FINTECH , FROM ICT AS AN INFRASTRUCTURE TO NEW BUSINESS MODEL CREATION

ICT has been always very important for Financial activities, from Banking, to Insurance to financial service companies. This industry has been one of the most investing in ICT, more than twice of the industrial sectors. After web developments in eighties and nineties, cloud computing and digitalization of economies and society through smartphones and social network in the last twenty years, a new wave of start up in financial areas have developed new business model, where technology is creating value not only supporting business processes.

This is quite natural in this industry where money is the basic raw material and product, and money is information. In few years a number of new companies have been developed and at the end of 2016, 42 were already present in Wall Street stock exchange, so it is possible to apply their multiples to evaluate other start up in the field.

These are regarding banking business, giving possibility of obtaining loans, lending money in a peer to peer connection, insurance activities, making possible to obtain services through smartphones, favouring crowdfunding for new initiatives.

The most important obstacle to the new Fintech industry was in the past cybersecurity, but now through the Blockchain methodological approach derived from bitcoin production and distribution, these problems have been overcome and it is possible to trust in identifying people in distant on line connections.

So presently the volume of investments in this industry has already overcome 50 billion $ in USA and 20 billion $ in Europe, not forgetting China market very rapidly growing.

Fintech is clearly the real competitor in these traditional financial activities. It can have a tremendous impact on banking industry, digitalizing all the basic activities and reducing the need of risk management and control structure in the firms.

It’s already clear that the youngest generation don’t visit bank agencies but use on line computer sites or better smartphones for their relationships with bank. This new business model will impact all the financial processes in the industry from marketing to accounting , to deliver of services.

Many big companies are trying to participate to the development of Fintech, to offer to their clients these innovative services, resisting to the competition of new independent small firms.

But it seems very probable that traditional services will survive only transforming their people competencies and their marketing toward consultant companies, assisting mainly asset management of the affluent client and organizing additional services covering collateral needs of the clients, according to the family office concept.