Winners
Supplement
2022
Welcome to the Banking Tech Awards USA Winners Supplement!

The 1st Banking Tech Awards USA ceremony took place earlier this year in San Francisco. The evening was a great success with 150 guests joining us for a wonderful night of celebration and entertainment, hosted by comedian Tyler Fowler (right). 26 winners and 33 highly commended entries were announced this year across categories.

Here, we showcase some of the winners, highlighting the projects, products and services that demonstrated stellar results, showcased genuine innovation and had a tangible impact in 2022.

The Awards also lauded the individuals and teams who have demonstrated skills, leadership, vision, inspiration and dedication to the industry’s betterment.

You can view the full list of winners and highly commended as well as the video highlights from the gala here.

It was wonderful to see people reconnecting face-to-face after the difficult years of the pandemic. We would like to thank everyone who attended and celebrated with us!

A big thank you goes to the Awards’ judges, sponsors and partners, and the FinTech Futures team for their hard work in putting it all together.

We hope to see you at the 2nd Banking Tech Awards USA in 2023!
Supportive culture. Collaborative success. That’s empowered engineering.

As a leading global bank, we rely on the wide range of perspectives from an inclusive, worldwide community to bring sustained value to our customers. Technology is at the core of our business model. So as a Credit Suisse engineer, the contribution you make will keep empowering others to thrive.

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opportunities
Jobs in Technology

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Banking Tech Project Awards
Winners & Highly Commended

Best Use of IT for Lending
Winner: JPMorgan Chase for Chase MyHome
Highly Commended: Member Student Lending, LLC & LendKey For Member Student Lending, LLC and LendKey’s Banking-as-a-Service Partnership

Best Digital Initiative
Winner: Goldman Sachs for All Marcus by Goldman Sachs® products and the Marcus app
Highly Commended: QuickFi by Innovation Finance USA LLC for QuickFi® and PeoplesBank for Zynlo (PeoplesBank’s digital-only bank division)

Best Mobile Initiative
Winner: JPMorgan Chase for Snapshot
Highly Commended: Bank of America for CashPro App: ACH Positive Pay

Best Use of Risk, Compliance & Fraud Protection Technology
Winner: Hamilton Reserve Bank for Verified by authID
Highly Commended: Morgan Stanley for Wealth Management Technology Change Risk Assessment

Best Innovation
Winner: Citizens Financial Group for Citizens Pay
Highly Commended: QuickFi by Innovation Finance USA LLC for QuickFi®

Best Use of AI
Winner: Q.ai for Q.ai

Best Use of Data
Winner: Goldman Sachs for Goldman Sachs Financial Cloud for Data

Best FinTech Partnership
Winner: Uber Freight, Branch, and Marqeta for Uber Freight Partners with Branch and Marqeta to Offer Faster Payments and Fuel Rewards for Carriers

Best UX/CX in Finance Initiative
Winner: Freddie Mac for Clarity 2.0
Highly Commended: JPMorgan Chase for Praesto

Best Contribution to Economic Mobility in Banking/Finance
Winner: Nova Credit for Credit Passport
Highly Commended: Branch for Branch: Empowering Independent Contractors and Emerging Entrepreneurs and Greendot Corporation for GO2bank

COVID-19 Response (Banks & Financial Institutions Only)
Winner: TD Bank for TD Virtual Assistant

Best Embedded Finance Initiative
Winner: Bond Financial Technologies, Inc for Square Card Implementation
Highly Commended: Intuit, Inc. for QuickBooks Get Paid Upfront

Best Community Bank/Credit Union Award
Winner: Pinal County Federal Credit Union for PCFCU Connect

Supportive culture. Collaborative success. That’s empowered engineering.
While legacy systems look for a needle in a haystack... 

...Sensa™ finds a needle in a stack of needles.

Sensa is our enterprise financial crime detection platform powered by AI and scalable technology.

77% Reduction in False Positive Alerts

263% SAR Increase vs Legacy TMS Risk (SAR) Alerts

500% Increase in Operational Efficiency

Learn more at www.ayasdi.com, or contact us at sales@ayasdi.com.

Thank you, FinTech Futures, for our “Tech of the Future” win at the 2022 Banking Technology Awards USA. Your recognition is a huge boost and confirmation of our work to fill the void and eliminate the inefficiencies caused by outdated systems. Many thanks from the entire Ayasdi team.

Excellence in Tech Awards

Winners & Highly Commended

- **Best Core Banking Solution Provider**
  Winner: Temenos for Temenos Banking Cloud
  Highly Commended: FIS for Modern Banking Platform

- **Best Business Digital Banking Solutions Provider**
  Winner: Apiture for Apiture Digital Banking Platform
  Highly Commended: ONEUP for Business Assistant and MANTL for Business Account Opening

- **Best Consumer Digital Banking Solutions Provider**
  Winner: 1Kosmos for 1Kosmos BlockID
  Highly Commended: FinLocker LLC for FinLocker Mortgage Readiness Product and Moxo for Moxo’s OneStop Client Interaction Hub

- **Tech of the Future – Data, AI, ML & RPA**
  Winner: Symphony AyasdiAI for SensaAML
  Highly Commended: FIS for FIS PREBOT and Facteus for Mimic Synthetic Data Engine

- **COVID-19 Response (Technology Services & Software Providers Only)**
  Winner: Abrigo for Abrigo’s All-Hands PPP Response Results in $34 Billion in PPP Loans and 2.7 Million Jobs Saved
  Highly Commended: BizCredit for Biz2X

- **Best Payments Solution Provider**
  Winner: Stellar Development Foundation for Stellar
  Highly Commended: ACI Worldwide & SHERPA for Enterprise Payments Platform, Very Good Security (VGS) for VGS Payment Optimization and Volante Technologies for Volante Technologies

- **Best Payments Solution Provider - Start-up**
  Winner: Astra for Astra Automated Bank Transfer API
  Highly Commended: Dropp for Micropayment Platform for Small Value Transactions in FIAT and Digital Currencies
Congratulations to the Freddie Mac Single-Family Clarity 2.0 project team for being named FinTech Futures Best UX/CX in Finance Initiative

The success and measurable impact of Clarity 2.0 is a testament to Freddie Mac’s commitment to providing the Credit Risk Transfer community with data transparency through an intelligent platform built on the needs of users.

www.clarity.freddiemac.com

Leadership Awards
Winners & Highly Commended

Woman in Technology (W.I.T.)
Winner: Marinela Tudoran from Credit Suisse

Highly Commended:
Funmilayo Oludaiye from Goldman Sachs, Margaret J. Hartigan from Marstone Inc., and Rania Succar from Intuit

Tech Leadership
Winner: Gabriele Columbro from FINOS

Highly Commended:
Andy R. Shah from Mercury Financial LLC (Mercury Financial) and Carrie Blankenship from Fiserv

Tech Team of the Year
Winner: BNY Mellon for BNY Mellon Enterprise Innovation Team

Rising FinTech Star
Winner: Aaron Shapiro from Carver Edison

Highly Commended:
Michelle Prohaska from Nymbus

Editor’s choice
Winner: Nymbus
The visionary breaking down walls on Wall Street and beyond

‘Dedicated, ‘inspirational’ and ‘passionate’: just three words used to describe Marinela Tudoran

We are delighted to have the opportunity to feature Marinela Tudoran, winner of the Woman in Technology (W.I.T.) award at the recent Banking Tech Awards USA. Tudoran is a managing director at Credit Suisse and the global head of investment bank technology, leading technologists in hubs that include New York, Zurich, London, Hong Kong, Singapore and India.

Under her leadership, Credit Suisse built and sustained one of Wall Street’s most competitive electronic trading platforms, including Advanced Execution Services (AES®) suite and CrossFinder, one of the world’s largest Alternative Trading Systems. AES has proven itself as a resilient trading platform during extreme market volatility in the 2008 financial crisis, the 2010 flash crash and the onset of the Covid-19 pandemic in 2020.

A true visionary

Tudoran began her career in academia as an assistant professor before securing research and product development positions at technology firms in Romania and Japan. She had a vision of the potential technology could realise in financial services, especially within trading. When the opportunity arose in 1995, she took an offer to join Credit Suisse in New York. This decision altered not only her career trajectory but the industry, as Tudoran and her small team would pioneer electronic trading as we now know it.

During many years of leading equities technology, Tudoran played a transformational role in empowering her organisation to deliver various platforms known for their performance, agility and resilience. These platforms have earned prestigious industry awards and helped to position Credit Suisse at the top of client rankings. Recent investment bank technology team industry awards include the Banker’s 2019 Tech Award for the EMEA AES Enhanced Adaptive Framework, the Global Capital’s 2020 Electronic Platform of the Year Award for Sphere, and the Banker’s Innovation in Digital Banking Award (Investment Banking category) for SRE and AI Operations Transformation in 2022.

Tudoran has been previously recognised by the National Organisation for Women (NOW), who awarded her the 2017 Women of Power & Influence Award, celebrating women who are pioneers and role models in their sectors. Previous winners include Gloria Steinem, journalist and social activist, Kimberley D. Harris, former deputy White House counsel and Mary Jo White, one time chair of the Securities and Exchange commission.

Expanding scope

In early 2022, Tudoran was appointed head of investment bank technology and regional head of Americas technology. This platform, in addition to leveraging her capability as a technology leader, expands her scope of influence as a powerful long-time champion of diversity and inclusion.

“At Credit Suisse, we are passionate about creating a culture of empowered engineering and are excited for opportunities to invest in the next great technological minds,” she says. “Technology was once a facilitator and now it is driving revenue and competitive advantage, and in some cases, technology has become the product. Women, and diverse technologists more generally, will play a crucial role in this evolution.”

By empowering women to excel into a male-dominated field, helping to build their industry knowledge and elevating and enabling attributes of resilience, passion and loyalty, she has also helped raise the profiles of many influential women in finance and technology. She served as a board member and co-president of the Women’s Bond Club, the first female advocacy organisation on Wall Street.

She also co-founded the Credit Suisse IT Women’s Council, one of the first women-focused employee networks at the firm. Tudoran continues to support a growing pipeline of leaders through mentorship and sponsorship, making a lasting contribution to the D&I goals at Credit Suisse.

“Marinela brings true commitment to her work as evidenced by the implementation of market-leading technology solutions that intelligently answer the needs of the business. Her passion for purposeful partnership and collaboration, coupled with top technical skills and people leadership, make her an inspiration and role model to many.”

Laura Barrowman, CIO, Credit Suisse

“Marinela and her team have played an instrumental role in providing competitive advantage for Credit Suisse. Her dedication, drive and personal commitment to the business outcome has made her an outstanding partner to the equities business for many years.”

Anthony Abenante, global head of equities, Credit Suisse
Symphony AyasdiAI making Sena of tackling fraud

How this next-gen platform is leading the way in helping financial institutions combat crime

Artificial intelligence (AI) has come to the fore of financial services in the past few years with myriad case uses. One of the big success stories of AI has been in the risk and fraud arena, because AI can plough through huge volumes of data to identify patterns, things that don’t quite fit and find the needle in a haystack that gives cause for alarm.

Or, as our CEO, Simon Moss, likes to say, AI does not look for a needle in a haystack, but rather for a needle in a stack of needles. Symphony AyasdiAI’s product, SenaAML, has maximised the power of AI to do just that. It empowers banks and financial institutions with a complete picture of customer, third-party and user behaviour to discover crime, risk and competitive opportunities through unparalleled, predictive insights.

The overall result of our interface is a reduction in false positives and the detection of risks unidentified by the incumbent TMS without overwhelming investigators with an excessive number of net new alerts.

Transparent, auditable and explainable

The product works simultaneously to provide automation and intelligence in the areas that need it the most. It was designed to work in parallel with existing processes and can augment current rules and thresholds, plus provide additional insights from better data mapping and discovery using AI and graph machine learning (ML).

SenaAML is completely transparent, auditable and explainable for regulatory compliance. The solution was created to deliver maximum impact on return on investment (ROI) and effectiveness while keeping the smallest footprint on management and implementation changes.

This next-generation platform of ground-breaking AI and ML technology allows Ayasdi to lead the way in helping financial institutions successfully mitigate against the occurrence of criminal activity within their organisations.

The timing could not be better

Financial crime is at all-time high – the COVID-19 pandemic provided the perfect opportunity for criminal actors to abuse both the economic climate and the growing number of individuals negatively impacted by the loss of employment. The net result has been a disproportionate increase in fraudulent banking activity and heightened sophistication of money laundering tactics.

There was a clear need for a robust solution!

In addition, the Anti-Money Laundering (AML) Act of 2020 introduced supplementary regulatory and compliance initiatives for FIs, and thus, provided Ayasdi with the ideal scenario to showcase the SenaAML solution and the vast benefits it brings to satisfying these obligations.

This solution combines graph machine learning, behaviour maps, inference relationships, longitudinal behaviour and risk in a single orchestration to discover the DNA of complex financial crime.

SenaAML is a cloud-native, microservices and application programming interface (API) oriented design, a holistic solution with built-in integrations for case management systems and other tools.

With the wealth of investments financial institutions have made in existing AML and fraud technologies, we fully understand that ‘rip and replace’ is not a viable option for most of them.

This philosophy lies at the heart of the development of SenaAML to create a platform to work alongside legacy transaction monitoring systems.

In addition, the lightweight and agile nature of our system means implementation times are significantly reduced (typically three months) to ensure a quick and seamless RoI is delivered.

Statistics and recognition

During our initial implementations, we have generated impressive statistics that prove the efficacy of our solution.

We’ve achieved a 20% increase in L3 detection, up to 90% accuracy in new risk detection, risks can be identified up to a year earlier, and there has been a 60% reduction in false positives.

SenaAML has received numerous industry recognitions, resulting in a flurry of unsolicited requests for proposal (RFPs) inviting us to bid for AML solution programmes. To date, we have progressed to the proof-of-concept stage with 50% of these invitations.

Our goal over the coming year is to combine them into a FRAML solution providing comprehensive risk coverage and operational effectiveness. By leveraging third-party and first-party data of banks, we can provide real-time deciding for a frictionless customer experience and bring a key competitive advantage for our customers.
Having a ball in San Francisco

The 2022 awards were held at the fabulous Julia Morgan Ballroom at the Merchants Exchange in San Francisco. Over the next few pages, check out a snapshot of the evening.

Click here to see all the photos from the awards!

ELIMINATE PASSWORDS
STOP ACCOUNT TAKEOVER

| Identity Verification | FIDO2 Passwordless | Multi-Factor Authentication |

authID has the strongest biometric and passwordless authentication on the market today.

authID and Hamilton Reserve Bank were just named the winner in the highly competitive "Best Use of Risk, Compliance & Fraud Protection Technology," beating out larger global banks.

authID's Verified biometric identity platform helped Hamilton Reserve Bank:
- Speed up account onboarding
- Minimize fraud risk by 23%
- Eliminate passwords. Defend against account takeovers
- Lower enterprise support costs by 67%
- Increase customer loyalty

Find out how authID can help you and your customers. Learn more at authid.ai

2022 WINNER

Banking Tech Awards USA 2022 | 15
The modern POS financing solution.

Citizens Pay delivers an industry-leading financing solution with the stability, experience, and balance sheet of a premier national banking institution. No other BNPL provider can match the versatility and wide range of financing program options that we bring to the world’s greatest brands.

Learn more at citizenspay.com/learn

Taking to the stage

Hosted by comedian Tyler Fowler, the ceremony was a great success with 26 winners announced.

Click here to see all the photos from the awards!
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Get the best of FinTech Futures straight to your inbox. Join our 35,000 community of fintech professionals today.

Visit our website and subscribe at www.fintechfutures.com

Food, drink and frivolities

After the awards ceremony, a three-course meal and wine saw guests continue the celebrations.
Get clarity into mortgage credit risk investing

By Charlotte Gladwin, director, credit risk transfer at Freddie Mac

As the leading seller of mortgage credit risk, Freddie Mac Single-Family makes it easy to access the vast amount of publicly disclosed data through its award-winning Clarity Data Intelligence platform. Clarity provides transparency across Freddie Mac STACR (Structured Agency Credit Risk) and ACIS (Agency Credit Insurance Structure) transaction collateral and performance data. Its credit risk transfer (CRT) dashboards contain approximately 450 million deal and loan records with up to 88 variables. Additionally, Clarity gives users the ability to analyse the Single-Family Loan-Level Dataset, a database containing more than 1.5 billion performance records on approximately 43 million loans.

Adapting to a changing environment

Launched in 2019, Clarity faced its greatest test just a year later when the COVID-19 pandemic nearly shut down the US economy and dislocated markets. Investors in the capital markets space – especially those investing in credit risk – had a growing need for data transparency into loan performance, forbearance and the mortgage market.

Based on these end-user needs and in a continued effort to provide critical insight into loans affected by the pandemic, Freddie Mac released several supplemental enhancements with Clarity Data Intelligence 2.0, including:

• Cumulative Performance deal dashboard, which provides monthly cumulative performance loan characteristics, both as a percentage of unpaid principal balance (UPB) and in UPB dollars
• Performance Charts that track CRT deal performance data over the prior 24 months, organised by loan delinquent statuses (D60+, D90+, D120+, D180+, Total), Total Forbearance, Forbearance Delinquent and Payment Deferral in either percentages or dollars
• Disaster Matrix dashboard that enables recovery and transition comparisons among major natural disasters and the COVID-19 pandemic
• CRT Investor Participation dashboard that allows users to gauge the CRT market by showing investor types and unique investor counts by year or deal
• Additional filters and views added to dashboards, which expand options for users to monitor and track loan transition for delinquency and loss mitigation statuses
• CRT Loan-Level Disclosure Data Download that integrates CRT datasets previously hosted on an external site, supporting easy file access for end-users and including deal-level filters to refine downloads across deal name, losses, deal and disclosure type, offering and series year

Recent enhancements driven by user feedback have enabled Freddie Mac to optimise Clarity for CRT investors and stakeholders. Clarity 2.0 dramatically improves the user experience on the platform by:

• enabling users to accomplish multiple tasks (for example, compare CRT deals and benchmarks) in a single space; integrating relevant content and commentary for better insight into Freddie Mac’s unique CRT programs; and
• providing guides, tips and easier navigation throughout the platform on any device.

The additional functionality and usability that Clarity 2.0 provides include:

• a new look and design backed by an improved digital infrastructure;
• a Featured Insights section that provides latest research and original CRT insights and analytics;
• Quick Access navigation menus allowing users to get to the data dashboard they want in a single click from the new streamlined homepage;
• a User Guide and Glossary to help users better navigate the site’s functionality and understand metrics;
• CRT Deal Compare, which enables users to compare several CRT deals or benchmarks across six categories on a single screen (options include Origination, FICO & DTI, Delinquency, Cumulative Loss, Paydown Tests and Tranches); and
• Dynamic Dashboards – all new and existing data dashboards are easier to digest, with charts and tables in a single view.

Measuring our success

The success and measurable impact of Clarity 2.0 is a testament to Freddie Mac’s commitment to providing the CRT community with data transparency through an intelligent platform built on needs and wants of the platform’s users. Since the update, Clarity 2.0 has seen:

• a 64% increase in mobile (phone/tablet) sessions;
• a 96% increase in Clarity Data Intelligence sessions;
• a 111% increase in mobile ease in Clarity Data Download sessions;
• a 6% increase in Clarity Data Intelligence users;
• a 111% increase in mobile ease in Clarity Data Download users;
• a 4% increase in mobile ease in Clarity Data Download pageviews; and
• a 96% increase in mobile usability that Clarity 2.0 provides.

More information about Clarity is available at clarity.freddiemac.com
authID helps Hamilton Reserve Bank have its eye on the prize

authID and Hamilton Reserve Bank on the benefits of seamless and secure digital identity assurance

authID’s biometric identity proofing and multi-factor authentication has helped Hamilton Reserve Bank (HRB) reduce the risk of identity fraud, mitigate password risk and deliver seamless banking experiences that are trusted by HRB’s loyal customers.

Launched in 2021, HRB’s new digital Temenos banking platform was designed specifically to expand their global portfolio of high-net-worth customers and provide enhanced security. HRB uses authID’s multi-factor, cloud-based biometric authentication technology to create a customer journey that is secure and seamless throughout, reinforcing the bank’s reputation for security and trust. It also meets best practices in AML/KYC/CFT regulations.

With the simplicity of a photo ID and facial biometric identity proofing, customers can establish a trusted identity that can be used anywhere, anytime they bank with HRB, authID’s flagship solution, Verified, allows customers to avoid the use of vulnerable one-time passwords and knowledge-based questions and instead use a ‘selfie’ that is bound to their proofed identity. The process is satisfying and safe for all new customers.

Anthony Gajor, executive vice president, global business development, explains: “As part of our bank’s digital transformation strategy, we outlined the need to address new account onboarding. In creating a digital solution, we streamlined the online customer application process for both retail and business accounts, and reduced client onboarding time.”

The result is a digital onboarding experience that is both satisfying and safe for customers. The process is significantly shorter, and customers can use any mobile or desktop browser to quickly capture their identity document and snap their selfie. The selfie means that at the start of the customer journey, biometrics strengthen the bank’s digital onboarding. And during automated remote account opening, authID’s Verified provides strong biometric identity verification, thereby eliminating paper-driven account applications. Verified leverages AI to power anti-spoofing liveness confirmation and biometric matching of a selfie to authenticated credentials. “Our onboarding process is user friendly and takes just minutes. But, as importantly, we can now stop fraudulent account openings at the front door,” says HRB’s CFO, Antonio Kenyatta.

Indeed, the bank has also leveraged authID to take out the risks and costs of passwords. It now offers its customers seamless, FIDO2-certified passwordless login to their online banking portal. Using authID’s patent-pending process, FIDO login is biometrically bound to the identity verified at onboarding. “Delivering strong customer authentication that combines ‘something you are’ with ‘something you have’ authentication factors establishes a digital chain of trust between users, their accounts and digital devices,” says Mason.

With biometric, passwordless authentication, any assumptions of ‘who’ performed a transaction are eliminated, establishing trust and certainty in the user identity verification process. This enables banks and financial institutions to prevent and mitigate the damage of fraudulent account takeover attempts.

“We now have robust defence against phishing and smishing attacks, where customers are targeted to provide their account login details,” says Gajor. “We also did away with one-time passcodes that are vulnerable to hijacking. Biometrics also reduces the risk of credential-stuffing attacks, account takeovers and friendly fraud.”

According to HRB, fraud risk was minimised by 23% and customer help desk support costs were decreased by 67% after implementing authID’s Verified solution. The bank also reduced retail customer onboarding time down to just minutes, as opposed to days or weeks, as well as corporate customer onboarding down to an average of two days, from weeks or even months. Once inside the platform, customers and their HRB accounts are protected by authID’s privacy-first biometric multi-factor authentication, again linked to the identity verified during onboarding. In practice, this means the customer takes a quick, ‘live’ selfie, and Verified then authenticates their identity for outgoing Swift wires, customer account beneficiary changes and password resets, thereby eliminating easily compromised legacy authentication methods.

The bank is planning for exponential growth and onboarding of at least one million new customers over the next year, and the platform secured by authID’s technology will contribute significantly to attracting and retaining customers.

“We now have robust defence against phishing and smishing attacks, where customers are targeted to provide their account login details.”

Anthony Gajor, Hamilton Reserve Bank
What retailers need to know about buy now, pay later

Not all BNPL solutions are created equal. Having a strategic focus is crucial to success

Buy now, pay later (BNPL) solutions have become table stakes for today’s savvy consumers who want affordability, transparency and convenience when making purchasing and financing decisions on big-ticket items.

According to the Citizens Point of Sale Survey, 40% of consumers prefer fixed monthly plans with clear payment terms. When payment plans are backed by a simple and seamless transaction experience, 76% of consumers say they are more likely to make a purchase. For retailers, BNPL can widen the customer funnel while driving repeat purchases and increasing average order value (AOV).

Transaction volumes in the BNPL space have increased dramatically in the last three years and are expected to grow by 92%, from $353 billion in 2019 to $680 billion by 2025 (according to fintech research firm Kaleido Intelligence).

BNPL offers the opportunity to boost bottom lines and gain a competitive advantage. However, not all BNPL solutions are created equal. Gaining an edge depends on having a strategic focus and carefully assessing options to make sure an offering meets customers’ needs and aligns with a business’s capabilities.

Affordability may be the biggest draw for BNPL users, but it’s important for merchants to lead with a point of sale (POS) financing solution that meets the needs of their target customers. Knowing the highest impact target demographic – and creating a purchasing experience that satisfies the targets’ expectations – will make the difference in bringing in new customers. The primary areas where customers are seeking a smoother transaction experience include:

- **Speed.** Once in the funnel, digital-first consumers are looking to check out as quickly and smoothly as possible. Convenience is a top priority for BNPL shoppers and adding more steps to the funnel can easily lead to missed conversions and abandoned carts. While most BNPL products promote easy checkout and applications, there may be big differences in speed and simplicity that can impact the POS experience.
- **Higher limits.** Different cart sizes attract different demographics and ultimately meet customer expectations for clarity and openness. Customers favour BNPL in part, because it clearly lays out how they are going to pay off a purchase. But if a provider isn’t upfront about terms and conditions, it adversely reflects on a brand and sales. **Stability.** With rising costs, sky-rocketing delinquent accounts and heightened scrutiny from regulatory agencies, BNPLs from fintechs are faced with unavoidable challenges. Conversely, BNPLs from established banking institutions are at an advantage because of their stability, experience and balance sheet as a trusted lender.

Merchants must also think about the expense and how much a new payment method is going to cost to set up as well as service financing. BNPL companies that rent bank charters pass those costs along. However, BNPLs that operate with a bank charter don’t need outside financing, and in turn pass those savings to merchants.

Depending on a business’s size and the complexity of its offerings, customisation is an important area that requires analysis and review. One-size-fits-all solutions are readily available but might not fit the requirements of larger retailers with many diverse needs. And it may not help to differentiate customer experience from the competition’s. With the ability to accommodate product upgrades and bundling, device as a service and other sales growth strategies, some POS financing solutions can deliver more momentum for merchants looking to increase customer frequency and the AOV.

With more than 100 years of experience in consumer financing, Citizens Pay was designed with both the consumer and merchant in mind. It’s a strategic approach centered on strong partnerships and helping retailers develop a tailored BNPL for their businesses.

“Citizens Pay also comes with the backing and reputation of an established bank, and its ability to finance and service customers confidently and cost-effectively.”

Learn more at citizenspay.com

Best Innovation winner: Citizens Pay

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Learn more at citizenspay.com
Joining the OS community

How can fintechs leverage open source in finance to accelerate innovation and efficiency?

The financial services industry is a long-time consumer of open source, yet OS software and standards development are not activities at the core of FSI business models and tech strategies. Contribution to and publishing of open source in development, or allocating staff resources are still in their infancy.

If this is still new territory for the finance industry as a whole, how can fintechs and regtechs (especially ones with solid footing in OS development of their software or APIs) work through the larger open source in finance ecosystem to accelerate innovation and efficiency? And what other benefits will fintechs find by collaborating with this larger community of buy-side banks, sell-side firms, cloud service providers and regulators found in foundations such as FINOS – the Fintech Open Source Foundation and the Linux Foundation?

Open source bedrock benefits for fintechs

Let’s talk about how the bedrock benefits of open source allow for quicker speed-to-market, cutting down the non-IP “let’s not reinvent the wheel” work that is always needed for software development. This happens more often in finance through co-operation, leading to more opportunities for everyone involved.

As Hilary Carter, vice president of research at the Linux Foundation said at the London Open Source in Finance Forum (OSFF): “How are fierce competitors within the industry coming together across open source technology projects and creating solutions, as well as shared value? Together, through shared collaboration and research, not just in building code bases but by sharing data and insight on the journey, on the pain points, on the common challenges. We’re creating a resource that everyone in the industry can benefit from.”

Fintechs can seize on this opportunity by gaining knowledge of financial services developers through direct interaction and collaboration on FSI-based open source projects. At OSFF London, Minesh Patel, CTO of REGnosys, talked about the takeaways from a three-day tech sprint on a trade processing regulation issue that REGnosys worked directly on with Morgan Stanley, Microsoft and FINOS, using only open source components.

Participating in, and contributing to, OS projects gives fintechs and regtechs direct access, visibility, and lead generation with senior bank technology leaders.

How about learning the best methods to leverage the OS business model from commercial open source leaders? Fintechs can create grassroots engagement and cut out the sales/qualifications processes. This has the potential to start without funding, and if it picks up you can then go for venture backing.

Fintech start-up OpenBB saw this as it secured $8.5 million in seed funding in Q1 2022 off of the OS project GameStopK Terminal. For good measure, OpenBB founder and CEO Didier Lopes then doubled down on this draw of open source for fintechs in his OSFF talk, about why proprietary investment research platforms won’t last.

How about shortening the journey to regulatory compliance by leveraging FSI’s experience in regulatory implementations, open sourced in just the past couple of years?

Steven Hawkins, head of DevOps transformation at ClearBank, discussed how the bank leverages OS to accelerate crypto payments through its cloud API infrastructure at OSFF London. He also posited being a challenger bank – also considered a fintech – could find synergies within a larger OS community – leveraging the experience of larger banks in open source, as well as dealing with financial regulatory bodies.

From reduction in development costs, streamlined interoperability, efficiency in corrections and essential coding by a community of developers, organisations have become increasingly more accepting of open source as a key component of their core business model.

Fintechs are especially primed to profit from these inherent open source benefits, but even more so by being involved in the larger open source in finance community.

Get involved with the FINOS Community

The FINOS Community offers projects around desktop interoperability (FDC3), digitising business logic and regulation innovation (Morphir) and curated service designs for cloud providers meeting external and internal regulatory and security controls (Compliant Financial Infrastructure – CFI) as well as 44 more all over horizontal of financial technology.

Submit your talk now for OSFF NY, happening on 8 December 2022 or join us as an attendee using the code OSFFNY22 for 20% off. Fill out the 2021 State of Open Source in Financial Services Survey and download the 2021 version to get a baseline.
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