

Capgemini's Open Banking Marketplace

Next Gen Banking for a Connected World



Traditional banking rules are shaking up

We are witnessing an exciting new era in banking and financial services. Innovative FinTechs, agile neobanks, and digital disruptors are shaking up traditional banking rules as new business models spark cross-industry collaboration. Digital marketplaces that span financial and non-financial services are emerging to create exciting new channels for consumers. Spurred by government regulations and enabled by new technologies, these nimble marketplaces, not unlike brick and mortar “pop-up” retailers, appeal to today’s customers through engaging, highly-personalized products and services.

In Europe, the revised Payment Services Directive (PSD2) and General Data Protection Regulation (GDPR),¹ are forcing financial networks to become more transparent, offering greater consumer choice and the ability to collaborate with new FinTechs. And while these compliance requirements come with new revenue potential, they also introduce security concerns, complexity and risk.

Competing effectively in this new environment requires a number of key questions to be addressed:

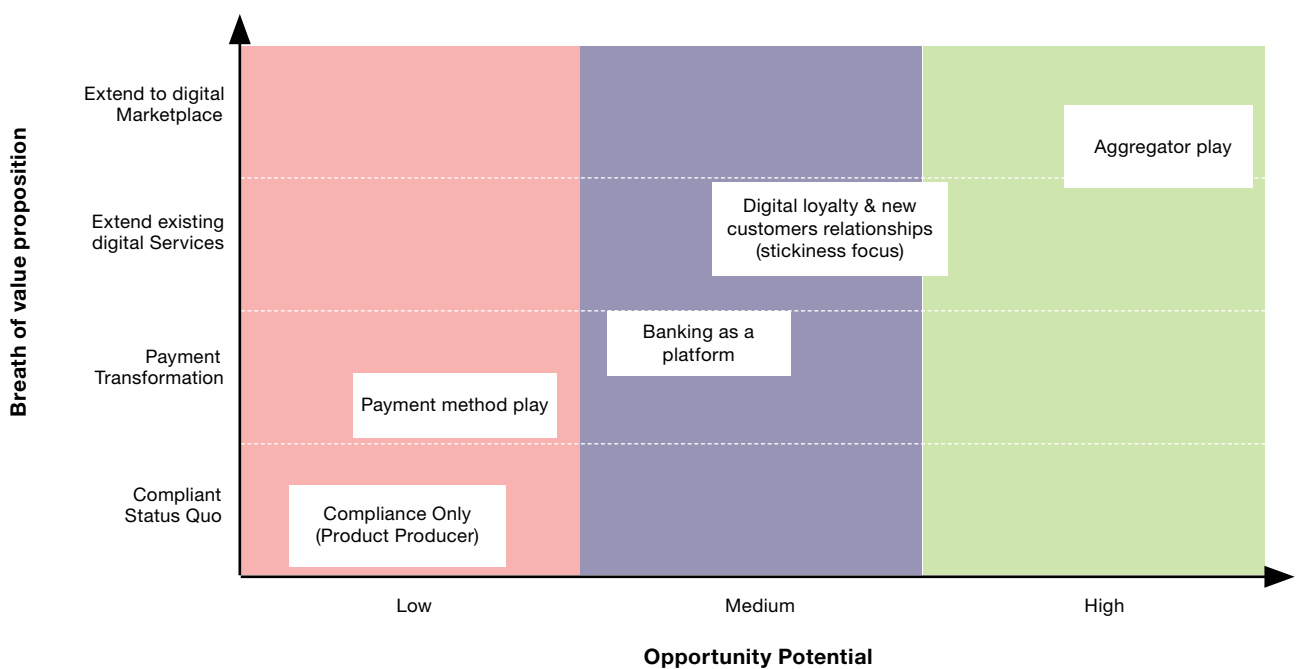
- How do banks leverage the investment in compliancy to offer more customer-centric services, and drive new revenue streams?
- In a world where the disintermediation potential from aggregators is real, how do we define the next evolution of customer loyalty?
- How do we calibrate the business model to drive new channels for acquisition as well fast enablement of new partnerships to create a value aligned proposition?
- How do we re-think the architectural design to drive agility, and to be able to better adopt plug & play models from FinTechs?

¹ The EU General Data Protection Regulation (GDPR) imposes the greatest change in European data privacy regulation in 20 years, <http://www.eugdpr.org>; Accessed July 28, 2017

Capgemini can help you assess the new landscape

Open Banking has significantly affected the traditional banking ecosystem. And banks are trying to figure out whether this represents an opportunity or a threat. A number of business strategies and options emerge from such a climate, and they are not mutually exclusive. Our frameworks help to identify the strategic considerations every organization must make for Open Banking, and highlight the value potential of each option.

Next-Generation Banking Model: Options Framework



Face it, creating a plan on a whiteboard and actually putting it into action are very different things. We can help you determine whether your organization will remain a provider of traditional financial products and services, or actively engage as a digital-first provider of solutions — or create some common ground in between. Whatever approach you select, Capgemini has readiness assessment tools to test and iterate the program with you until the approach fits your business agenda.

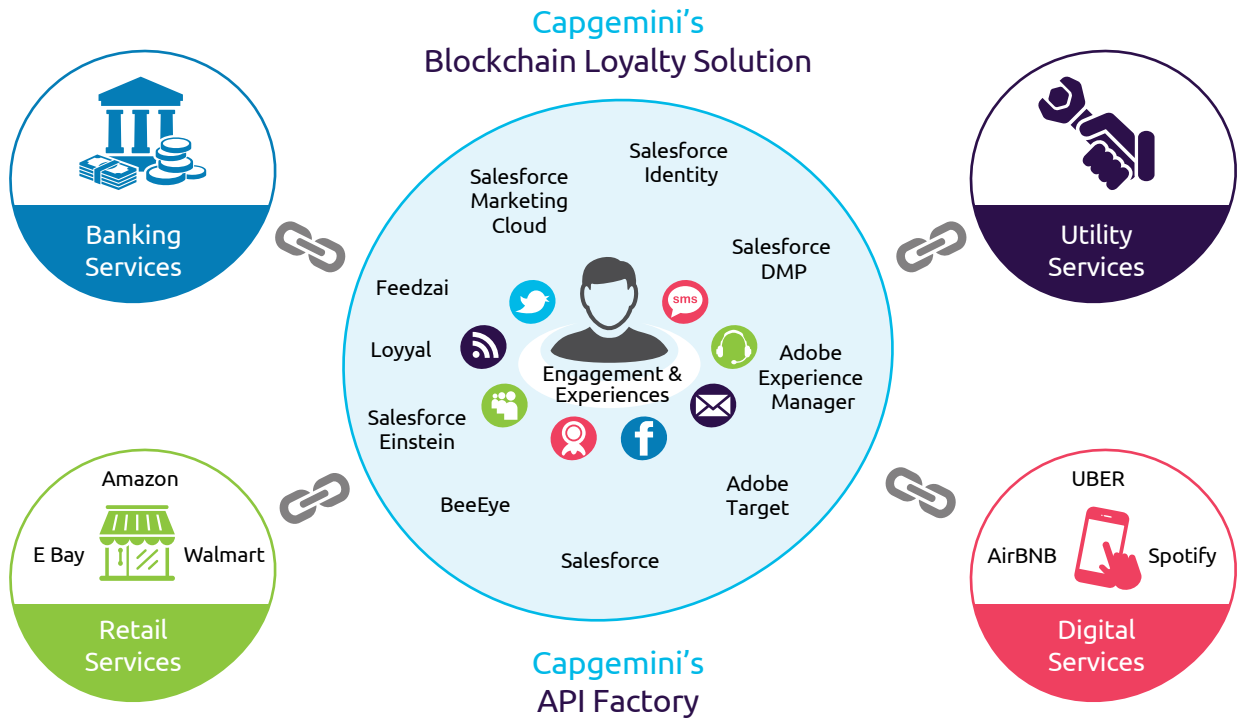
- Once you choose where to play, we will work with you to select a model that supports your direction. Then, we will determine steps to put that model in place. This collaborative process involves raising awareness (both internally and externally) of what your organization is doing, where it is going, and the value the new approach will offer to customers.
- Today’s consumers are in control, so being customer-centric is key. Capgemini can help your team focus on both the customer experience and the back-end. And we’ll help you identify which customers are likely to stay and which are candidates for switching to another bank or aggregator.

Capgemini's Open Banking Marketplace

Capgemini's Open Banking Marketplace solves challenges banks will face under Open Banking and is built on three leading-edge platforms from Salesforce— Financial Services Cloud, Service Cloud and Data Management Platform (DMP). These have been enhanced with plug-and-play features from leading FinTechs, allowing organizations to mitigate the challenges of the new environment while delivering new services and revenue streams.

Your Strategic Goals & Considerations	How Capgemini Can Help
<ul style="list-style-type: none"> • Drive incremental revenue by moving your organization's agenda beyond compliance <ul style="list-style-type: none"> – Develop new digital marketplace opportunities and services outside of core offerings to propel steady revenue • Consider: <ul style="list-style-type: none"> – A digital-only bank model – White label services for digital identity management – A collaboration platform with end-customers and prospects 	<p>Leading-edge, fully-compliant Application Programming Interface (API) platform</p> <p>Powered by MuleSoft and Amazon Web Services</p>
<ul style="list-style-type: none"> • Reimagine customer experience through insights into how the new customer journey across open banking works <ul style="list-style-type: none"> – KYC, AML, credit underwriting, registration, permissions and payment initiation powered by Salesforce • Create next-gen service offerings for customers on the back of Salesforce Financial Services Cloud 	<p>Journey optimization toolkit: Customer lifecycle management (CLM), design, define, test, iterate and deploy</p> <p>Powered by Salesforce</p>
<ul style="list-style-type: none"> • Manage digital content and message personalization • Improve targeting of new prospects through digital channels, improve campaign management and conversion rates 	<p>Next-gen digital marketing: Attract new customers through DMPs across digital channels</p> <p>Powered by Salesforce</p>
<ul style="list-style-type: none"> • Drive enhanced customer retention and loyalty through: <ul style="list-style-type: none"> – Predictive analytics – Blockchain-enabled value exchange – New innovation-hub service offerings 	<p>Drive better customer retention</p> <p>applied innovation exchange</p> <p>Fahrenheit212</p>

Putting the Customer at the Center - Managing the Ecosystem of Ecosystems



Features
<ul style="list-style-type: none"> • Accelerates delivery for CMA and PSD2 compliancy (For EU and UK) through Capgemini's API platform • Enables new revenue streams through a network of alliance APIs for new customer acquisition, and enables new non-financial services offerings to be deployed through a network of partners • Smart digital customer acquisition using Data Management Platforms (DMPs), and fast on-boarding through the Salesforce platform • Smart credit risk scoring to responsibly open the acquisition funnel, using the latest machine learning techniques combined with a comprehensive data lake to improve scoring and mitigate against delinquency • Drives higher customer advocacy and digital engagement with the customer reward program using Capgemini's blockchain solution for digital loyalty

Benefits
<ul style="list-style-type: none"> • Mitigates disintermediation threats from new aggregators by creating a value-aligned proposition for enhanced experience i.e. creating a reason for customers to continue using the banks' existing channels • Replaces lost revenue from regulation or margin dilution through creation of new acquisition and partner alliances enabled through APIs • Provides ability to extend the current business model through creation of a digital marketplace and offering new services from the wider ecosystem e.g. financial services and non-financial services offerings • Enables better customer targeting and improves acquisition conversion by up to 50%, as well as reduces cost to acquire net new customers • Enhances digital customer engagement through personalization of offers through the DMP

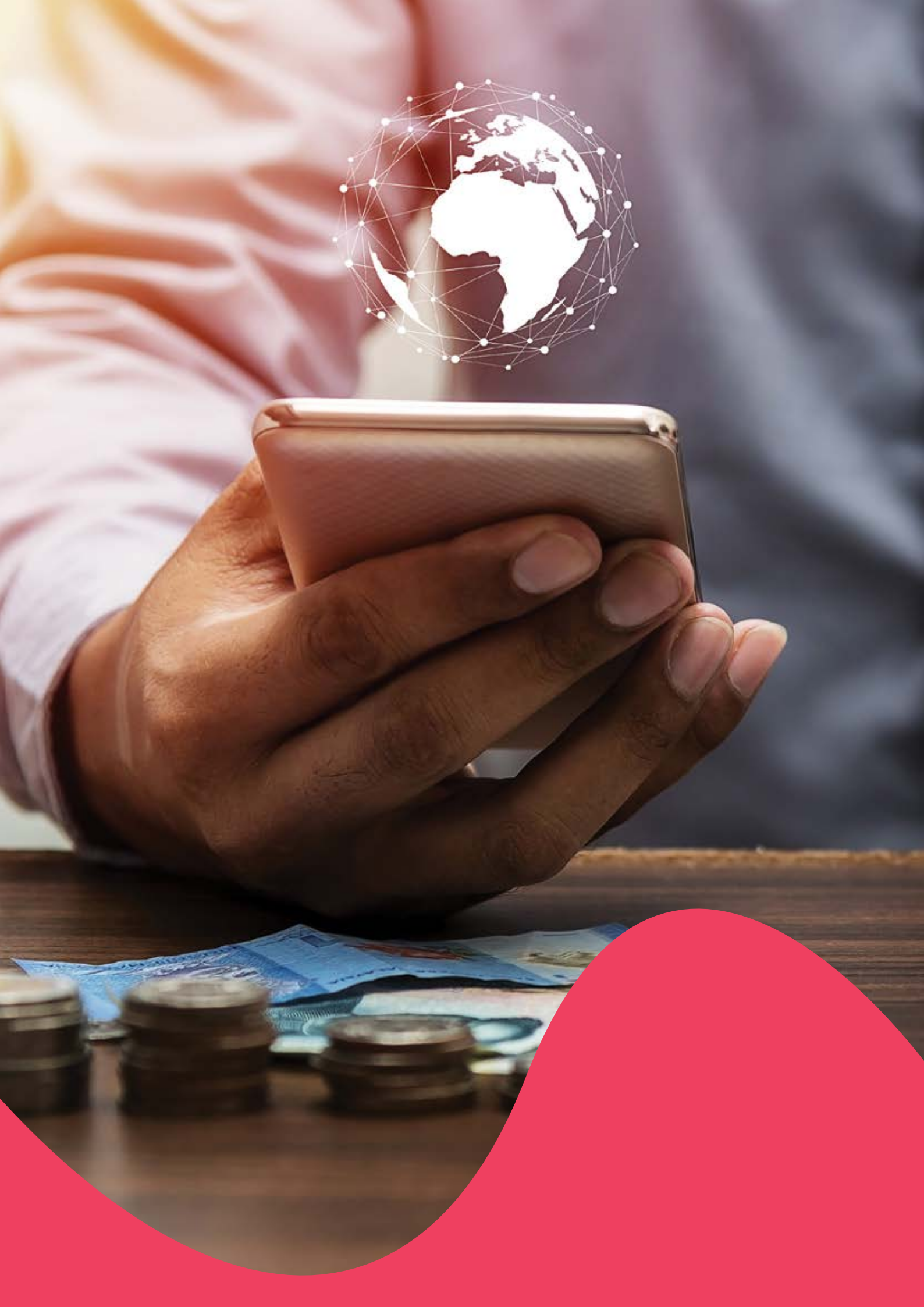
Let's Get Started

The pace of change is relentless, and the opportunities won't last forever. With the right strategy and technology framework, financial services providers can digitally transform their organizations, drive innovation, and unleash new business models to power growth. It also helps to have the right strategic partner with the expertise to help them get there.

With our Open Banking Marketplace, Capgemini is uniquely positioned to help financial services firms make the most of today's open banking opportunities. As a leader in financial services digital transformation, our assessment frameworks and API value-creation models are backed by more than 30 years of banking and capital markets experience and extensive industry research. We also work with a highly-curated array of leading FinTech partners. Capgemini's Open Banking Innovation Hub Center of Excellence, using our API platform, allows financial consolidation, transaction analysis, execution only advice, a digital marketplace for new digital services through Capgemini's alliance and partner network.

No matter what your immediate interest, we can bring you up to speed about a range of digital topics, such as:

- Digital point-based loyalty programs
- Data Management Platforms (DMP) that gather personalized customer insights to help generate new customers through predictive analytics
- Digital content
- Customer insights to prevent attrition and customer leakage





Stay relevant in today's competitive digital era.

Write to us at banking@capgemini.com to connect with our Open Banking specialists.

Visit us at <https://www.capgemini.com/openbanking>



Keep an Open (Banking) Mind.

About Capgemini

With more than 190,000 people, Capgemini is present in over 40 countries and celebrates its 50th Anniversary year in 2017. A global leader in consulting, technology and outsourcing services, the Group reported 2016 global revenues of EUR 12.5 billion.

Together with its clients, Capgemini creates and delivers business, technology and digital solutions that fit their needs, enabling them to achieve innovation and competitiveness.

A deeply multicultural organization, Capgemini has developed its own way of working, the Collaborative Business Experience™, and draws on Rightshore®, its worldwide delivery model.

Learn more about us at

www.capgemini.com

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