

# Business, rewritten by software™

Delivering Innovation and Differentiation  
in the Application Economy

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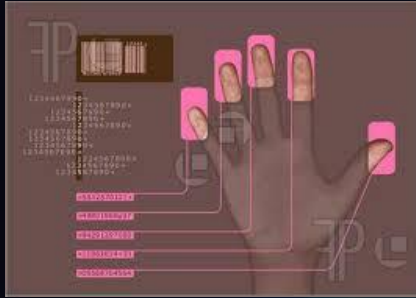
# Agenda

**1** INDUSTRY INNOVATION AND DISRUPTION

**2** DIGITALLY REMASTERING YOUR BUSINESS

**3** THE DIGITAL TRANSFORMATION JOURNEY

# Market & Industry Innovation: Technology Everywhere



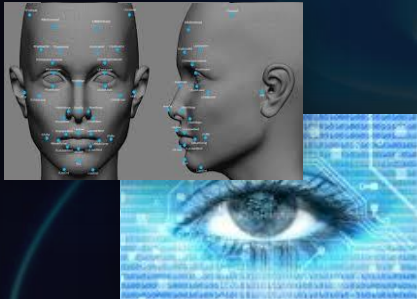
**Bio-Metrics**



**NextGen ATM**



**Digital End Points**



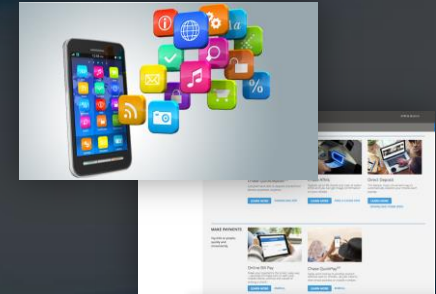
**Facial Recognition**



**Voice Recognition**



**Customer  
Behavior Profiling**

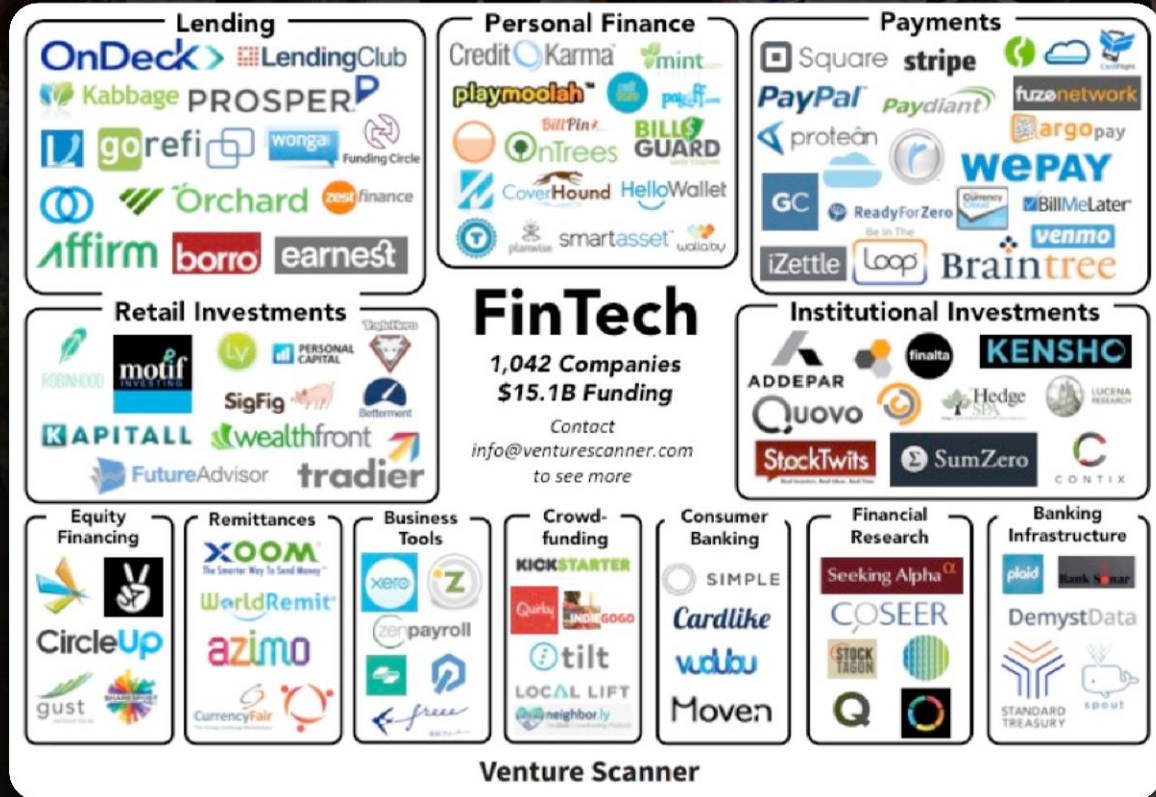


**Responsive Design  
Across Digital Channels**

# Fintech Startups Causing Disruption

In the US alone...

- Betterment
- Lending Club
- Prosper
- SoFi
- Square
- Stripe
- LOYAL3
- MaxMyInterest
- Robinhood
- Wealthfront





# Every Company is a Software Company ... and so is Every Financial Institution

## WHAT “DIGITAL DISRUPTERS” HAVE IN COMMON

**2x**

Higher revenue growth

**2.5x**

Higher profit growth

**1.5x**

More new-business-based revenue

**2.5x more likely...**

to have advanced agile practices in place

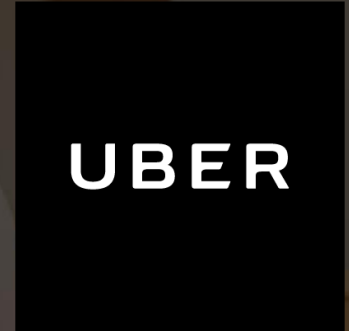
**2.5x more likely...**

to have broadly implemented DevOps

**2x more likely...**

to be leveraging APIs for mobile app development

# Rising Expectations



Customers are accustomed to dealing with digital leaders on a day-to-day basis  
Why Should Banking Be Different?

# Experience is Everything



25%

of users will abandon a web application  
after just three seconds of delay



80-90%

of all consumer applications will  
only be used once

# Security is Foundational

Cyber attacks in Brazil grew by

197%

in 2014

Online banking fraud in Brazil grew

40%

in 2015

*“There are two kinds of CIOs:  
ones who have been hacked and  
know it, and those who have been  
hacked and don’t yet realize it.  
But the reality is, you’ve been  
hacked.”*

*– Tony Scott, US Federal Chief Information Officer*



# Digital Transformation is Underway...

78%

are undertaking digital transforming projects

28%

of IT budgets are allocated to digital initiatives

72%

are currently implementing DevOps

78%

are using APIs to develop mobile apps

82%

use APIs to deliver a better customer experience

42%

cite security and compliance as the top challenge to digital transformation



... and is Driving Competitive Advantage

46%

see improving customer satisfaction as the key driver of digital transformation

47%

see better customer retention due to digital initiatives

81%

say APIs have enabled them to lower IT costs and risks

52%

see a positive impact on revenue from digital initiatives

74%

say digital initiatives are helping to open new markets

31%

cite faster time-to-market due to DevOps

# Digital Transformation to Sustain and Grow

## Balancing for Innovation

### Run the Bank

#### Optimization

- Workforce Optimization
- Mobile Workforce Enablement
- Lower Cost of Obtaining and Maintaining Customer

#### Regulation & Compliance

- Government Regulations (OCC)
- SOX Compliance Requirements
- SIFI Requirements
- Global Specific Requirements (EMEA, LTAM, APAC)

### Grow the Bank

#### Omni-Channel Experience

- Behavior Analysis
- Seamless Experience Across Brand Touch Points
- Value-Added Targeted Services
- Simplified Experience

#### Digital Banking

- Mobile and Tablet Banking
- Expansion of Digital Services
- Acceleration of Delivery
- New Technologies (biometrics, smart watch applications)

# Pillars of Digital Transformation



## AGILE METHODOLOGIES

Tight feedback loop with customers

Rapid and continuous development of new value



## DEVOPs

Accelerate development processes

Flawless app performance in every customer engagement



## SECURITY

Give the right access to the right people at the right time

Build security into apps from the beginning





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