

# Future-proofing The Fintech Revolution

A Digital Craftsmen Sector Study

Talk to our unique team of experts who are dedicated to helping you and your clients find the right platform to operate safely and productively in the cloud.

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## The second digital revolution in financial services is all around us

The financial world has had an interesting time of it lately. The crash of 2008 almost destroyed people's trust in many financial services companies.

The rise of mobile means everyone expects to be able to do everything from their phone right now. And companies like Airbnb and Uber have repeatedly set new standards for what people expect from digital services.

The result is that consumers have opened their minds and wallets to new ways of dealing with finance. They want to manage their affairs on their terms; on their phone, in an app, right now. The response has been an unprecedented explosion in companies using digital technology to deliver financial services where the emphasis is on the service rather than just the product.

But the challenges presented by these changes in behaviour are an amazing opportunity if you have strong foundations in place.

Here we take a quick look at a few areas that have the potential to transform the sector yet further.

### **Our Customers in Finance are about building Trust (and, ahem, so are we)**

The low opinion most people still have of traditional banks may be helping to create the opportunities for new fintech companies, but for any business trust is a fragile thing that takes years to build and seconds to destroy. Reliability and transparency are the basic components of a trust-based relationship, which makes them paramount for any customer-facing fintech business.



### **New Opportunities, New Challenges, More risk**

The now economy is paying dividends with customers but you know that it is also creating challenges for the financial organisations themselves. Simplicity is one problem; cutting down the bureaucracy that has traditionally regulated the sector to create something that doesn't just fit on a phone, but takes advantage of the unique properties of the medium. So we're seeing mortgage calculators and pension trackers taking over from annual statements and compliance documentation.

When it comes to investing, latency is another issue. In some areas, a fraction of a second can make the difference between profit and loss. That means the databases that apps in those sectors run on have to be constantly updated, and transactions have to be verified in real time. Not to mention being made fail-safe in service delivery.

### **Open Banking Yes, open Systems No!**

The importance of being able to collate data from multiple sources is vital for companies in the growing personal information economy sector. Banks for example are beginning to realise the value of pulling together consumers' spending data across a variety of accounts and investments, in order to help them manage their finances better.

The recent implementation of 'Open Banking' offers many new opportunities to provide even more interesting services, however it is well known that many areas of the financial industry there have been some fairly major concerns. The reality is that the steps organisations had to take before open banking are much the same as the ones after. The difference being that the stakes are potentially much higher. All of this puts a huge emphasis on the ability to share data across multiple systems safely and in instant, decision critical timeframes - and at the same time to protect it from unauthorised access. After all, the most likely source of a data leak is still a disgruntled employee.

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**Virtualisation**  
Servers, networking  
and storage

You might just need virtualisation of servers, network and storage...

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**Middleware**  
Monitoring,  
AV and backup  
OS

and then need to add an OS installation, 24/7 monitoring, secure back-ups and advice.

+

**Data management**  
Application  
installation

We can also go above and beyond the OS by installing and managing business critical applications...

+

**Operation  
optimisation**  
Change  
management

and guide your digital infrastructure transformation and make improvements to streamline operations.

+

**Future planning**  
Business  
consultancy

Always vigilant, saving you money, improving performance and helping build sustainable, digitally empowered businesses

## Perfect for your shape of business.

Our managed technology services can help secure both your reputation and your data on any platform.

### Building Trust - You have 20 seconds to comply!

Trust is also intimately tied up with security and compliance. Some regulatory bodies may have been prepared to take a slightly more relaxed approach to compliance for fintech start-ups in some areas. Given the rapid growth of the sector all of that is changing. There is much more focus on emerging technologies regulators having to make interim guesses as to what the new rules can be. This can be extremely frustrating. What it means in practice is that all your systems have to be not only compliant with all current regulations but easily updated to meet any new ones.

### Sadly, Hackers don't require budget approval.

Data security experts talk about the "thousandth window", meaning that hackers will keep looking for entry points into a system until they find one that is unprotected, whether that means probing one computer, a hundred, or a thousand. And evidence is growing that hackers are auditing systems so that

they can immediately target those that are vulnerable when a particular bug or loophole is discovered. Financial services is always going to be a prime target for attacks, so it's vital that your security is constantly updated.

As a fintech business, your success is built on your technical expertise. But that expertise is probably focused on delivering a great customer experience. Your tech people are unlikely to also have the skills needed to create and manage the infrastructure you're going to need to take full advantage of this second financial services revolution. It's simply not their job.

You can of course bolster the team with additional specialists, but if you're not an expert in these areas yourself, hiring the right people is difficult, and can be expensive if mistakes are made.

## Find your perfect foundation for Fintech

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To take full advantage of technology in your financial services business ask yourself a few simple questions: :

- ✦ **Are you ready for the next round of compliance and ombudsmen rulings and do you know when they will apply?**
- ✦ **Does your technology services partner fully understand the implications of GDPR and support PCI compliance?**
- ✦ **With future requirements such as open banking on the horizon are you confident that your infrastructure is fail-safe?**
- ✦ **To enable cross-business, data sharing are your security protocols regularly updated and patches kept current?**
- ✦ **Does your current hosting and infrastructure partner have at least ISO 27001 accreditation and have a proven approach to investing in the brightest technology minds?**
- ✦ **Are they able to provide consultancy on transformation and the creation of a culture of security awareness across employees and contractors?**

## Your business is building nicely, until suddenly it's not.

**A security breach can mean instant loss of customer data, business-critical information and a loss of brand trust. And, while that may sound scary, protection is simpler, and cheaper, than you may think.**

As Digital Craftsmen, we take pride in failsafe security systems in the cloud, hand built for you, which you don't have to think about. In fact, the first you'll hear of a problem is usually when we tell you we've fixed it.

We're long-term partners with many growing enterprises, offering made-to-measure, managed technology services and hosting for the financial, education, construction and government sectors, among others.

Our personal, dedicated approach could be why, in over 15 years', we've never lost a client on price or performance. Trust is everything.

Only the brightest, most exciting minds make it onto our team, innovating day by day. We're accredited as an Investor in People and, in recognition of our extremely secure processes, we've achieved ISO 27001. We operate with an integrity, and enthusiasm, unmatched by others.

With an 83% likelihood of a security breach occurring, and tightening legislation, it's vital to have a fully-compliant system and the right support in place. With your business protected, you can focus on achieving your potential.

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