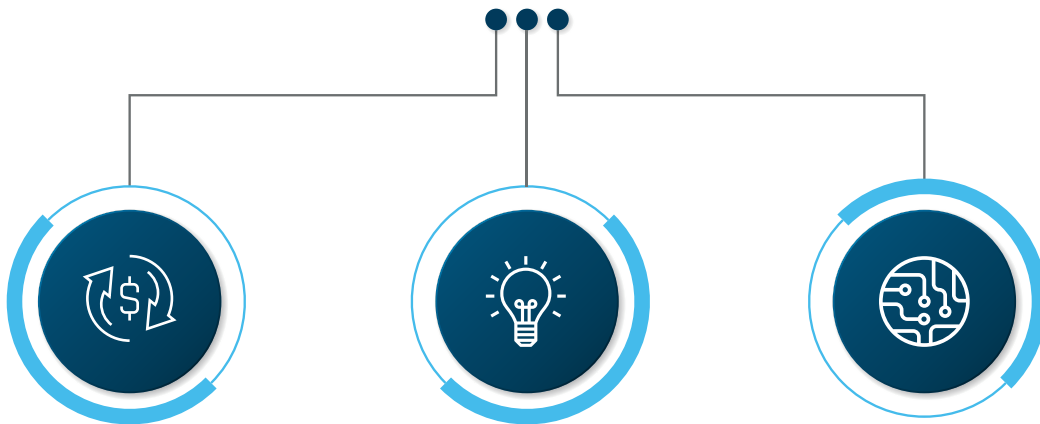


## 2020: The year the business model changed

Heading into 2020, banks will have to consider receding from a me-too bank model



Returns of nearly 60 percent of banks are lower than their cost of equity

Very few organizations – just 14 percent – think they are innovation pioneers

75% banks believe leading consumer technology companies and FinTechs will lead banking innovation over the next 5 years

### Banks need to choose between

**Continuing with existing business models, a bank can choose to be a**

**Scale leader** by organic / inorganic means

**Value leader** by focusing on automation and efficiencies

**Customer experience leader** by crafting differentiated and contextual customer journeys

**Product / service leader** by offering the best-in-class product / service in a chosen area

**Evolving its business model, a bank could choose to be a**

**Manufacturing Bank,** Build the best-in-class product and make it available to ecosystem in the most efficient manner

**Value aggregator,** Curate the best-in-class ecosystem and provide for customer needs going beyond banking

**Distribution focused,** Be the best in customer service without being weighed by mid & back-office processes

**Segment player,** Focuses one customer segment like manufacturing companies or ecommerce retailers

**Banking as a service provider,** A manufacturing bank that also directly acquires and services its customers