PUBLISHED BY THE FINTECH TIMES

MONEY20/20

USA OCTOBER 24-27 LAS VEGAS

THE VENETIAN | THE PALAZZO
AND THE SANDS EXPO
LAS VEGAS, NEVADA, USA

VIVA LAS VEGAS

Money20/20 USA is back – reimagined and ready to rumble!

Anshu Sharma
CEO@Skyflow

Catalina Rivera Chacón Communication Specialist@PayRetailers

GALILEO
Inspiring creators and innovators to expand the financial frontier

Railsbank
How your favourite brands know you better than your bank does

crypto.com
Decentralised finance as a gateway to financial inclusion and literacy

RELAY
A guide to solving digital transformation's customer engagement problem


See you again in
2022
FINTECH WEEK
LONDON
11-14 JULY 2022
STAY TUNED FOR MORE INFORMATION
AT WWW.FINTECHWEEK.LONDON

WELCOME TO MONEY 20/20 USA

Money20/20 USA has always been about uniting the fintech and financial services community, but this year's event feels a little bit more special as innovators, visionaries, decision-makers and leaders reconnect in Las Vegas.

As one of the US's first major gatherings since the lockdown, and following the disappointment of last year's cancellation, Money20/20 USA organisers are on a mission to deliver a 'truly unprecedented and unexpected experience' for everyone who attends.

From 24 to 27 October, Money20/20 USA promises a 'reimagined' event that will create more catalysts for spontaneity and serendipitous moments, provide new ways to learn, solve industry challenges and spark opportunities for growth.

In this special edition supplement for Money 20/20 USA, *The Fintech Times* serves up a diverse range of fascinating insights from the most influential players in financial technology, including some of the anticipated speakers we'll be hearing from during the three days at The Venetian Resort in Las Vegas.

On page six, we hear from global fintech innovator Dr. Ruth Wandhöfer on developing systems that enable the wholesale inter-bank market to have messaging unified with the money movement it instructs, using bilateral atomic settlement and leveraging Cloud technology.

Turn to page 24, for Crypto.com's stance on decentralised finance (DeFi) and how its underlying goals coincide with the concept of financial inclusion – achieving equal and easy access to fair and affordable financial services.

On page 26, we also hear from Tiffany Johnson, head of product for Railsbank North America, and Susanne Carr, global head of customer experience at Railsbank, who will be on stage at Money20/20 USA to outline the next frontier for credit. The product driven duo dive into the intersection of credit and embedded finance, and what it will take to democratise finance.

While on page four, Money20/20's chief strategy and growth officer Scarlett Sieber and editor in chief Sanjib Kalita share their excitement for this year's event with our very own editorial director, Mark Walker.

Viva Las Vegas!

DISRUPTSMEDIA LIMITED

Published by DISRUPTS MEDIA LIMITED 41 Luke Street • London EC2A 4DP • United Kingdom

CEO Jason Williams EDITORIAL DIRECTOR Mark Walker EDITOR Claire Woffenden EDITOR-IN-CHIEF Gina Clarke ART DIRECTOR Chris Swales

BUSINESS DEVELOPMENT Callum Blackwell • Deepakk Chandiramani • Terry Ng • Ania del Rosario • Richie Santosdiaz • Adam Snyder • Maxwell Cooper

DIGITAL Manisha Patel • Megan Palton JOURNALISTS Polly Jean Harrison • Tyler Smith • Francis Bignell EDITORIAL ENQUIRIES editor@thefintechtimes.com

DESIGN & PRODUCTION www.yorkshirecreativemedia.co.uk IMAGES BY www.istockphoto.com PRINTED BY Park Communications Ltd, London

+44 (0)20 7193 5883 www.thefintechtimes.com @thefintechtimes @thefintechtimes @thefintechtimes

IT'S MONEY20/20 USA!

Ahead of the much clamoured for Money20/20 USA in Las Vegas, *The Fintech Times*' editorial director **Mark Walker** caught up with the event's chief strategy and growth officer, **Scarlett Sieber**, and **Sanjib Kalita**, editor in chief

The three met above the hustle and bustle of the main conference hall at Money20/20 Europe in the RAI Amsterdam in September, one of the f irst events to go ahead after pandemic travel restrictions were eased.

MARK WALKER (MW): Here in Amsterdam, we can see the typical aspects of a Money20/20 gathering – interesting speakers and events plus lots of breakout areas and of course, the food. Is this similar to the Money20/20 USA event or will there be some surprises?

SCARLETT SIEBER (SS): I think what you've seen here in Europe is going to be reflected in Las Vegas in the sense that we have spent a lot of time during this off time (the pandemic) thinking about new and exciting ways to showcase the most crucial topics across the industry.

If you've had a chance to meander around the floor and seen things that maybe have not existed on the map, you might have come across some special stuff, and we're hoping to have those types of moments in Vegas as well.

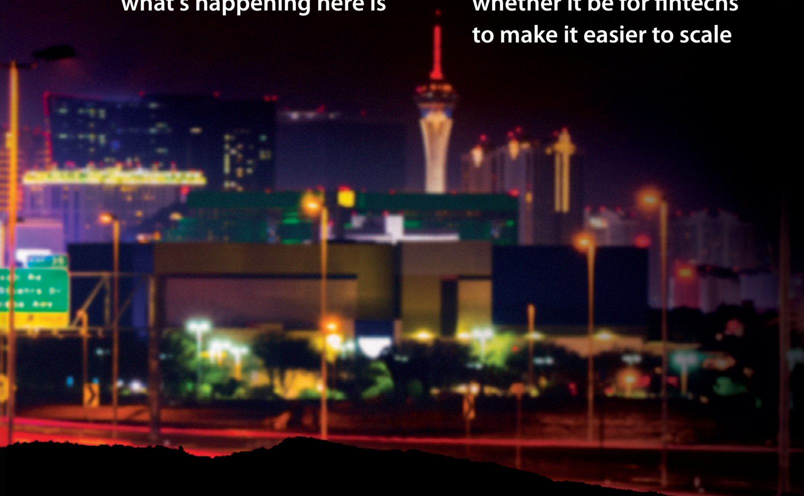
MW: I have felt my phone buzzing once or twice with some exclusive invitations which has been very exciting as it's not just about fabulous speakers, but I see that great cocktails are involved too. Now one of the key themes for this year is 'Striking Digital Gold', why did you decide to make that a topic?

SANJIB KALITA (SK): Gold is and has been a store of value for millennia, and it's something that is fairly consistent across changing times. However, what used to be a series of purchases, weekly or monthly transactions is now a monthly subscription fee. And so this digital element makes it a very different experience.

Why we wanted to bring in the digital gold theme is that with every online transaction you're also receiving digital data, which adds value to the return from a retailer's point of view. Personally, I think that data is going to be used when it comes to potentially fighting for fewer transactions, but there might be a higher margin as a result of each of those transactions.

MW: Decentralised finance is certainly a buzzword at the minute, what are you hoping the audience will take away from the 'A Tokenised, Transparent, Trustless Tomorrow' theme?

SS: Decentralised finance is a really hot topic at the moment and none more so than central bank digital currencies (CBDCs). While that concept is much more open here in Europe than in the US, it's certainly starting to become more pressing. It's not that in the States we haven't begun but what's happening here is



that your propositions are much more further along than they are in the US, which is why Money20/20 is a great place to introduce those conversations.

MW: How do you think the big banks will react to these sorts of progressive themes?
SS: Here in the US, we have almost 5000 banks and over 5000 credit unions. and a lot of them are still quite traditional in the way that they think about things, so when we start introducing these concepts, it gets a little bit trickier which is why one of our other key themes is 'Strengthening the Tech Core'.

From my perspective, standing as a former banker always looking at the digital partnership side of it, it's really hard to get things done when there's so much legacy tech. Right now, there's so much money in the space going to infrastructure and, while it may be the most unsexy part of what we do, it's still the most important part.

The part that's most exciting for me about the US agenda is this infrastructure side and how people are actually moving forward, whether it be for fintechs to make it easier to scale or for the banks and credit unions to actually compete in the marketplace.

> It's nice that finally, after all this time, we're back together again in Las Vegas

MW: What about potential opportunities for banks and fintechs?
SS: We will actually have a bank and a fintech on stage talking about how they made that partnership happen, the challenges, the opportunities there. I was actually just sitting over here listening to Wise and JP Morgan on the assembly stage earlier and they were talking about partnerships. I think it's not that the big players don't have partnerships with fintechs, but it's just different.

They have a whole team and a methodology, whereas the smaller ones can be a little bit more nimble so that you're dealing with the CEO or you're dealing with the chief lending officer. For us, it's really about use cases, more than anything else like how this is actually happening and that's what we love to see on stage.

MW: What are you hoping that companies will take away from your speaker sessions?
SS: We hope that everyone will be as open and honest as possible. The other thing I'll throw out there is that, from our perspective, it's really hard to get people to speak freely and openly about how they've messed up. By looking at these stories on stage, and by comparing what's there and what's not there, you can sort of make that extrapolation of 'OK, that didn't work'.
SK: It's also a really interesting area to listen to as there's people that due to recent events, might be trying not to go back to the whiteboard, like fintech 1.0. Yes, they built a company a certain way, but there is an opportunity to say that this doesn't work, or you can make it work better. And so, at events like these, you're getting a bit of a next generation feel. I certainly find that interesting and a lot of times you get the best ideas and advice from not necessarily learning about the company, but the people within.

MW: What about the events that you didn't get to run? How do you feel about the topics that potentially aren't covered?
SF: I think that the challenge there is always trying to bring to life the things that could happen but aren't necessarily ready there and then. So, for example, things like NFTs. It's something that has to be a little more tangible to us. Yes, we can at least start thinking about the architecture and what that ecosystem will look like so that you can draw parallels to other similar ones. But we haven't nailed it as yet; we're trying to figure out and trying to put some stuff out there that will hopefully further the conversation.

MW: Finally, what has it been like planning such an event during a pandemic?
SS: If we think back to our expectations in the heart of the pandemic of what the shows were going to look like this year, we definitely were not expecting to have 76 countries present, which is more than we had in 2019.
SF: Just add to that topic, when we last met in 2019, we were talking a lot about brands such as Alibaba and Tencent becoming globalised. So, there's obviously been a pullback from that perspective. Now what I'm actually seeing is a lot more startups that are at an even earlier stage talking about going global. Which is amazing.
SF: What's nice about coming to Money20/20 USA is that all the big banks that you need to know about are going to be there. Plus, you've got the smaller banks and credit unions that we talked about earlier, alongside the regulators – who are all very difficult to get together in one room. So, I think it's nice that finally, after all this time, we're back together again in Las Vegas.

SPEAKER: DR. RUTH WANDHÖFER

VALUECHAINUNITED

Bringing messaging and liquidity all under one roof

By **Dr. Ruth Wandhöfer**, Global Fintech Influencer

Since the origins of what we now consider modern banking practice emerged in Europe during the Renaissance, cross border financial exchanges have always been characterised by a separation between the way a payment order is instructed and the liquidity which fulfils the payment.

The recent emergence of Cloud and streaming technologies, however, is a game-changing development the industry cannot ignore. It can facilitate risk-free, frictionless cross-border payments that occur in real time – and can bring messaging and liquidity together in a single network.

Isn't now the time to phase out the centuries old, bifurcated system that is no longer fit for purpose in our modern connected world, and instead embrace a better, faster, technologically super-charged way of effecting cross-border foreign exchange banking transactions?

It's easy to understand how separation of messaging and liquidity in cross-border banking transactions occurred during 15th century Europe. At a time when there was no automation or electronic means of communication, payment orders would be hand-written, then conveyed on foot, by horse, or by sail to foreign destinations where payment would be fulfilled by a second party, a process taking days or even weeks to complete. This established separation between the messaging (the order) and the liquidity (payment) has carried down the centuries to the present day.

The arrival of the telegraph in the 1870s, telex technology in the 1930s and, eventually, the creation of the global banking and financial services industry's own electronic messaging system via the Society for Worldwide Interbank Financial Telecommunication (SWIFT) in the 1970s, incrementally increased the speed of transactions. Yet, the distinction between messaging and liquidity was retained throughout, and the process still took days to complete.

Even today, with large wholesale foreign exchange settlement services, messaging and liquidity are separated, and settlement risk is managed via a discrete process as part of the liquidity movement. The foreign exchange trade is executed, whereas two days later the transactions are settled by the banks via SWIFT messaging and separate payment systems.

While technology has evolved down the centuries, the fundamental operating mechanisms remain, as if set in aspic, with the value chain unnaturally and artificially bifurcated as it was in the days of the Medicis.

Parts of the financial industry seem content to see the system remain as it is, based on the principle that 'if something isn't broke, don't try to fix it'.

Were we starting from scratch with all the advantages of today's technology, would we still see the need to separate messaging from liquidity? Clearly, not – and we only need to look to the origins of another more recent financial transacting system developed at the end of the 20th century, the credit card, to see how, with technology available, it made absolute sense to develop a system that covered authorisation, messaging and liquidity movement and settlement unified under one system.

Clearly, the current system of foreign exchange transfers in the traditional correspondent banking system needs to evolve further, but we don't need to sweep away the entire existing system. Rather, we should look towards creating a supplementary network running in parallel, that can accommodate tried and tested systems while handling a high volume of traffic within a platform that combines messaging and liquidity, potentially for both cross-border and domestic transactions.

Such a system would need to be flexible and agile to encourage high levels of participation and be capable of evolving and embracing new technologies as they come on stream.

This evolutionary process is happening – the Bank for International Settlements' Innovation Hub, working with domestic payments systems operators, their member banks and service providers, is creating bridges between countries with existing instant payment transfer systems through its Project Nexus initiative.

In parallel, organisations such as RTGS.global are developing systems that enable the wholesale inter-bank market to have messaging unified with the money movement it instructs, using bilateral atomic settlement and leveraging cloud technology. Such a global private network will enable instant cross-border, cross-currency transactions to take place without a financial intermediary in the flow of funds, all on the same day.

Developing a parallel platform that complements and enhances existing structures will eventually act as a catalyst for consolidation of numerous payment networks, making the global inter-bank transfer market more efficient.

We have a choice. Embrace the development of a network which offers instantaneous foreign exchange transfers and better connectivity or remain mired in a system that worked well 600 years ago, but has absolutely no place or value in the 21st century.

About Dr. Wandhöfer

Dr. Ruth Wandhöfer is an international banking and regulations expert and author. She serves as an iNED at Permanent TSB, Gresham Technologies and Digital Identity Net Ltd. She is also a partner at Gauss Ventures, co-founder and partner at Sinonyx and adviser to RTGS.global, the ETPPA, the British Standards Institute, the City of London Corporation as well as chair of the UK Payment Systems Regulator Panel.

Website: www.rwandhofer.com

Twitter: @RWandhofer


Security that shields your apps and your revenue? Amazing.
verimatrix
Deliver amazing
See how at verimatrix.com/deliver-amazing-fintech/

GO FURTHER TO BUILD FOR EFFECTIVE DATA PRIVACY

It's common knowledge that owning and managing 'compliance engineering' for any company – compliance with laws and standards, such as GDPR, HIPAA, SOC2 and PCI – can be frustrating and fraught with unpleasant surprises. But it doesn't have to be that way.

By **Anshu Sharma**, Chief Executive Officer & Co-founder, Skyflow

My thoughts on the usual approach to compliance – treating safety and privacy as an afterthought, rather than something that's baked into your products at a fundamental level – boil down to: **F**k compliance – go further to build for effective data privacy.**

Your customers want real data privacy, above and beyond the minimum bar of 'compliance'. They want you to do the right thing, not just comply with requirements codified in laws, regulations, and industry standards.

If you think that your customers don't care about the difference between compliance and real data privacy, consider this: Surveys indicate that when a data breach occurs, your customers are more likely to blame you than to blame the hackers (RSA 2019).

COMPLIANCE DEFINES A MINIMUM BAR

To illustrate the difference between clearing a minimum bar and doing the right thing, let's imagine a few real-world purchases where safety is a concern:

- You're shopping for a car seat for your baby. Would you purchase one that only had the legally required safety features, or choose one with a good reputation for being extra safe?
- You're going out to dinner with an immunocompromised friend. Would you go to the restaurant that posts a 'Facemasks Required' sign on the door (putting them 'in compliance') but then packs its customers together when seating them? Or would you choose the restaurant that goes beyond the minimum by adding distance between tables and extensive ventilation?

It's too easy to treat privacy as an afterthought, which leads to an approach that I'd describe as: compliance theatre. 'Do a bunch of activities to look like you are doing the right thing, but don't invest beyond what's required to get a certification or meet a legal mandate.' And taking this approach leaves you with a product that's a bit like the imagined car seat described above – a product that is 'in compliance', but that isn't as safe as it should be.

We need to go beyond compliance theatre to do the right thing.

COMPLIANCE ISN'T ENOUGH TO PROTECT YOUR CUSTOMER DATA

You can see in the world around you that every company needs to go beyond treating compliance as a 'checkbox' to deliver true data privacy. Examples of where mere compliance falls short are all around us:

- In 2017, Equifax announced that its servers had been hacked leaving the personal information of an estimated 140 million customers compromised. This, despite the fact that Equifax was compliant with all applicable laws and industry standards.
- Another example of compliance falling short is the 2020 data breach at Marriott International, which exposed the contact details and personal data of 5.2 million Marriott customers. Marriott was compliant with all applicable laws and industry standards when compromised employee credentials were used to breach their security. Although compliant, Marriott didn't detect the compromised credentials until hackers had been using them for more than a month.

In these cases, and more, you can see that the compliance measures taken were necessary, but that such measures aren't sufficient to protect customer data privacy. With the increasing frequency and magnitude of data breaches, focusing on meeting the minimum bar of industry standards and legal compliance is, in fact, putting your customers at risk. You want your product to be privacy-hardened, not compliant with standards and laws that slowly evolve to respond to the threat landscape. You want to be on the cutting edge of customer data privacy so that when standards and laws are strengthened, you are already compliant.

> With the increasing frequency and magnitude of data breaches, focusing on meeting the minimum bar of industry standards and legal compliance is, in fact, putting your customers at risk

YOUR CUSTOMER DATA IS PRICELESS; SKYFLOW HELPS YOU PROTECT IT

Customer relationships are the lifeblood of any business, so protecting customer data is key to maintaining customer loyalty. Skyflow's products are expressly designed to protect customer data, including payment data, health data, and other types of PII.

Skyflow offers a wide range of capabilities to help you protect your customer data. Highlights include:

- **Data Governance Engine:** How much control do you have over your data if employee credentials are compromised? With Skyflow's unique data governance engine, you can control who sees what, when, where and how. For example, you can add time-based access rules, so you can block hackers from using a compromised employee credential when that employee isn't clocked in. And you can also add column- and row-level data access controls, based on any combination of policy, role, or attribute; so you can keep your most sensitive data and broadest customer data queries beyond the reach of employees who don't need them.
- **Polymorphic Data Encryption:** Encryption-at-rest is required by several industry standards, and it's far better than storing unencrypted data... but in many cases, encryption-at-rest isn't sufficient. If social security numbers (SSNs) or other sensitive data are managed loosely in your code after being decrypted, or if your code makes it too easy to decrypt more data than is needed, are you providing effective privacy? Skyflow's polymorphic encryption lets you treat each type of sensitive data differently, so when you only need the last four digits of a customer's SSN, you don't decrypt the full SSN – only the last four digits. And if you need to target customers for an ad campaign based on their age, you can do that by decrypting just their year of birth, not their entire birthday.

USE DATA PRIVACY TO BUILD BRAND VALUE

Apple and Signal have built brand value by going beyond mere compliance to provide true data privacy as a differentiating feature. These companies show that true data privacy does more than provide risk mitigation for your business. True data privacy builds customer trust and goodwill toward your brand.

Skyflow is here to help you to transcend the frustrations that go along with the minimal approach to compliance, so you can deliver true data privacy when customers entrust you with their personal data. After all, an app can be compliant by showing a popup asking the user to waive all expectations of privacy… but, is that really providing the data privacy that customers want?

Your customers deserve more than the minimum when it comes to data privacy. So, please join us as we say: F**k compliance – go further to build for effective data privacy.

About Skyflow

Founded in 2019, Skyflow is a data privacy vault for sensitive data. Our founders wanted to radically transform how businesses handle their users' financial, healthcare and other personal data – the data that powers the digital economy. Inspired by the data vaults that leaders like Apple and Netflix built to handle customer data, our vision was to deliver the same kind of data privacy vault as a simple and elegant API, something any developer could easily build into their application, the same way they use Stripe, Twilio, or Okta. Skyflow is based in Palo Alto, California, with offices in Bangalore, India.

Website: www.skyflow.com

LinkedIn: linkedin.com/company/skyflow

Twitter: @SkyflowAPI

skyflow

CYBERCRIMINAL NETWORKS

As bad guys band together, shouldn't businesses? suggests **Kimberly Sutherland**, vice president of fraud and identity, LexisNexis Risk Solutions

As businesses have become increasingly digitised in the wake of the pandemic, cybercriminals have been devising ways to adapt and continue to defraud businesses.

Many fraudsters have seen the rapid transition of businesses to digital service offerings as an opportunity to formulate attacks against companies who are newer to the digital economy and against vulnerable consumers making transactions online. Businesses must band together to properly defend themselves against cyber scams that are increasingly intricate and protect their customers' personal information.

Consumer data is valuable for both the physical and digital identity attributes linked to transactions and devices. Sophisticated fraud methods like synthetic identities and identity fraud rings are creating cybersecurity challenges for businesses with the rise in digital transacting, especially via mobile applications.

According to the LexisNexis Risk Solutions Cybercrime Report, which provides an analysis of transaction data from the LexisNexis Digital Identity Network, approximately 14.9 billion transactions were processed in North America in the first half of this year, a growth of 28 per cent year-over-year, attributed to a growth in consumer transactions and new LexisNexis Digital Identity Network customers. Sixty-two per cent were through mobile transactions, a majority of which (70 per cent) were conducted via mobile apps.

Techniques once reserved for national espionage agencies are being increasingly deployed by networked and professionally organised cybercriminal operations. With the same technologies and organisational structures seen in any business, these groups routinely buy, trade, and augment stolen identity data to perpetrate increasingly automated and daring large-scale attacks – sometimes allegedly in alliance with rogue nation states.

> It takes a network to fight a network – there's power in sharing intelligence on cyber threats

As the volume, frequency and efficacy of cyberattacks continue to escalate, it's increasingly clear that the business of cybercrime is growing more global and networked by the day. With such formidable adversaries joining forces, new questions arise: Why would any business want to face these cybercriminal networks alone? Since cybercriminals recognise the strength in numbers, shouldn't we?

It takes a network to fight a network – there's power in sharing intelligence on cyber threats on a global scale. Media, e-commerce and financial services have all seen the emergence of industry-specific consortiums that enable member businesses to share data on the cyberattacks they experience so that others can more readily identify fraudsters and how to stop them. These and other efforts are certainly moving in the right direction. But organisations should think much bigger.

When leveraging an internet-scale dataset drawn from trusted sources, networks can recognise when someone attempting to log into a site, app, or internet-facing system is truly who they purport to be – or a fraudster wielding stolen usernames, passwords or other identifying information.

By understanding how people transact across websites and apps using their devices, locations and online and offline information, an organisation can effectively connect the dots to create one unique digital identity for each individual, that is dynamic.

Businesses across industries and geographies use these identity signals to instantaneously gain trust in the multitude of decisions they make during each digital transaction. They benefit from each customer experience with any given digital identity.

In the digital economy, sharing trust data with other businesses means everyone gains an unprecedented level of visibility into the identity of the people they transact with and a heightened ability to keep fraudsters at bay. The one thing businesses can all agree on is the shared commitment to make the internet a safer place to conduct commerce.

Businesses that invest in a multi-layered solution approach, including the integration of their cybersecurity and digital customer experiences with fraud prevention efforts, experience fewer successful fraud attacks and a lower cost of fraud.

By doing so, businesses gain the upper hand against networked cybercriminal organisations that will find themselves outnumbered, outgunned, and outmanoeuvred if businesses band together on a global scale.

Isn't it time you teamed up to stop the bad guys, too?

About Kimberly Sutherland

Kimberly is VP of fraud and identity strategy at LexisNexis® Risk Solutions. She's also Vice Chair of the Open Identity Exchange and serves on the board of Women in Identity.

Website: https://risk.lexisnexis.co.uk

LexisNexis® RISK SOLUTIONS

Building a better financial future

Galileo inspires creators and innovators to expand the financial frontier

Helping people connect to their money has always been a passion for Galileo Financial Technologies CEO Derek White. In fact, it's one of the reasons he took the helm of the Salt Lake City-based payments and fintech innovator in June 2021.

"My first real interaction with money was from the first business I started as a kid. My father was unemployed, and I handed over my paycheck as the only income for our family outside of unemployment," White says. "That was a pretty sobering experience. It had a huge impact on me and has been a big driver in my career and why I've focused on how to better connect people with their money."

As a veteran of global banking and ex-head of Google Cloud's financial services business, White brings an international perspective to his new role as well as an eagerness to help entrepreneurs and innovators build financial experiences that connect people and their money in unique and powerful new ways.

Galileo's platform and comprehensive, flexible APIs power some of the world's most successful fintechs with combined valuations exceeding $111billion. Clients use the company's open APIs for everything from digital onboarding of new customers to restricting spend down to the individual merchant location level.

BUILDING THE FUTURE

Making dreams into reality is Galileo's speciality, with a platform that enables creators and, indeed, dreamers, to translate their ideas into sustainable businesses that solve problems and meet the evolving needs of consumers and businesses alike.

"Galileo is for innovators who want to expand the financial frontier and build a better financial future for underserved populations or people who identify with a specific cause, or who want to embed financial services into their broader customer experience," says White.

The platform offers a single connection to more than 55 endpoints of the financial services ecosystem – to networks, issuing banks, KYC providers, mobile wallets and more. By removing the complexity and lowering barriers to entry, Galileo lets these financial innovators build businesses that fulfil their mission and engage their customers in meaningful ways.

"Having been an entrepreneur myself, part of the challenge is where to start once you have your big idea. Galileo has a proven playbook for helping emerging and established businesses transform their ideas into reality. We help guide you through the journey to launch, scale and grow your unique approach to connecting people and their money."

NEW INNOVATIONS

White has been in the driver's seat for many transformational trends in banking, from the early adoption of internet banking to the wave of mobile apps.

He believes the next generation of finance will revolve around fintech as a service, open banking and embedded finance with a focus on financial access and democratising financial services driven by technology and data.

Technology innovation can be as simple as streamlining processes to something as complex as migrating your platform to the Cloud. Galileo has invested significant resources to migrate its platform to Amazon Web Services (AWS) to provide resiliency, elasticity and future-proofing for Galileo and its clients, White explains.

"Our AWS Cloud environment enables Galileo to scale on demand and immediately meet the dynamic needs of our clients, no matter how fast or how unexpectedly they scale and grow."

MONEY20/20 USA

Achieving explosive growth is always top-of-mind for early stage and high-growth fintechs – but what about scale, profitability and longevity? This year at Money20/20 USA, White and two other industry heavyweights will discuss how fintechs can not only survive but also thrive.

One fundamental factor the session will explore is partnerships; White believes innovative fintechs and established big banks can do much more together.

"Partnerships can accelerate the scaling of fintechs and startups in ways that they can't on their own. For startups to recognise what their capabilities are is incredibly important, but they also need to understand what they can't do or don't want to invest in."

For Galileo, potential partners must have more than a big idea.

"First we ask what is their mission and dream to build a better financial future, then we ask how we can help them accomplish that vision, while the third factor is just trust. One thing I've learned in my career is that trust is more valuable than anything else."

About Galileo

Website: www.galileo-ft.com
LinkedIn: linkedin.com/company/galileo-financial-technologies

GALILEO

FROM REGS TO RICHES

The evolution of identity verification in the modern economy

Identity verification has made considerable strides in recent years as it continues to evolve alongside the modern economy. From loan applications to opening bank accounts, cryptocurrency trading and more, identity verification plays a pivotal role in building trust among businesses and their customers.

Identity verification is an essential requirement in most processes today, both online and offline. With blue ocean opportunities on the horizon as technology, risks and threats continue to evolve, it's easy to overlook the magnitude of influence identity verification has in our daily interactions. As we continue to set our sights on emerging opportunities, here are the top 10 reasons financial institutions need to evolve with identity verification.

1 Identity is always changing

Prior to the mass adoption of technology and the digital lifestyle, impersonation was conducted through physical means, such as a stolen wallet or identification card. As such, the main unique identifiers at the time mostly focused on name, address, date of birth and social security.

With the transformation of digital fraud, identity theft requires a more sophisticated plan to pull off successfully. To prevent this, data networks continue to become more robust and now include unique identifiers for credit data, email, phone numbers, government-issued ID numbers and more.

2 Advancements in biometrics

From the first state-wide automated palmprint database in 2004 to Apple including fingerprint scanners in smartphones in 2013, biometrics continues to be a buzzword in the identity verification industry. As the latest development in identity verification, biometrics offers the ability to verify users through geolocation, fingerprints, or facial recognition.

Backed by an unbeatable level of security when it comes to mitigating identity theft, it should come as no surprise that forward-thinking businesses are looking to implement this feature as part of their onboarding services.

3 Increases in identity theft

As data breaches and cyberattacks continue to rise year over year, there's a constant threat of fraud and identity risk. With financial firms being 300 times more likely to be a target than other institutions, customers need to be able to trust that the organisations they're doing business with are ensuring that their Personal Identifiable Information will be protected.

4 Consumer-centric approach to identity verification

With the introduction of digital banks and financial services, consumers are no longer restricted to the services that are available in their neighbourhoods. With more competition and options to choose from, consumers can afford to be selective as they become more security-conscious and look for frictionless onboarding processes with improved protection.

Previously seen as a pain point in the user experience, financial institutions are beginning to embrace their identity verification process to apply a more consumer-centric strategy. This can yield favourable results as businesses can achieve reduced friction and increased security while fostering better customer relationships.

5 Digital account creation abandonment

Based on recent research from Deloitte, it was revealed that "at least 38 percent of customers drop out of the onboarding process, often as a result of frustration with the sheer volume of touchpoints and paperwork involved."

With a much-needed balance between attracting, retaining and growing customers, financial institutions should be looking to leverage passive and active security features to help facilitate frictionless and secure onboarding.

6 Multi-layered approach to authentication for heightened security

To help stop criminals in their tracks, multi-factor authentication provides a layered defence to make unauthorised access of accounts, data and devices more difficult. For financial institutions, this requires the ability to access extensive data sources that are fast, reliable and accurate.

7 Access to more reliable data sources

As the most important factor in regulatory compliance and risk mitigation, identity verification is only as reliable as the data sources behind it. Fortunately, through partnerships with organisations like Trulioo, financial institutions can have access to more data sources than ever before with 400 data

As digital services continue to evolve and expand, digital identities are crucial in creating fairness, transparency and trust

sources for more than 80 countries and access to active mobile network operator data.

8 Continued increases in digital growth

With more than 14 billion active mobile devices worldwide, more people than ever before have the potential to access the digital economy. As digital services continue to evolve and expand, digital identities are crucial in creating fairness, transparency and trust. However, they will first need to be established to be granted access.

9 More users requires efficient processes

Aspects of identification and verification may be ever-changing but financial institutions must consider streamlining their processes to keep up with the changing times. This kind of responsiveness will allow financial institutions to properly scale their operations while mitigating emerging threats and risks and remaining compliant with evolving regulations and compliance requirements.

10 Minimise resource strain with one-stop verification solutions

As technology improves, regulations evolve and customers want better service, financial institutions need to leverage verification services that will fit their business needs now and in the future. By using solutions to automate efficiencies, organisations can adopt a customisable and strategic approach to identity verification that will help reduce costs over time and offer a better experience to customers.

PUT YOUR BEST FOOT FORWARD WITH YOUR IDENTITY VERIFICATION SOLUTION

Identity verification technology holds the key to helping financial institutions onboard customers in an efficient and safe manner. By leveraging the latest in today's technology, organisations can ensure they remain compliant and onboard quickly while reducing fraud. In turn, this forward-thinking approach will build customer loyalty through a good first impression that makes them feel safe and secure.

Learn more about how you can futureproof your compliance and fraud prevention systems with advanced digital identity verification. **Visit Trulioo at Money20/20 booth #1405 today.**

About Trulioo

Trulioo offers the most robust and comprehensive global identity verification solution in the market. Through one single portal/API, Trulioo can assist you with all your AML/KYC identity verification requirements by providing secure access to over five billion identities worldwide. The Trulioo mission of trust, privacy and inclusion is about recreating the trust of a village, but on a global scale. We are on a mission to make sure no one is left behind and everyone participates fully in the modern digital economy.

Website: www.trulioo.com

LinkedIn: www.linkedin.com/company/trulioo

Twitter: @trulioo

GO DIGITAL

Why banks that embrace new technologies will do well in the US – and beyond

By **David Brasfield**, Chief Executive Officer of NXTsoft

In the history of US banking, the Big Core providers have predominantly had control. But in the age of open banking, difficulties in third-party providers making connections to archaic systems have stifled progress.

For David Brasfield, CEO of NXTsoft, that's where the company comes in. It currently services more than 2,900 customers, comprising over 1,500 financial institutions and more than 1,400 SMBs.

"We're a real-time connector," says Brasfield. "Meaning that the data gets processed in real time, it's not done at night. We are the connector that can actually open the door, let the drawbridge down and connect them to the core system."

"We have about a third of the banks in the US market that use our connectors to connect their core system to another fintech. But since we're an API, we're that middle piece, which makes it hard to show clients what we can offer. Yes, we can tell them what we do but it's difficult to demo it. The key is having different core systems with a dedicated connector for that institution, so it really is tailored for everyone."

Still, the company has seen successful growth over the last few years, with Brasfield attributing much of that to an emphasis on good partnerships.

"We've really built up our business here in the last two years, all based on partnerships. We're going out and aggressively going after fintech companies, explaining that we can connect you to any bank in the United States, and we can, we take that new fintech partner and plug them right into the US banking business."

> We are the connector that can actually open the door, let the drawbridge down and connect them to the core system

The focus on partnerships is also seen in the company's plan for growth, with around 70 partners today and UK partnerships including companies, co.Tribute, Bottomline Technologies, CreditCore and Napier.

A CHANGE IN BANKING

When it comes to the US banking industry as a whole, the biggest change Brasfield has seen in the market has been in response to the Covid-19 pandemic.

"A lot of individuals here in the US still want an old-fashioned system. They want to physically go to a branch to bank, and a lot of institutions still operate on that model. Of course, when Covid hit last year it changed everything here in the US market, and markets across the world. Banks shut their lobbies and closed their branches and were forced to go digital. So now US banks, and European banks, are doing the same thing and moving to a fully automated and entirely digital platform. You can go online and do anything from opening an account to applying for a mortgage. You can get everything done through the online platform and never have to enter a bank lobby again. The entire process is automated, even documents can be signed online. That really is the largest change to the industry, not just in the US market, but in the entire world."

Despite the pandemic accelerating the push to digital, Brasfield claims that banking, in general, has been changing in the US for the last five years even before Covid, particularly when supersized online retailers are factored in. There are so many platforms now, other than banks, competing for consumer wallet share.

"So, banks had to adapt, not just due to Covid, but also because the competition is no longer just the guy in the bank branch across the street anymore, it's someone else from a different sector entirely," he says.

When casting his thoughts to the future of the industry, Brasfield believes that banks will continue to get stronger through the use of technology as they embrace a digital-first attitude as opposed to 'a walk-in social consumer-type institution'.

"We're going to see more and more banks get stronger. I think you'll see them competing very well with these retailers and other companies in the digital financial space because they've finally figured out that they have to go digital."

About NXTsoft

NXTsoft is the market leader in secure, comprehensive and complete API connectivity, connecting fintech companies to banks and credit unions. Its OmniConnect standard API solution provides secure, hassle-free API connectivity between any fintech solution and financial institutions. For more information visit nxtsoft.com/api.

Website: www.nxtsoft.com

LinkedIn: linkedin.com/company/nxtsoftholding

TIME FOR A CHANGE?

5 SIGNS ISVs ARE READY TO MOVE ON FROM STRIPE

With a merchant-friendly platform that can be set up in days with no upfront costs, we can see why Stripe Connect is so attractive to B2B software companies in need of a payment solution.

Managed payment facilitator (PayFac) providers, such as Stripe, Square and Braintree, are the initial choice for many independent software vendors (ISVs), but what many are coming to realise is that while these managed PayFac providers were good partners when they first started their businesses, they've outgrown them.

Now, they're ready for a solution that is designed with their business, customers and bottom line in mind. Here are five signs a software company is ready for a Stripe alternative:

1 They're tired of talking about how expensive Stripe is

So, 2.9 per cent and $0.30 sounds great at first. It's simple, it's transparent, but it's also expensive. As Stripe becomes a bigger line item on a profit and loss statement, it's time to consider moving on. The problem only gets worse as businesses grow. The real question is: shouldn't those businesses be generating revenue from the payments flowing through their system? Payments should be a revenue centre for businesses – not a cost. When any business starts to realise exactly how expensive Stripe is, it's time to start looking for an alternative.

2 Stripe is not negotiating

Maybe after a long, back-and-forth battle, Stripe has come down to 2.7 per cent and $0.25. But let's face it, it doesn't cost 2.7 per cent and $0.25 to process most card payments. Stripe is making a lot of money off of the customers that software companies are bringing to them, and none of that money is going to the ISV. Stripe's flat rate pricing model is limiting, and it might even be pricing some software companies out of the market if their customers are used to negotiating rates and can find a better deal elsewhere.

Even if Stripe is willing to negotiate, it will likely ask companies to start taking on liabilities like chargebacks in exchange for only slightly better rates. That's more risk, and any lower rates you get from Stripe could be fully negated by the additional liability. Software companies could easily find themselves in situations they're not prepared to handle.

3 Payments volume is increasing

Most companies pick Stripe as their first option because it's quick and easy, and, when they're not processing very much volume, it's not very painful. But as business grows, and payments volumes increase, it becomes apparent that Stripe isn't a long-term solution for software businesses. At some point, they'll need to make a change. Maybe not today, maybe not tomorrow, but someday it will be too painful to give up all that potential payments' revenue. Eventually, ISVs need to start monetising the payments they're sending straight through to Stripe.

4 When considering an exit strategy (or a new funding round)

When it comes to venture capital, a lot of VCs are starting to recognise the enormous value of payments processing as a recurring revenue stream. They know that a properly monetised integrated payments strategy can have a huge impact on both the bottom line and the valuation of a software business. That's something Stripe can't offer. So, when ISVs are considering their next funding round or a potential exit multiple, and are working to increase margins, revenue, and profitability, they can't ignore the additional recurring revenue that can be generated from the payments already flowing through their platform.

5 They can't stop talking about a Stripe alternative

Most companies recognise they need to move on from Stripe long before they actually do. But when they've looked at the alternatives, the decision is almost always to delay. It could take months to get another solution up and running – time and effort they just don't have.

Whether it's the CEO, CTO, CFO, or VP of sales, there's someone on the team who's continually evaluating alternatives to Stripe. They talk about it at every board meeting. They ask colleagues about it at events. They are ready for a change.

DOES ANY OF THIS SOUND FAMILIAR?

If so, it's time to consider PayFac-as-a-Service. At Tilled, we recognised that existing alternatives weren't an adequate solution and so we spent the last few years building the right one. Our solution is as easy to set up as Stripe, just as seamless for customers, and is designed with a software company's business (and bottom line) in mind. By plugging in our easy to implement APIs, software companies can start generating a substantial recurring revenue stream from payments today. Stripe can be a great partner in the beginning, but at some point, every business outgrows Stripe. And that's a good thing! It's time for a Stripe alternative, and it's time for Tilled.

About Tilled

Tilled empowers software vendors, marketplaces and SaaS companies to start generating revenue from accepting credit cards. Plug in our easy to implement APIs and start making revenue from credit card processing today.

Website: www.tilled.com

Twitter: @gettilled

LinkedIn: linkedin.com/company/tilled

tilled
PayFac-as-a-Service

LET'S PARTNER IN LATIN AMERICA

PayRetailers outlines its mission to help international businesses expand into the region by eliminating the operational complexities of managing cross-border payments

The evolution of the payment services industry in Latin America is growing by leaps and bounds. On the rise in recent years, it has reached significant growth peaks for expanding online businesses starting to operate in the region. In fact, a trusted payment processor positions itself as the first choice for merchants to increase revenues and achieve exponential growth.

By **Catalina Rivera Chacón**, Communication Specialist, PayRetailers

Addressing this dynamic, as part of the strategy and local offering of payment solutions in Latin America, PayRetailers has grown over the past few years into an expert payment processor in the Latin American market. The company has rapidly scaled within the industry thanks to its expertise and know-how, working with large international entrepreneurs who have sought to localise their businesses in strategic markets in the region, obtaining significant growth results.

REAL-TIME PAYMENTS OPPORTUNITIES

The online payment industry has already crossed borders, settling and diversifying in the digital environment in a global landscape. For PayRetailers, it has been an opportunity to leverage and strengthen the business with a local strategy and support, customising its services with sector experts for each market, continuously offering domestic operations that facilitate the payment and purchase of end consumers for each merchant.

The financial company that combines different payment methods in a single system has expanded its services during the last year in countries, such as Brazil, Colombia, Chile, Mexico, Argentina, Costa Rica, Ecuador, Nicaragua, El Salvador, Panama, Guatemala and Peru. You could say in a way that it is already operating on the next level, even among the big players in the payment service provider sector and merchants who want to operate in LATAM.

PayRetailers' country manager for Brazil, Bruno Goncalves (right), finds it exciting that the company is becoming an important reference partner towards the expansion of major international companies looking to operate in Latin America, who are also interested in service guarantees, elimination of operational complexities and fast and secure operations.

"We have been able to eliminate operational complexities in the management of cross-border payments and promote financial technologies with a single API integration, offering developers a wide variety of tools, libraries, pre-designed integrations and continuous technical support to guarantee an optimised integration process in their businesses," said Goncalves.

LATIN AMERICA FOR BUSINESS EXPANSION

Knowing the regulatory developments and payment preferences of each of the region's markets is the key to driving smart business evolution. Knowing the needs of each merchant's consumers allows it to offer optimal solutions and guarantee payment security, which facilitates long-term customer loyalty.

PayRetailers is Latin America; with its Latin DNA and European style it manages to understand the business needs and the mindset of each market, allowing companies from all over the world to expand and operate in the region without the need to have a local entity established in each country. For this reason, the company considers it important to maintain local experts in each of the markets in which it operates.

From its headquarters in Barcelona, Spain, it has expanded its network of regional offices with teams in Malta and Madrid, as well as in Mexico, Argentina, Brazil, Chile and Colombia, working to support clients in different areas, and even strengthening all pillars of the business with fintech partnerships in each country.

It is interesting to see how in Latin America the company already has new regulatory schemes in place due to the fintech reality that is surpassing the sector's expectations. A reflection of this is the landing of international giants in the continent, expanding their businesses and creating local opportunities for their customers and for growing payment companies.

PayRetailers is at the forefront of this landscape, facilitating access through a single API integration to a network of more than 250 local payment methods for merchants, providing them with financial solutions to meet the needs of their customers participating from any sector in Latin America.

Sectors such as financial services, e-commerce, tourism and airlines, SaaS and digital services, online gaming, e-learning, among others are growing in the region thanks to an integration that adapts to merchants' websites, offering usability, agility, stability and security in transactions.

It offers a flexible API solution that can be integrated in multiple ways, adapting to the needs of each business, with the support of detailed and complete documentation to configure it in the shortest time possible.

And, while there is a lot of information that customers need to know to operate in the region, the company offers 24/7 direct assistance to help them throughout the initial integration process and their expansion in Latin America.

> The adoption of technology in the Brazilian market has increased the possibilities of expanding businesses, especially in sectors such as e-commerce, payments and tech

FOLLOW-UP FOR BRAZIL

Faced with an expensive banking system and a lack of financial literacy among Brazilian consumers, fintechs have gained momentum in the financial market. The adoption of technology in the Brazilian market has increased the possibilities of expanding businesses, especially in sectors, such as e-commerce, payments and tech.

Within the landscape, PayRetailers has a special momentum in terms of digital payment solutions. In 2020, it reached R$436billion and there was a 470 per cent growth in proximity payments.

"In 2019 we could already sense that changes were coming, and within a few months we already saw ourselves working on the new solution called 'PIX'. This new technology came to revolutionise the market and change paradigms," says Goncalves.

"And, although our arrival in Brazil was not easy, we started to offer traditional payment solutions, giving place to the famous Boleto Bancário. We quickly took the lead in the market with fast confirmations and 24/7 responses. Then we went on to innovate with the TED solution that allows us to receive payments from all banks in Brazil. These last two technologies were certainly close to what PIX offers us today. Yet even the Central Bank was far from announcing it."

Controlling the region's market, Brazil continues to revolutionise the payment industry in Latin America, driving the fintech and bigtech sector in the country, creating opportunities for the development of new products, services and the entry of international merchants.

PayRetailers holds a strong position in the Brazilian market, helping businesses meet the needs of their consumers with payment methods through institutions that offer real-time and secure transactions.

WHAT IS PAYRETAILERS UP TO NEXT?

The growth of the online payment industry in Latin America has been a boon for PayRetailers, and its participation as an official sponsor of CONMEBOL Sudamericana (2021–2022) shows its strength as a brand, mirroring its expansion.

This is how the company has also managed to step on big financial industry turf, attending events this year such as IFX EXPO Dubai and Money20/20 Amsterdam. These have created connections with experts, opening windows of opportunity to continue building businesses that are shaping the future of payment services.

So, what's next for PayRetailers? The payment processor continues to grow its client base, expands its network and helps global merchants expand their business in Latin America. The company will be attending the **IFX EXPO Cyprus** on **4-6 October**, **Money20/20 Las Vegas** from **24-27 October**, and **SIGMA** on **16-18 November** in Malta.

About PayRetailers

Founded in 2017, PayRetailers is a Payment services provider that supports a wide range of payment methods through a single API integration that allows global businesses to market to shoppers and increase revenue in Latin America. PayRetailers is headquartered in Spain, with regional offices in Malta, Mexico, Argentina, Brazil, Chile and Colombia.

Website: www.payretailers.com
LinkedIn: www.linkedin.com/company/pay-retailers

NIUM | VISIT US AT **BOOTH #2341**

Who we are?

Nium is a leading embedded fintech company that seamlessly connects businesses to the world's payment infrastructure with **a single API**. The company was launched with a mission to simplify cross-border payments and provide customers with seamless access to the world's payment infrastructure, including technologies for pay-outs, pay-ins, card issuance, and banking-as-a-service.

What is unique about us?

Nium has built an extremely rare global footprint of licenced infrastructure that brings the world closer to global real-time gross settlement. We are continuously working on building out our infrastructure, strategically adding to our current capabilities which include the ability to:

- **send funds to more than 190 countries (85 in real-time)**
- **pay out in more than 100 currencies**
- **accept funds in 7 currencies**
- **issue cards in more than 33 countries**

We have partnerships with over 40 banks globally and we hold licences in 11 jurisdictions such as: Singapore, Malaysia, Australia, Hong Kong, India, Indonesia, Japan, the UK, the EU, Canada and the USA.

How we can help

Our platform can help businesses:

- **Embed financial services into their offering**
- **Enter new markets and access new geographies**
- **Unlock new revenue streams**
- **Improve cash flow economics**
- **Expand operations globally**

Where we are today

Backed by the
world's leading investors

Valued at $1B+
first B2B payment unicorn from SEA

Raised $300M+
to date

Recorded 280% growth
in revenues

Processed over $8B
annual payments

Issued +30M
cards

Reached 130M
End-users

700+
Dedicated employees

What our customers are saying

"Our partnership with Nium enables us to better deliver on our promise of instant peer-to-peer payments that don't rely on the antiquated correspondent back model. We pride ourselves on removing barriers so that financial values moves at unprecedented speed at much lower cost anywhere in the world. Partnering with Nium Provides us an even more seamless, reliable, and cost-efficient experience for our global customers."
Thomas Trepanier | Managing Director of Roxe

"The Unifimoney user is a high-earning, highly educated professional, often in tech or medicine. Many have already asked about sending money to friends and family back home, so we're very excited to deliver the best-in-class solution for global payments by partnering with Nium."
Ben Soppitt | Founder and CEO of Unifimoney

"At Emanate, we are determined to reduce the time between music consumption and the artist getting paid. Our technology dissolves the major friction that exists in the music industry. The Nium platform simply takes that innovation and puts right in to the palms, pockets and wallets of the artist."
Sean Gardner | CEO of Blockchain Music Pty Ltd (Emanate)

KNOWING YOUR CUSTOMER

How AI and machine learning are fueling fraud prevention in an evolving digital economy

Financial institutions and other organisations have quickly adopted know your customer (KYC) solutions to comply with anti-money laundering (AML) regulations and secure transactions. However, not all solutions are created equal.

As financial institutions rapidly work to comply in the midst of digital transformation, many experience challenges to scale KYC and serve their customers. Even worse, some solutions lead to more fraud and regulatory findings during compliance audits. In fact, fines against financial institutions almost reached $10.5billion in 2020 due to compliance breaches.

Therefore, it is necessary that financial organisations leverage compliance solutions that are easy to deploy and adaptable thanks to modern technology in order to keep up with evolving compliance and regulatory changes, as well as new fraud challenges.

Fraudsters are exploiting the gaps in user authentication, stolen identity data and account hacks. This can be mitigated if businesses deploy both KYC and fraud prevention technology to enable strong, efficient KYC processes and fraud mitigation strategies. Companies should look for layered solutions that employ the right level of artificial intelligence (AI) and machine learning (ML) to be the most effective – balancing that with human oversight.

> Fraudsters are exploiting the gaps in user authentication, stolen identity data and account hacks

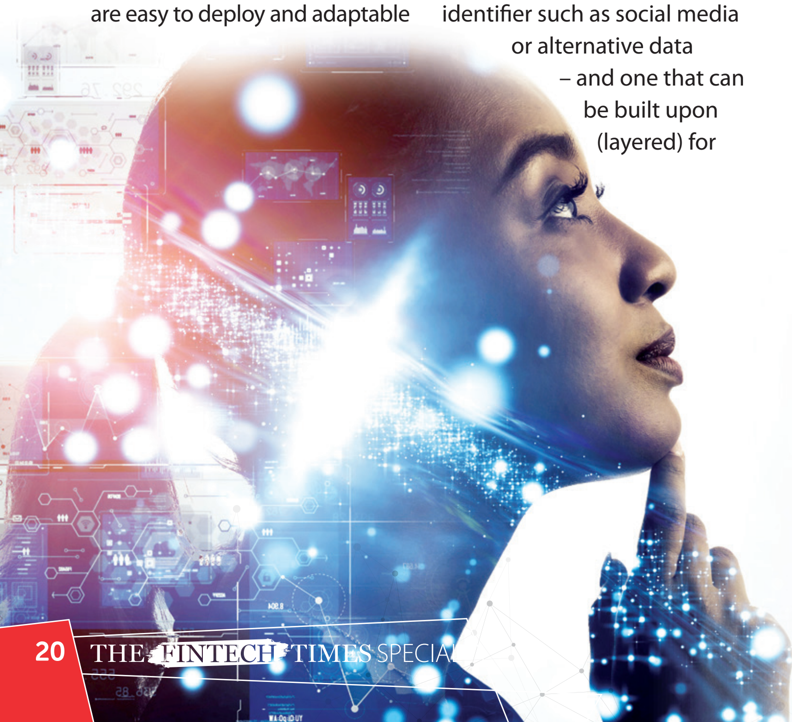
Customers should be able to be verified in seconds with seamless, automated identity proofing that provides a trust anchor from an ID, data point, biometric or other identifier such as social media or alternative data – and one that can be built upon (layered) for initial and continuous identity proofing and risk management.

The best KYC solutions go beyond the initial KYC event to recognise a user's risk profile changes over time with real-time transaction monitoring. These tools can capture additional and updated attributes, conduct identity analysis and ultimately update customer risk profiles and risk of transactions accordingly based on associated data.

To cut out even more time-consuming legwork, transaction monitoring should be packaged with analysis reporting. Without AI, manual reports do not provide enough information for accurately assessing risk and creating time for escalations and decision-making. Reporting can be designed to provide companies with these findings in real time and efficient AML compliance results to avoid any accidental compliance breaches.

In addition to monitoring transactions, managing the risks identified during monitoring can be made more efficient with ML. Through ML, teams can avoid managing too many alerts by rating these alerts and requiring potentially suspicious transaction users to experience more hurdles. Organisations of all sizes can also leverage growing data on fraud patterns and untrusted identities to make decisions based on trust scores tailored to their industry and updated risk levels.

As we continue to experience rapid digital transformation of 2021 and increased cyber vulnerabilities and fraud, AI and ML technologies will be necessary for every financial institution's workflow. As fraud rises with digital transactions, financial institutions must act fast to protect themselves. They require robust KYC solutions with identity proofing, transaction monitoring, and risk management that can be tailored to new needs and threats continuously. Learn more about KYC in Acuant's *Buyer's Guide* by visiting acuant.com.



About Acuant

Acuant establishes trust in seconds anywhere your customers want to transact, fighting fraud and fast-tracking trusted identities. The ability to build, verify, monitor and securely share digital identities with Acuant's inclusive technology is accessible to the entire global population. AI-powered, identity verification, regulatory compliance (AML/KYC) and digital identity solutions deliver unparalleled results and operational efficiency with omnichannel deployment.

Acuant Compliance offers all you need in one platform: KYC and KYB, transaction monitoring and sanctions screening. Streamline your reporting, audit trails, case management, SAR filing and more with easy-to-use interfaces that share data across business units. Completing more than 1.5 billion transactions in more than 200 countries and territories, Acuant powers trust for leading global financial institutions, fintechs, digital/challenger/open banks and cryptocurrency companies.

Website: **www.acuant.com**

CREATING CUSTOMERS FOR LIFE

A guide to solving digital transformation's customer engagement problem

At Relay, we've been helping organisations digitally engage with their customers for over a decade. The primary lesson we've learned in that time is that all business objectives ultimately roll up to a single, universal outcome: creating customers for life – it's the best single investment a business can make, because a customer for life is deeply invested in a brand.

Customers for life feel a personal attachment to a brand, it's 'theirs' – it adds value to their world, and, ideally, customers for life become brand advocates. But to create customers for life we need to build trust. After all, how can we create customers for life if they don't trust us?

1 PERSONAL vs PERSONALISED

In the age of digital transformation, the R in CRM has become an orphan. And it is that while financial institutions have invested trillions of dollars in digital transformation and have admirably created digital analogues of their branches on the web and in mobile apps, they have inadvertently shifted the onus of service from themselves onto their customers. Analyst firm IDC estimates that 70 per cent of digital transformation initiatives do not achieve their desired business outcomes. Digital transformation leaders tend to think of 'self-service' as a desirable outcome of digital transformation, but customers still want to feel serviced and known. There is a major difference between personal vs personalised engagement. Marketing automation is personalised. "Hello %firstname%!" doesn't fool anyone into a sense of intimacy with the sender. Personalisation only tells a customer a business knows their name, it doesn't make them feel known – a trusted brand should know what their customers care about, and what they need based on transactional data and previous engagements.

The intent of a personal experience is to establish a deeper relationship with a customer – done correctly it builds trust. True engagement means remembering customer choices and metadata in a way that demonstrates understanding throughout a brand's role in their lives. By deeply understanding the customer and applying personal data to that understanding, Relay creates human-centric digital experiences that foster trust and build confidence.

2 CONTINUOUS vs TRANSACTIONAL

Traditional customer engagement tools are transactional in nature. They entice customers to complete a singular business-outcome-driven action that doesn't necessarily map to a customer's needs. Relay provides a dedicated 1:1 feed from the business to the customer that is continuous – providing multiple, engaging, relevant experiences to customers that sit at the intersection of customer needs and business outcomes. Throughout the lifetime of the customer relationship, Relay uses intelligence and data from previous experiences to serve up contextually relevant, logical next-step experiences in the feed that align with customer life events and catalyse them to action. Understanding engagement fatigue and the prevalence of push notifications also plays a significant role in creating an optimal engagement experience. Knowing the exact right time to engage a customer is just as important and understanding a brand's role in their lives so that a customer doesn't experience engagement fatigue. Using the same intelligence, Relay understands that natural conclusion and will pick back up at the next important customer interaction.

3 FRICTIONLESS vs HIGH EFFORT FOR CUSTOMERS

In its research note *4 Actions to Improve Customer Loyalty by Reducing Customer Effort*, analyst firm Gartner notes that only nine per cent of customers who had low-effort service experiences are likely to change vendors or merchants, compared to 96 per cent who had high-effort service interactions. People are increasingly loyal to the retailers, products, brands and devices that consistently provide exceptional value with minimum friction or stress. Many traditional engagement tools put the onus on the customer to engage and then require additional effort to complete an action. Barriers such as having to remember login information, driving customers to other apps or portals, and having to manually plug in personal data to complete the transaction all take significant effort for the customer and therefore represent moments of fall off in the process. The Relay feed delivers frictionless experiences all within the personal, 1:1 channel that includes the tools necessary to complete any transaction right within that experience. Easy, one-click transactions are quickly becoming the standard that many customers expect from the companies with which they interact.

4 FRICTIONLESS vs HIGH EFFORT FOR EMPLOYEES

Financial institutions commonly assign product and service groups to cost and profit centres who adopt their own tools and best practices for customer engagement. These silos often end up inadvertently sabotaging each other when trying to engage with customers – at worst, their outreach could lead to brand communications being perceived as spam. In addition, the high effort of repurposed tools and the associated repetitive, overly complex, and unnecessary work have the potential to create a bad employee experience which then negatively affects the end customer experience. Relay is a no-code engagement solution that seamlessly plugs into any CRM or CDP technology stack, packaged with a library of out-of-the-box experiences proven to drive the highest value for customers and the best outcomes for businesses. Relay clients can rely on those experiences to kick off their program without having to bring in additional resources. Because we at Relay see ourselves as partners to our customers rather than vendors, a core part of our solution is access to the industry experts in our client success team who can assist with every aspect of a customer engagement program from rationalisation and implementation through optimisation and company-wide deployment. These experts understand the high value experiences that both satisfy the needs of the financial customer and how they map to business outcomes for each company.

> Many traditional engagement tools put the onus on the customer to engage and then require additional effort to complete an action

Relay maximises customer lifetime value by driving the highest quality business outcomes at the fastest pace. A recent Gartner analysis found that while a high proportion (87 per cent) of B2C companies are focused on customer engagement as a key strategic priority for growth, they lack a clear definition of successful engagement. When asked, 61 per cent of customers reported enjoying the process of researching new products and services and 58 per cent reported loving to seek out new products and services to try. For traditional marketers, these dynamics challenge established beliefs about marketing's ability to maintain and deepen customer relationships.

As a result of these challenging dynamics, most customer experience leaders are focused on increasing engagement to deepen relationships with existing customers and drive growth. The problem is that most tools being used for engagement today are not built to foster a deep relationship with the customer. Workflows are not personal. Clickthroughs are not meaningful. Omnichannel messages are not synchronous. Landing page visits do not translate to loyalty.

ARE YOU USING THE WRONG TOOLS FOR CUSTOMER ENGAGEMENT?

It's well established that the cost of losing a customer is greater than the cost of acquiring a new one. This is why customer experience leaders must focus an engagement approach based on a solid understanding of the customer, balancing immediate brand benefits, such as revenue and cost savings, with the strength and quality of customer relationships.

At Relay, the 'own' cycle begins at the point of purchase and ideally never has a logical end. Meaning, it's an ongoing pursuit of maximising customer lifetime value. The goal of the cycle is to build a framework to ensure your customers aren't merely satisfied with your product but have developed a strong brand affinity for it. Your brand is theirs – they've become a loyal customer; an outcome that doesn't manifest unless your brand provides the features, products and services customers need and want. In the digital age, the own cycle encompasses steps such as:

Receive: Give control to customers over the channel through which they interact with your brand; and use the moment of delivery to immediately foster mutually beneficial engagement.

Onboard: Begin to foster the post-purchase relationship by welcoming the new customers to your brand. Make them aware that your brand cares as much about them after purchase as before and help them quickly and immediately derive the value they expect from your product or service.

Use: Ensure your customer is satisfied and educated on using your product in a way that permits your brand to deliver its full value. Using the Relay feed, customers can be engaged to use and learn products and features based on when those are relevant to their needs.

Deepen: Nurture customers to attain stronger relationships. Cater to their interests, earn their trust, provide more value, encourage greater loyalty and use knowledge of their needs to offer additional products and services that enhance their lives and drive affinity.

About Relay Network

Relay Network is a SaaS company that enables meaningful engagement between brands and their customers. Our goal is to help our partners create customers for life by catalysing the mutually beneficial experiences that exist at the intersection of customer needs and business outcomes.

Web: www.relaynetwork.com
Twitter: @relayit
LinkedIn: linkedin.com/company/relay-network-llc

RELAY

EQUAL OPPORTUNITY

DeFi as a gateway to financial inclusion and literacy

Decentralised finance (DeFi) is buttressing public control of assets and access to financial services with the use of cryptocurrency and blockchain technology.

DeFi's underlying goals coincide with the concept of financial inclusion, which refers to achieving equal and easy access to fair and affordable financial services.

AN ASTONISHING NUMBER OF HOUSEHOLDS WORLDWIDE IS UNDERBANKED

A recent study concludes that several developing countries, including Morocco and Vietnam, see more than 60 per cent of their population unbanked. Even in the US, one of the most advanced countries, almost half of Black and Hispanic households are unbanked or underbanked, suggesting that they need to seek other methods to handle transactions. The following tries to examine how the core attributes of DeFi are inextricably intertwined with financial inclusion, and hence why DeFi is a potential solution.

DEFI OFFERS PERMISSIONLESS AND BORDERLESS ALTERNATIVES

DeFi protocols are permissionless in the sense that anybody can participate in their use or even their governance. Those from lower socio-economic communities often find it hard to access financial services, especially loans and credit cards, due to their unstable occupations and incomes. From the perspective of traditional financial institutions, these customers cannot bring much revenue while carrying high risks of default and even criminal uses of money. The regulatory requirements and the know-your-customer (KYC) procedures thus act as a blocker isolating them from the standard financial services.

DeFi could exactly fill this gap in the current financial landscape. DeFi protocols do not require users to submit any personal information. The internet-based DeFi infrastructure also enables borderless entries to financial services. Many people living in big cities find the limited office hours of the banking branches annoying, not to mention communities where banks are not even available. Leveraging blockchain technology, DeFi fosters real-time, disintermediated and permissionless transactions anytime and anywhere. In other words, you can use any DeFi services as long as you have access to the internet. According to a report conducted by Crypto.com and Boston Consulting Group, DeFi also possesses the potential to realise cost savings for merchant and individual transactions over traditional financial services.

> Leveraging blockchain technology, DeFi fosters real-time, disintermediated and permissionless transactions anytime and anywhere

DEFI IS TRUSTLESS – BUT WHY IS THAT AN ADVANTAGE?

The financial system relies on trustworthy parties, such as central banks and commercial banks, to function properly. Once these parties do not act on behalf of the citizens and customers, trust is undermined, leading to malfunctions or even collapses of the entire system. History does not fall short of such tragedies. The monetary regimes in Venezuela and Zimbabwe failed as a consequence of corrupt governments and wilting economies. People no longer trusted the value of the issued currencies, further aggravating hyperinflation and economic crashes.

It is apparent that trust is particularly fragile in developing economies, where the governments and financial institutions are generally inferior to their counterparts in the developed ones. Again, DeFi could play a crucial role in maintaining financial services in underprivileged regions as its protocols are designed to operate in a trustless way. There is no single entity that has authority over the network, and all stakeholders are incentivised to act in a way that benefits the network as a whole, removing the reliance on trust altogether. Also, users can have better control over their assets, which are escrowed in smart contracts on the blockchain and cannot be arbitrarily extracted by others.

CENSORSHIP RESISTANCE AS A SAFETY MECHANISM

DeFi protocols are also much more censorship-resistant

Y FINANCE

than their centralised counterparts. Governments or other authorities could easily manipulate internal mechanisms of centralised exchanges to the detriment of users. In contrast, DeFi protocols are run on public blockchains, which can hardly be shut down for their distributed systems running on machines all over the world. Similarly, distributed governance powers make it very hard for any single party to gain control over DeFi protocols and tamper with its operation.

MAKING SMART CHOICES: THE IMPORTANCE OF FINANCIAL LITERACY

Another aspect closely related to financial inclusion is financial literacy, which gauges the public's knowledge that enables them to make informed decisions with their financial resources. DeFi can provide an accessible channel for enhancing the public's experience and knowledge in wealth management.

According to the survey conducted by Crypto.com in 2020, 68 per cent of the individuals in the crypto community have high financial literacy, implying that crypto participation and financial literacy are quite correlated. While all these visions sound promising, most DeFi protocols at this stage are still far from full-fledged financial platforms. Some current issues include network congestion, unsatisfactory user experience (UX) design, security loopholes, among others. The path to overcoming these obstacles is inevitably bumpy, but by getting started with the use of DeFi tools and DeFi community participation, all of us can help grow this unprecedented global network.

About Crypto.com

Founded in 2016, Crypto.com serves more than 10 million customers with the world's fastest growing crypto app, along with the Crypto.com Visa Card – the world's largest crypto card programme – the Crypto.com Exchange and Crypto.com DeFi Wallet. Recently launched, Crypto.com NFT is the premier platform for collecting and trading NFTs, carefully curated from the worlds of art, design, entertainment and sports.

Website: www.crypto.com

LinkedIn: linkedin.com/company/cryptocom

Twitter: @cryptocom

crypto.com

THE FUTURE OF CREDIT

How your favourite brands know you better than your bank.

By **Tiffany Johnson**, Head of Product Design and **Susanne Carr**, Global Head of Customer Experience at Railsbank

"My nine-year-old has never seen a cheque or set foot in a bank, yet he knows how to buy dinner with Door Dash and invest his allowance in fractional tech company shares using his Greenlight app," says Tiffany Johnson, head of product for Railsbank North America, who often uses her own kids to illustrate the future of payments and the vital role embedded finance is already playing for the next generation. Johnson, alongside Susanne Carr, global head of customer experience at Railsbank, will be at Money20/20 USA to outline the next frontier for credit. Here's what to expect.

Even before Covid-19 reared its ugly head, change was in the air, with new fintechs realising that no longer should the big banks dominate the credit space with little differentiation other than a cashback race to zero. Over the past two decades, we've seen major transformations in payments, banking and regulation with little evolution in credit.

Despite major macroeconomic events like 9/11, the housing market crash and Covid, little innovation has emerged. Consumer credit, the next bastion of the fintech ecosystem, is ripe for disruption.

When it comes to consumer credit, banks have had it to themselves for a long time, balancing between bank shareholder demands, evolving regulations and borrower's best interest. According to a JD Power 2021 study, a combination of increased financial stress, lack of responsiveness and misaligned terms and rewards have led to a decline in consumer satisfaction with credit card issuers.

> Consumer credit, the next bastion of the fintech ecosystem, is ripe for disruption

Rewards create emotional engagement with consumers that will drive loyalty. Pairing brand engagement with financial wellbeing and loyalty is the intersection of the next phase of the credit evolution. The biggest emotional connection is made when the value proposition is personalised, relevant and intuitively accessible.

Doctors, hairdressers and artists all bank differently and want to be rewarded differently. An exercise guru appreciates rewards and loyalty that align with healthy living decisions. A crypto investor values rewards that increase investment opportunities. Quickbooks could imbed financial tools with SMB credit products targeting fit for purpose loyalty and discounts, such as AWS subscriptions, translation services, customer feedback tools, shipping costs, recruiting services and referral schemes.

A gig economy app, like Uber, could reward riders with a credit card that rewards loyalty with free rides, or cross-selling opportunities like Uber Eats. Student credit cards that offer memberships to Chegg bookstores, or enrol students into scholarship opportunities.

The overarching principle is simple – instead of racing to the bottom line with blanket cash rewards across all spend, we should be offering curated rewards and engagements around the things that matter most – some of which may, or may not be, financial.

Embedded finance is set to power the next evolution of loyalty. The idea of embedding a financial product, especially that of credit, into a company's existing customer-facing app is beginning to take hold in the US. Railsbank has dubbed this concept credit-card-as-a-service (CCaaS). It's aimed at fintech and brand customers in the US.

Young adults and immigrants with no credit history will struggle to start, because roughly 15 per cent of the credit score has to do with the length of their credit history and financial performance as a borrower. Young HENRYs (high earning, not rich yet), stable immigrant families and gainfully employed adults with tenuous credit pasts will struggle to begin their credit without history.

With data at our fingertips, we have the power to democratise financial services to provide better experiences with more depth of coverage than ever before. Behavioural insights tied to factors outside a traditional score will increase in relevance in the future of credit. Curated rewards will further enrich relationships with brands and encourage positive behaviours.

We believe that CCaaS will unlock a US credit card market that alone sees $3.8trillion in spending with more than 40 billion transactions annually. CCaaS is a global conduit for better things to happen, allowing a high volume of innovative fintech and brand programmes to reach the market at high speed and low cost.

Join us on stage at Money20/20 in Las Vegas as we dive deeper into the intersection of credit and embedded finance.

About Railsbank

Website: www.railsbank.com/creditcard
LinkedIn: linkedin.com/company/railsbank
Twitter: @railsbank

Railsbank

"Skyflow's approach is radically simple. An API for all your PII data privacy. It's obvious once you think about it."

— Kalpesh Kapadia, CEO, Deserve

skyflow.com

skyflow