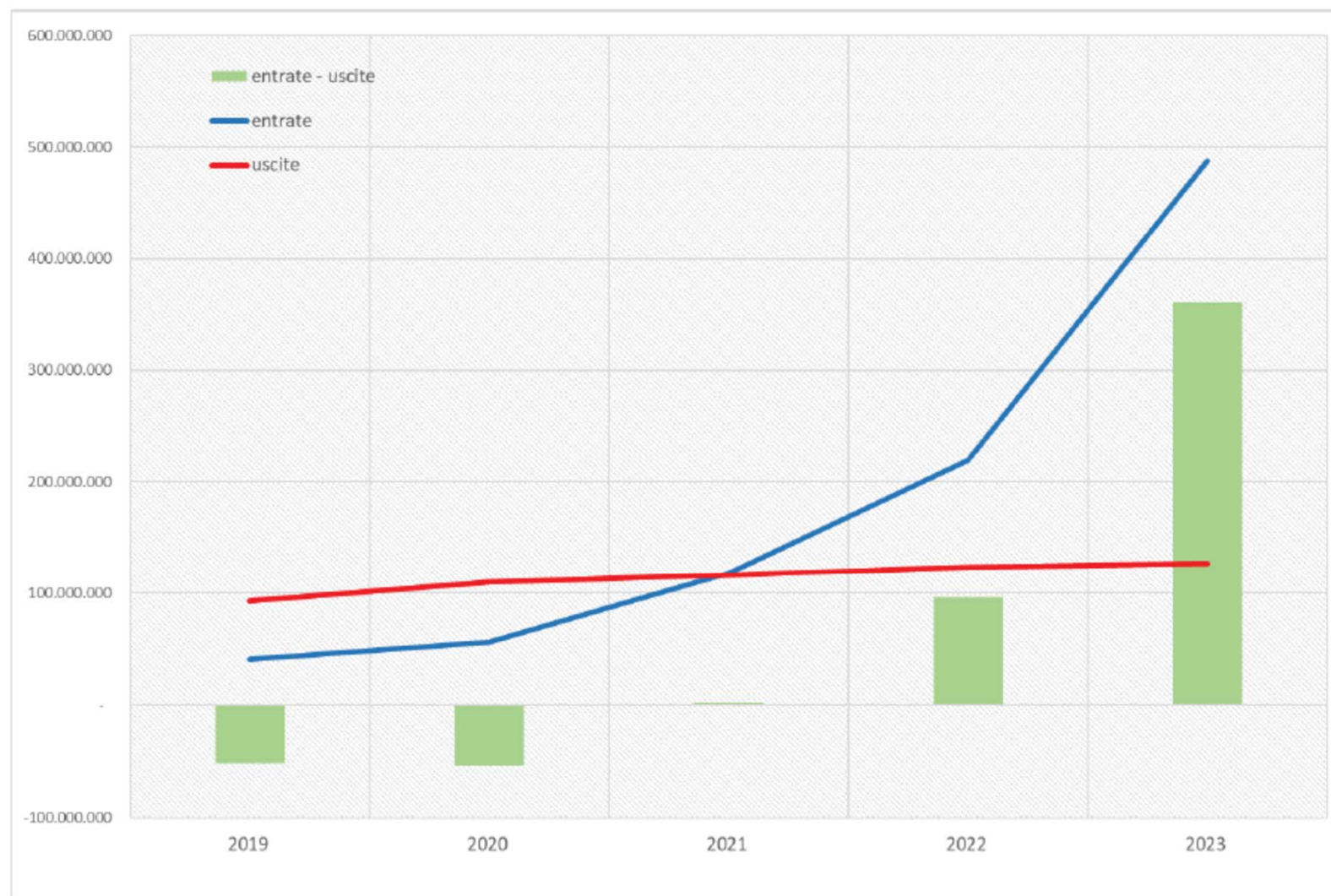


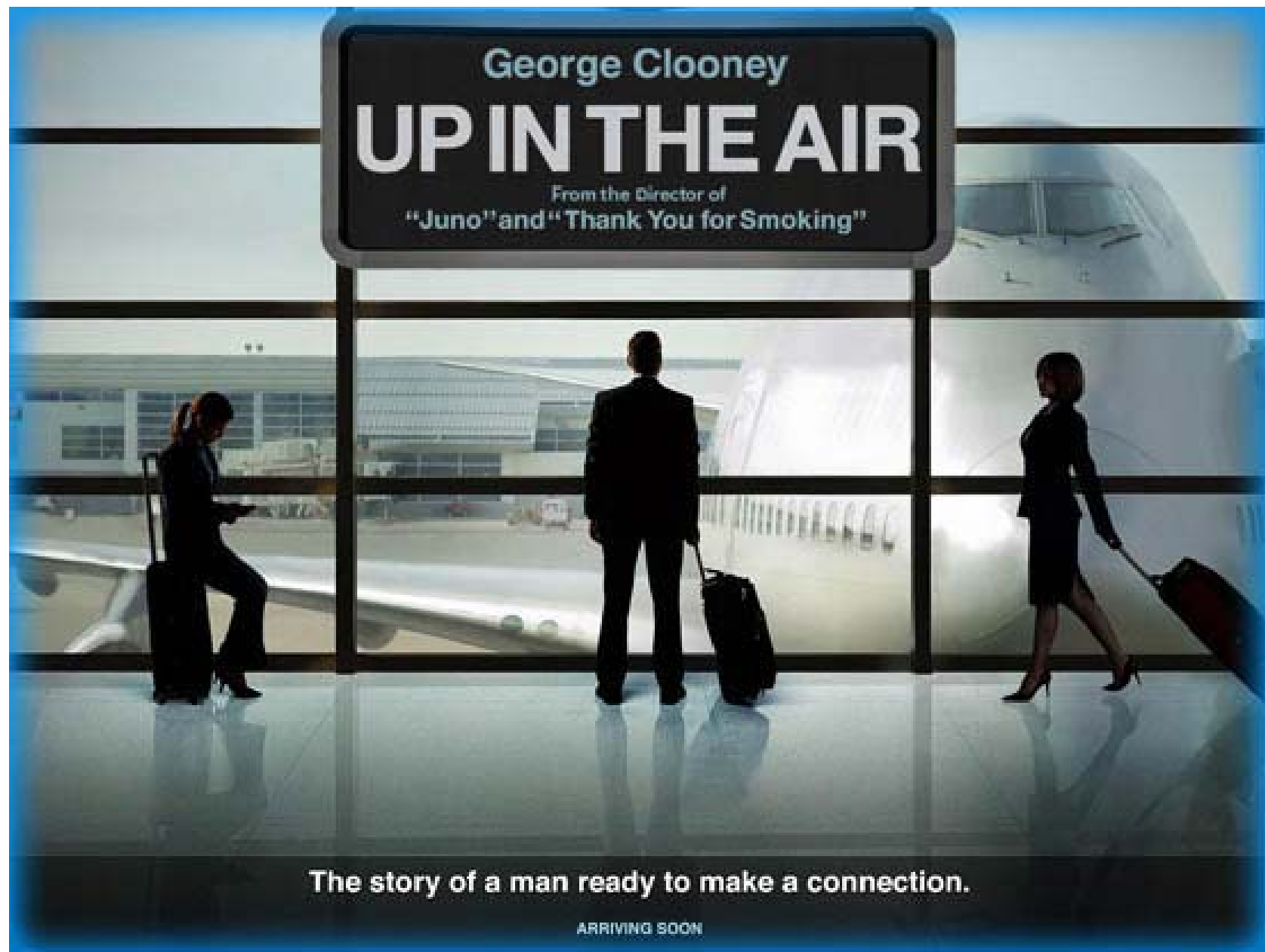
COME COOPERANO BANCHE E FINTECH IN ITALIA

PROGETTI PER AREA DI BUSINESS PRIMARIA (unità di euro)				
Area di business	Numero progetti	Investimento complessivo	Investimento medio	Investimento mediano
Crediti, depositi, raccolta di capitale	118	403.404.661	3.994.106	480.000
Pagamenti	59	711.219.625	14.817.076	227.000
Servizi di investimento	19	32.597.227	2.037.327	596.126
Servizi assicurativi	6	26.282.103	4.380.351	313.500
Governance	43	36.094.294	925.495	300.000
Business operations	84	58.702.408	793.276	137.000
Totale	329	1.268.300.318	4.465.846	246.000

COME COOPERANO BANCHE E FINTECH IN ITALIA

FLUSSI DI CASSA GENERATI DAI PROGETTI DI OPEN BANKING
(euro)





<https://youtu.be/UCmBK9cGYO4>