

Contents

Preface	13
Acknowledgements	16
 PART ONE: Bank 2050	
 Chapter 1: Getting Back to First Principles	20
First principles design thinking	23
Applying first principles to banking	27
A bank that is always with you	32
Is it too late for the banks?	39
 Feature: Ant Financial—The First Financial Firm for the Digital Age by Chris Skinner	44
The Alibaba stories	46
Ant Financial: Building a better China	58
 Chapter 2: The Regulator's Dilemma by Brett King and Jo Ann Barefoot	64
The risk of regulation that inhibits innovation	66
A flawed approach to financial crime and KYC	72
The future form and function of regulation	82
Elements of reform	86
 Feature: How Technology Reframes Identity by David Birch	93

PART TWO: Banking reimagined for a real-time world

Chapter 3: Embedded Banking	102
Friction isn't valuable in the new world	104
New experiences don't start in the branch	106
Advice, when and where you need it	109
Mixed reality and its impact on banking	114
 Feature: Contextual Engagement and Money Moments by Duena Blomstrom	 118
Are banking chatbots the future?	118
 Chapter 4: From Products and Channels to Experiences	 124
The new "network" and "distribution" paradigms	124
Bye-bye products, hello experiences	131
The Bank 4.0 organisation chart looks very different	140
Onboarding and relationship selling in the new world	151
 Feature: Future Vision: Your Personal Voice-Based AI Banker by Brian Roemmele	 156
 Chapter 5: DLT, Blockchain, Alt-Currencies and Distributed Ecosystems	 160
Emerging digital currencies	161
Bitcoin and cryptocurrencies on a surge	166
The structural implications of DLT	176

PART THREE: Why FinTech companies are proving banks aren't necessary

Chapter 6: FinTech and TechFin: Friend or Foe?	186
“For me? Two servers”	188
Where the new players are dominating	191
Partner, acquire or mimic?	199
Killing FinTech partnerships—the barriers to cooperation	204
If you can't beat them, join them	209
 Feature: Why Banks Should Care About FinTech by Spiros Margaris	 212
 Feature: The Speed Advantage by Michael Jordan	 216
 Chapter 7: The Role of AI in Banking	 219
Deep learning: How computers mimic the human brain	225
Robo-advisors, robo-everything	230
A bank account that is smarter than your bank	233
Where automation will strike first	242
Redefining the role of humans in banking	245
 Chapter 8: The Universal Experience	 252
The expectations of the post-millennial consumer	253
The new brokers and intermediaries	261
Ubiquitous banking	267

Feature: Going Beyond Digital Banking by Jim Marous	269
Going beyond digital banking basics	270
Amazon model provides a guide for banking	271

Feature: Digitise to Lead: Transforming Emirates NBD by Suvo Sarkar	278
--	------------

PART FOUR: Which banks survive, which don't

Chapter 9: Adapt or Die	286
Key survival techniques	295
Survival starts at the top	306

Chapter 10: Conclusion: The Roadmap to Bank 4.0	311
Technology first, banking second	315
Experience not products	323
The Bank 4.0 roadmap	333
Conclusion	333

Glossary	337
About Brett King	344