

The rise of smartphones and the 2008 recession led to a fintech revolution in finance, making technology a vital asset for banks. The banking industry now faces a new landscape as the digitalisation boom driven by Covid-19 comes to an end and a global recession looms. Economist Impact, sponsored by Mambu, outlines the challenges that the digital transformation of financial services will have moving forward.

# Three ways

## fintech innovation can play a crucial role in governments' and companies' response to the looming crisis.

# 1

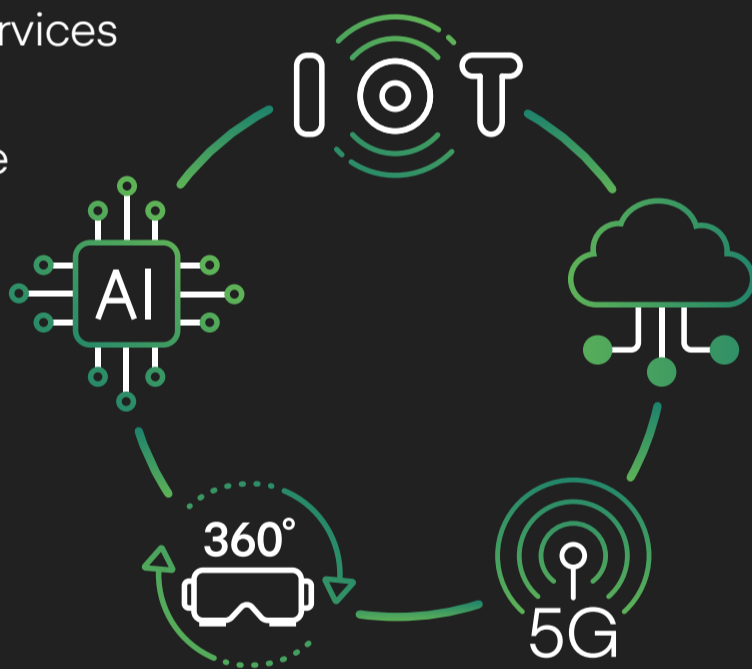
### Invest more in back-end innovations

- ✓ Executives are increasing spending on digital business initiatives.
- ✓ Consumer purchasing power decline may reduce digital product demand.
- ✓ This shift may drive businesses to invest in overdue back-end transformations.

# 2

### Build digital ecosystems as a safety net

These interactions will enable banks to integrate services in digital ecosystems and shape immersive digital experiences – an entirely new way of banking.



# 3

### Central Banks are rising as a new kind of challenger

- 86%** of CBs are actively researching the potential for Central Bank Digital Currencies (CBDCs)
- 60%** are experimenting with the technology
- 14%** are deploying pilot projects

Although the current crisis differs from the global financial crisis, the journey towards digitalisation will persist, attracting new industry participants and utilising innovative technologies to reshape the landscape of financial services.