



DIGITALIZING FINANCIAL SERVICES

for a Financially Inclusive Future

Emerging Trends in Banking
and Financial Services

Fintech Revolution: Impact on the Banking Industry

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Technology is **EVERYWHERE**

Out of **7.98 billion** people
in the world, **6.6 billion**
own smartphones.





We are connected 24/7



A man with a backpack is using an ATM. The image is framed in a blue hexagonal shape.

The information technology
industry

CONTINUES TO GROW

- Makes our lives easier, faster, more efficient & more convenient
- Global investments reached up to US \$5.3 million and counting



Innovation is **NOTHING** without **EMPATHY**

How can we **BETTER SERVE**
the Filipino people by using
TECHNOLOGY FOR GOOD?





FINANCIAL TRANSACTIONS ARE DONE EVERYWHERE, ALL THE TIME

During the pandemic,
stepping out of our homes
means risking the lives of
our loved ones.





COVID-19 abruptly halted Filipinos' lives and livelihoods

How did we ensure optimal solutions to this
UNPRECEDENTED CRISIS?



Combining **TECHNOLOGY** and **FINANCE**
with a **HUMAN TOUCH** to serve
EVERY FILIPINO





Cash is ON THE DECLINE. Why?

- Quarantine restrictions since the pandemic
- Cash perceived as a “**medium**” to spread the virus

RCBC DiskarTech

the country's first multilingual financial inclusion super app



- Uses **two major languages in the Philippines** for easier accessibility
- Allows users to open bank accounts, **access loans, avail of insurance, among other features**



“When it comes to digital solutions, RCBC remains the bank to beat.”

-Asiamoney



2020
#1 BREAKOUT

PHILIPPINES FINANCE APP

Top Apps by downloads within Finance Category of iOS App Store and Google Play released in 2020

Source: APP ANNIIE
global mobile data and analytics publisher



YouTube Works AWARDS

KALABAW/UTANG NI TATANG

THE CHALLENGER
YouTube Works Awards 2022

Celebrating the campaign that beat the odds to create big impact.



Banked Filipinos rose from
19% in 2019 to **56% in 2022**

Onboarded
22 million
unbanked Filipinos





RCBC ATMGo

the country's first
kapitbahay/neighborhood ATM

Bringing formal banking
to rural community establishments
like **pharmacies, sari-sari stores,
pawnshops, and more**





100%
Coverage

RCBC
ATM Go

was able to deliver COVID-19 financial aid to millions of Filipinos.

Fast-tracked disbursement of **US\$329 million** to more than 5.2 million household beneficiaries/26 million individuals

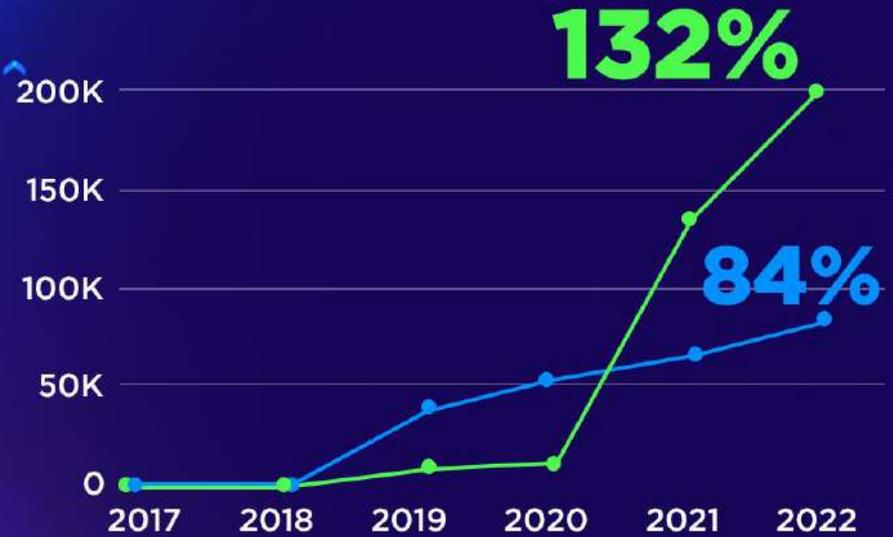
ATM Go now available in all **82 provinces nationwide**, with over **1,500 terminals** and **1,000 merchant-partners** to date





COMPOUND ANNUAL GROWTH RATE

● ATM GO ● RCBC DIGITAL



Note: 2022 Data based on Run rate as of June 2022.





36 million

Filipinos are
still UNBANKED.

What is missing?

Intimate Physical
Interactions.





MONEYBELA

BARANGAYAN BANKING

- Delivers banking services to **42,000** barangays via e-tricycle
- Human assistance through **Banking Experience Support (BES) agents**
- Aligns with the **ESG** framework within the **UN SDGs**





MONEYBELA

BARANGAYAN BANKING

fuses the physical with digital for
BANKING WITH A HEART

Already launched in Mindanao, Davao City, Bacolod City
Set for Iloilo City launch and other municipalities



““

I am really so happy that if there's any bank that embodies the goal of bringing BSP closer to the people, it is RCBC. You [RCBC] deserve all the honors you are getting for combining old ideas like cash-lite banking.

Bangko Sentral ng Pilipinas
Governor Felipe M. Medalla



““

Beyond bringing more Filipinos into the fold, your latest project [RCBC MoneyBela] shows that the future of banking requires human-centric and empathy-driven design. I'm very pleased to see RCBC make significant headway in this area."

Department of Finance
Sec. Benjamin Diokno





The
essence of banking
is **encouraging financial**
empowerment through
customer-centric
solutions.



App ng masa
DiskarTech
#DiskartehanNatinYan



ATMGo



THE PHILIPPINES' FIRST MOBILE "PHYGITAL" REMOTE BANKING

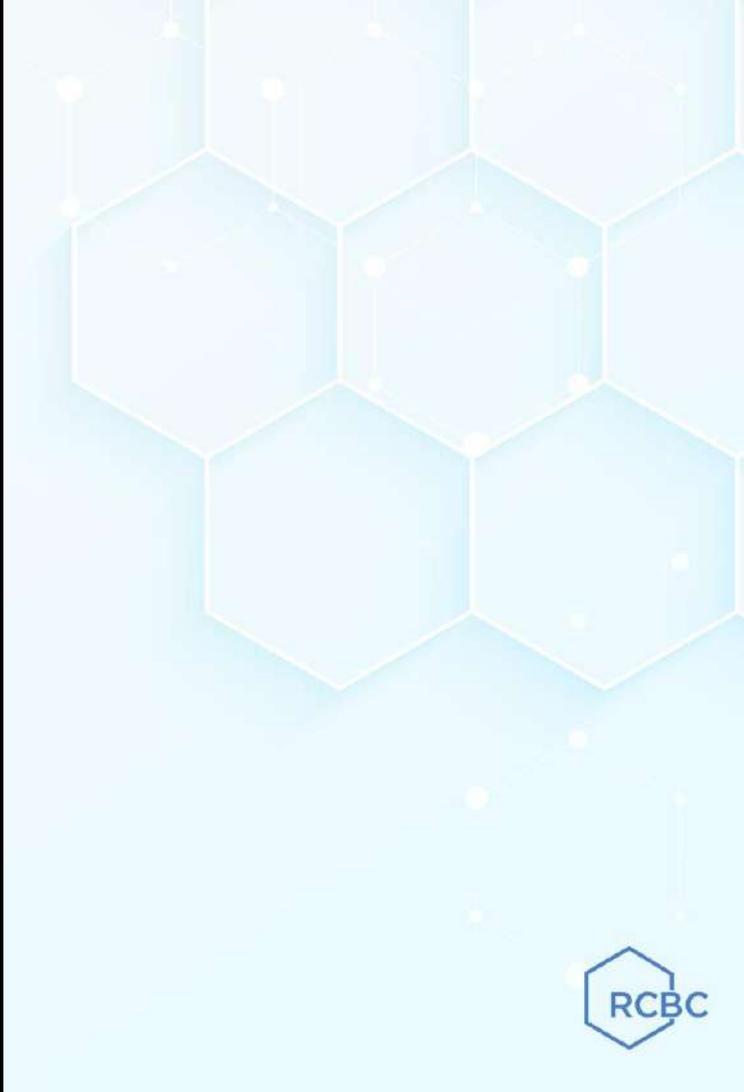
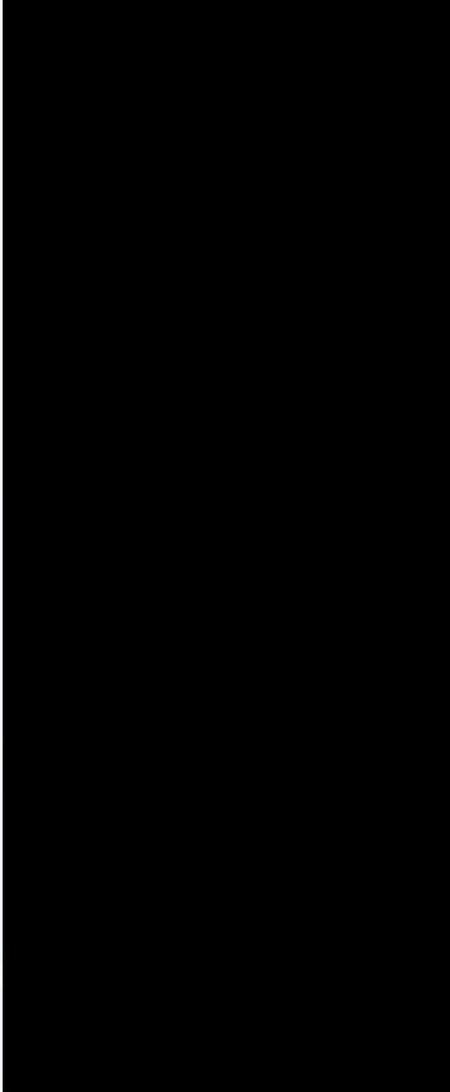


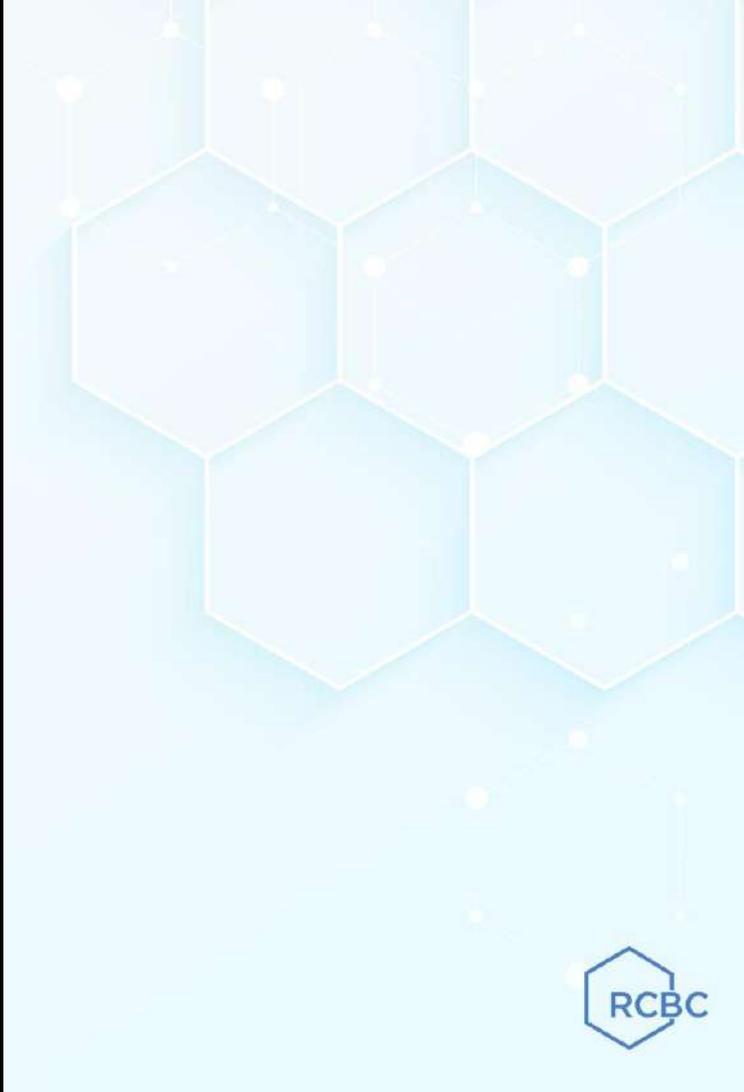
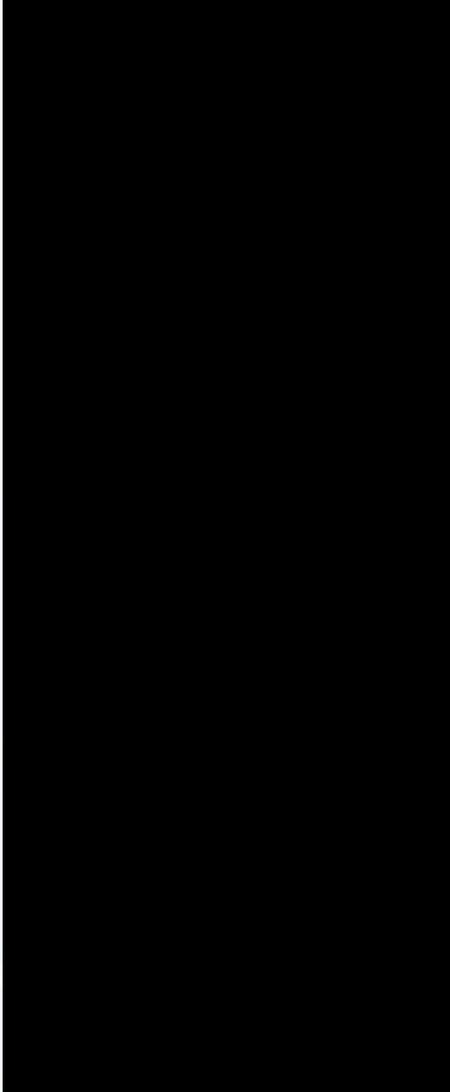
MONEYBELA
BARANGAYAN BANKING



IN SUPPORT OF THE NATIONAL STRATEGY FOR FINANCIAL INCLUSION







Further. Faster. Together.

Are Fintechs the evolution stage of Banking?

ABA Conference

November the 4^o 2022



Qorus

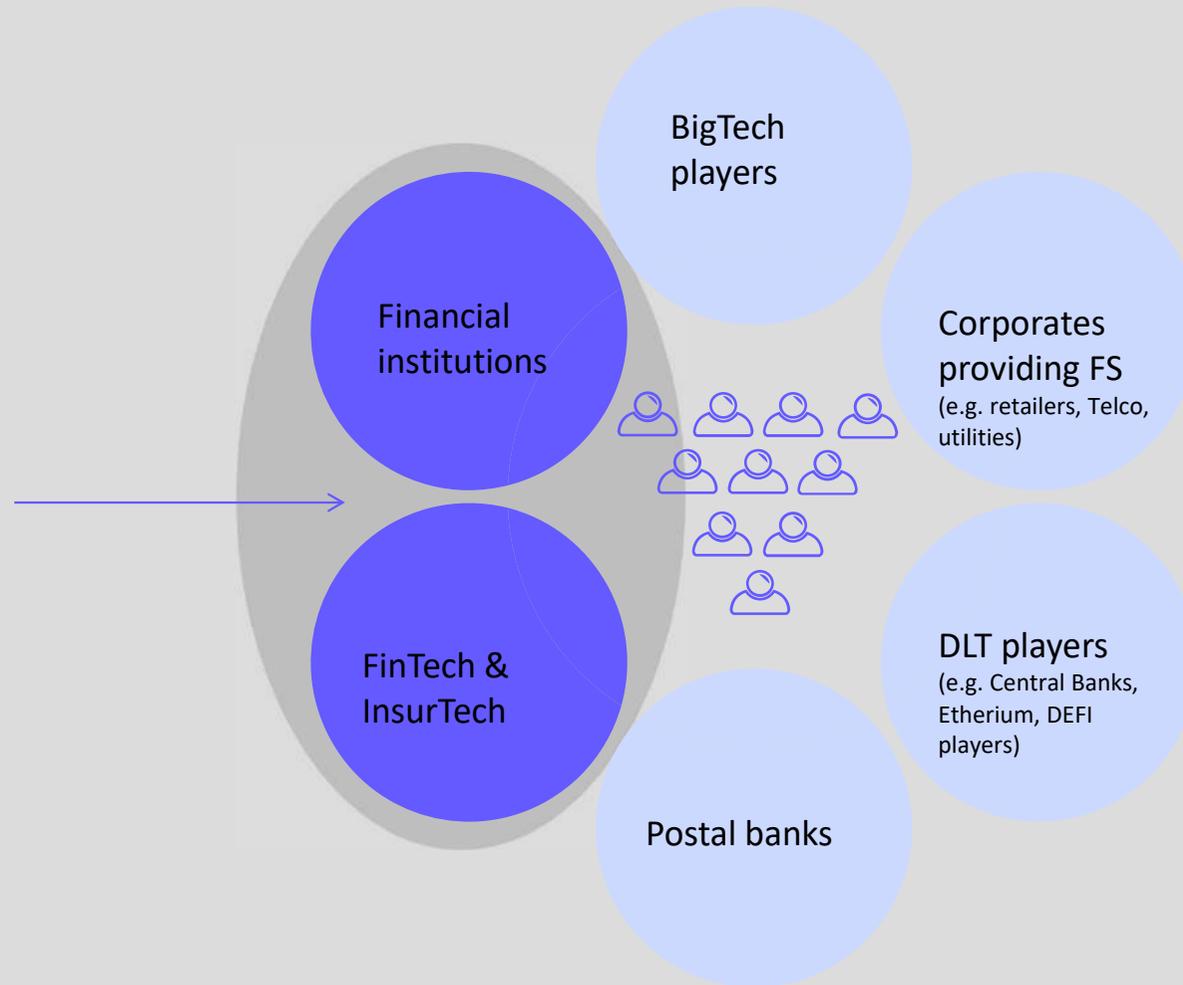
Contents

01. **A new playing field**
02. **Are fintechs the evolution of banking?**
03. **How Qorus can help making a decision**

Qorus

The financial market is getting crowded

We explore here how to collaborate to compete with the new entrants in FS



Different point of views on customers...

Banks

- Increase revenues
- Reduce costs
- Lower the risks

Fintechs

- Be in your customer's shoes
- 360° vision of the problem
- Laser focus on service



Different product development approach

Banks

- Financial realm focus
- Winning competition
- Branch channel as standard



Fintechs

- Which is the problem to solve?
- What are the painpoints?
- How to deliver an excellent digital UX



Different way to engage your customers

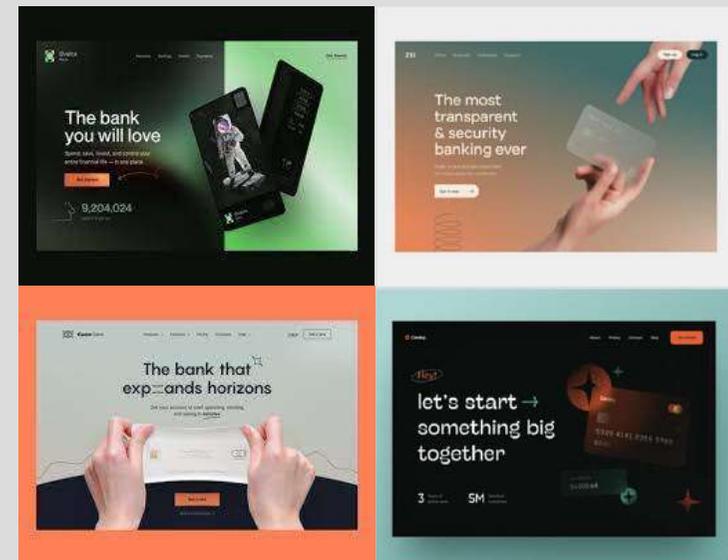
Banks

- Branch as the main channel
- Pricing/costs as the main attractor
- Little focus on recognising needs



Fintechs

- Digital channel as only channel
- Solving life problem
- Emotional values



Different ways to exploit the technology

Banks

- Internal focus to integrate businesses
- Need to adapt to existing legacy
- Huge complexity (Front/Middle/Back-end)

Fintechs

- External focus (Client + Ecosystem)
- Strive for better service
- Mainly Front-end complexity



Different business struggling point

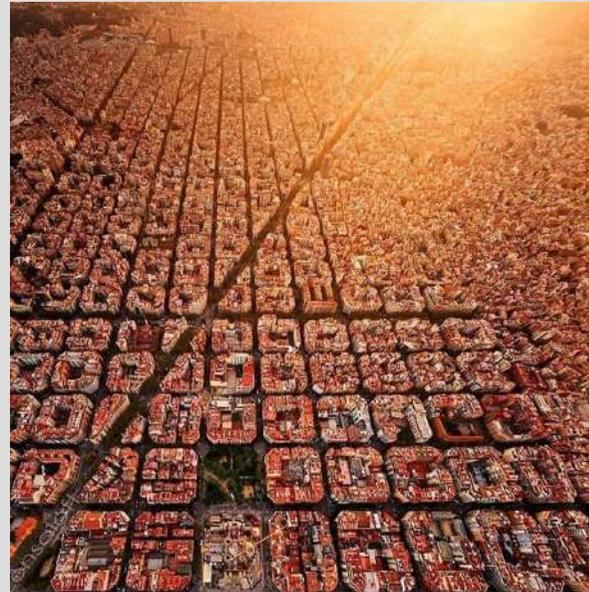
Banks

- Proprietary core system
- Internal & External Risk control
- Human Discipline/HumanCapital



Fintechs

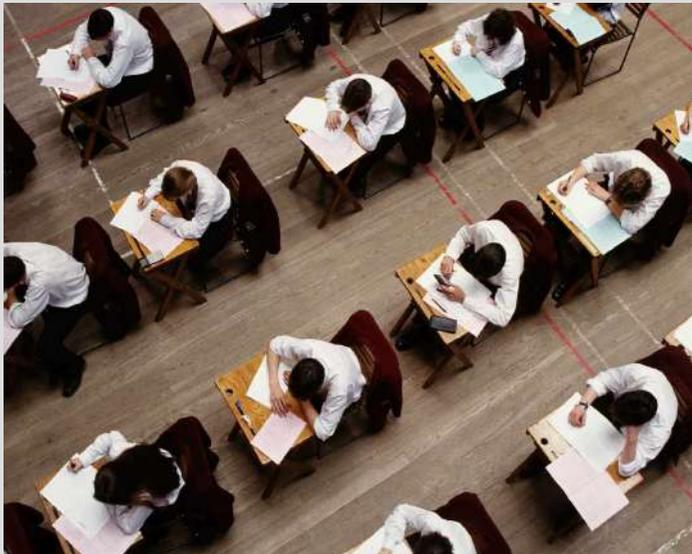
- Networking in the ecosystem
- Exploiting technologies to deliver
- Cash flows/Funding



Different people culture

Banks

- Organized path career/task focus
- Avoid/Minimize risk taking
- Need to reduce & retrain people



Fintechs

- Focus entraprenurship/leadership culture
- Failfast and trial & error approach
- Attracting young STEM talents



Different organization & decision processes

Banks

- Strictly organized/waterfall projects
- Complexity goes to the top
- Decision far from customers



Fintechs

- Cross-functions/agile way of working
- Fast Decision process
- Decision closer to customers



Different KPIs & financial focus

Banks

- Economics: net results, cost/income/ROE
- Volume: customers, loans/deposits, AUM
- Financials: T1 equity, dividends...



Fintechs

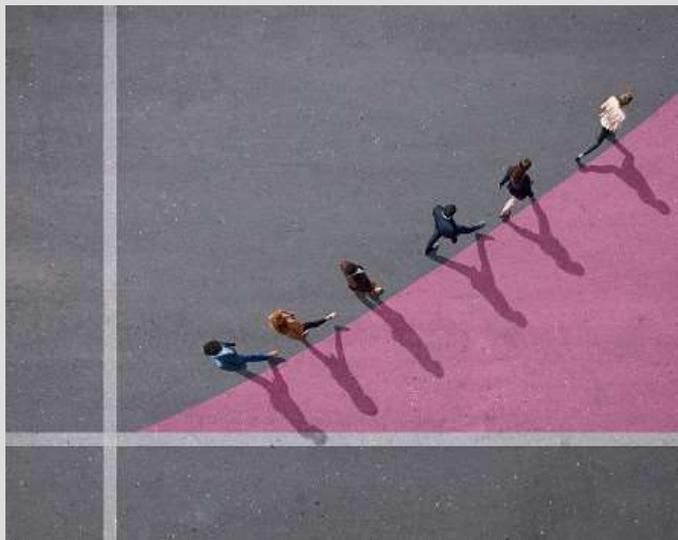
- Monthly cash burn rate
- Customers base/acquisition
- Industry multiplier



Different long-term perspectives: forecast for 2030

Banks

- -50% Banks reduction (Gartner 2030)
- Economies of scale (Customer/Costs)
- Specialization (Distribution vs Production)

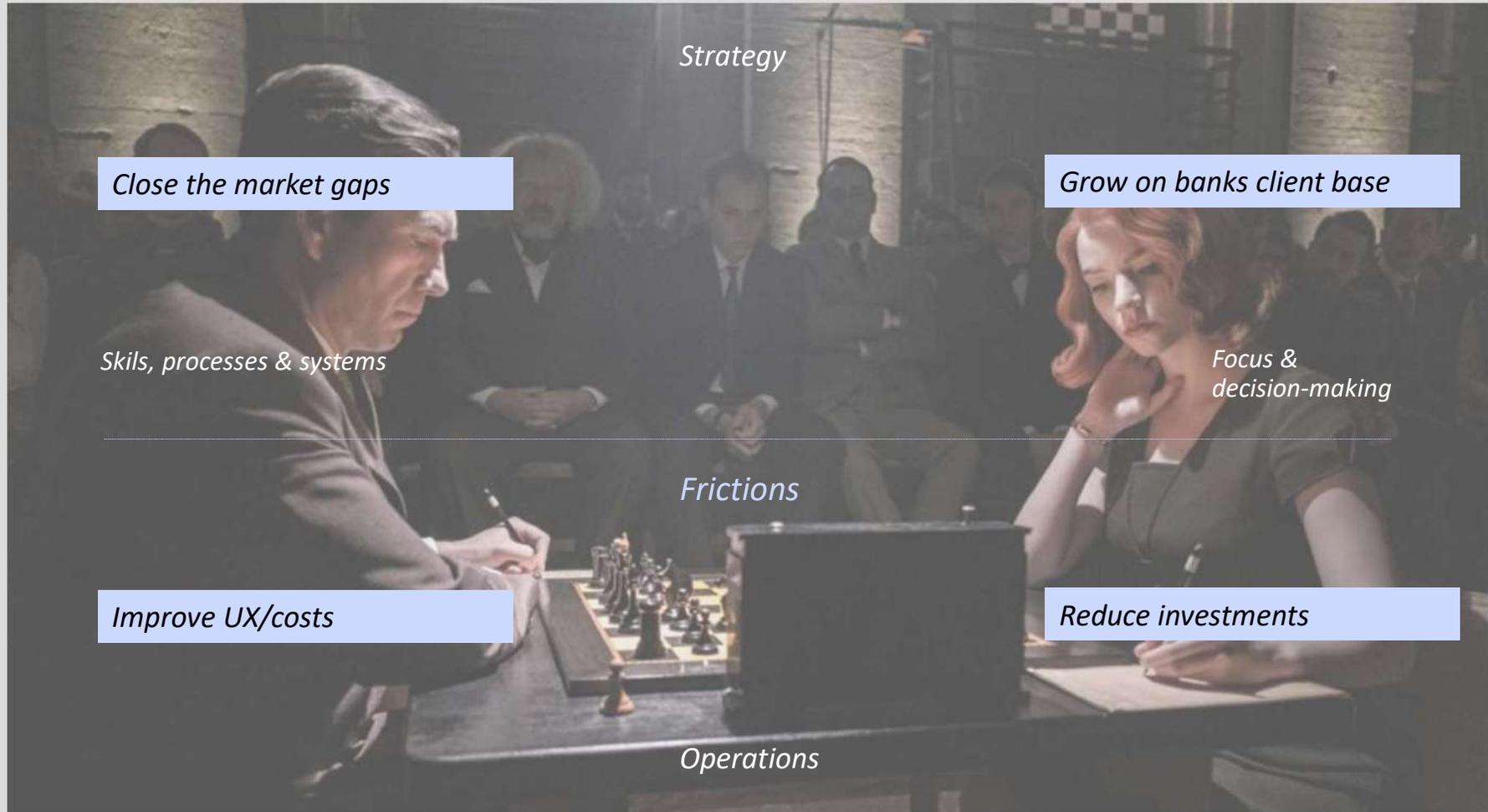


Fintechs

- Atomic specialization
- Fintech marketplaces
- Service recombination



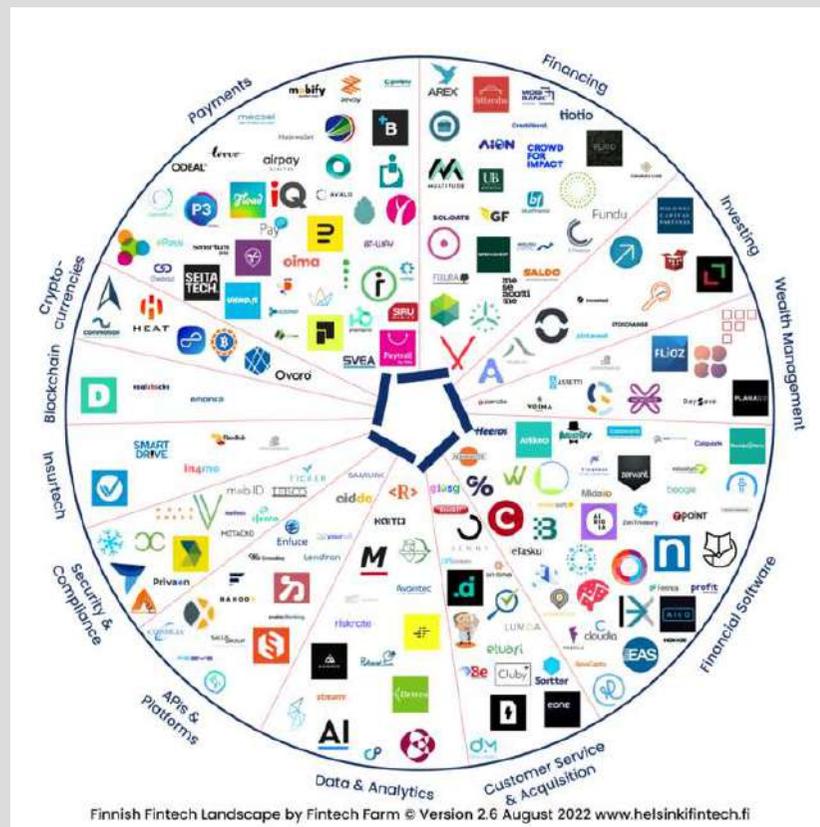
Different partnership objectives



How Qorus can help improve partnerships



Fintech database ranking



Fintech competences

→ Communities to discuss why/what/how



→ Qorus Advisors to select best fintech



→ Tech & Consulting Partners to support execution



Further. Faster. Together.

Thank you

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Qorus