



# Fintech Disruptor 2019: Digital Relevance, Open architectures, Automation and Data - the new frontline in the battle for the customer

## New research identifies four key issues to dominate fintech

**LONDON, 6 DECEMBER 2018.** “Removing Roadblocks: The New Road of Fintech” published today by MagnaCarta in partnership with Klarna identifies four key elements critical to the future development of fintech — Relevance, Openness, Automation and Data.

- Relevance – organisations across the spectrum will need to understand their purpose and how to deploy technology to serve their customers
- Openness to partnership and cultural candidness, including a firm grasp of the new dynamics of competition
- Automation – understanding how, when and when not to automate processes
- Data and its use and value either as a profit pool or a source of purpose

**Michael Rouse, Chief Commercial Officer at Klarna, said:** “At Klarna, we have a maniacal focus on what we are actually solving for customers and driving the optimal experience. This is not about falling in love with the product we are building but the solution we offer. The four elements defined as key for the future development of fintech in this report are highly relevant to this, as they are all critical to building customer oriented solutions. In the right mix, all of these elements can enable solutions which will empower customers in managing their daily financial life, so they can spend more time on what they love. A lot of time has been spent on making the technology work, as an industry let's start focusing more on how it works for consumers as that is where the real impact and value lies.”

Fintech Disruptors 2019 surveyed 5,000 industry professionals across Europe, the Middle East and Africa. The report also provides strong evidence of a seismic shift in industry focus, away from new payments technologies and towards open banking and the application of artificial intelligence (AI) in fintech.

**Simon Hardie, Partner at MagnaCarta Communications, which runs the study, said:** “Fintech is maturing as a sector. This year's study shows a change from early-stage growth issues such as creating new and alternative payments methods towards more complex challenges such as the regulatory environment, how to apply AI and automation for customer benefit, and how best to manage increasing volumes of customer data.”

Findings from the report include:

- 37% of respondents cited payments as a major future investment area for fintech, compared with 71% in 2018.
- 57% identified AI, automation and digitisation as a key future investment focus, with more than half also citing open banking as a major area for investment.
- Established financial institutions are twice as likely as fintechs to deploy sophisticated data mining and interrogation techniques to their customer data.
- Surprisingly few (10% of those surveyed) use customer data to try to interpret what further products customers would like.
- 41% of fintechs say they use AI techniques in their business, compared to 43% of financial institutions.
- Banks expressed record levels of interest in purchasing white-labelled fintech products for rebranding and use in their business (46% vs. 33% in 2018), and also in acquiring fintech companies (45% vs 22% in 2018).
- Interest in partnering with fintechs, still high at 68% for 2019, but the lowest figure recorded in three years (2017=78%; 2018 = 73%).
- Banks surveyed believe nearly a third of their overall revenues are at risk of being taken by fintechs.

The full report can be found [here](#).

**ENDS**

### Note to Editors

Using a combination of quantitative and qualitative methodologies including 24 in-depth interviews, MagnaCarta polled more than 5,000 professionals from leading banks, financial institutions and fintech firms in September 2018. Full results are found in the study released today.

### For more information or to arrange an interview, contact:

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**About Klarna**

Klarna is one of Europe's leading payments providers and a newly-licensed bank, which wants to revolutionise the payment experience for shoppers and merchants alike. Founded in Stockholm, Sweden, in 2005, we give online consumers the option to pay now, pay later or over time – offering a simple, safe and smooth checkout experience. Klarna now works with 100,000 merchants. Klarna has 2,000 employees and is active in 14 countries

**For more information**

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