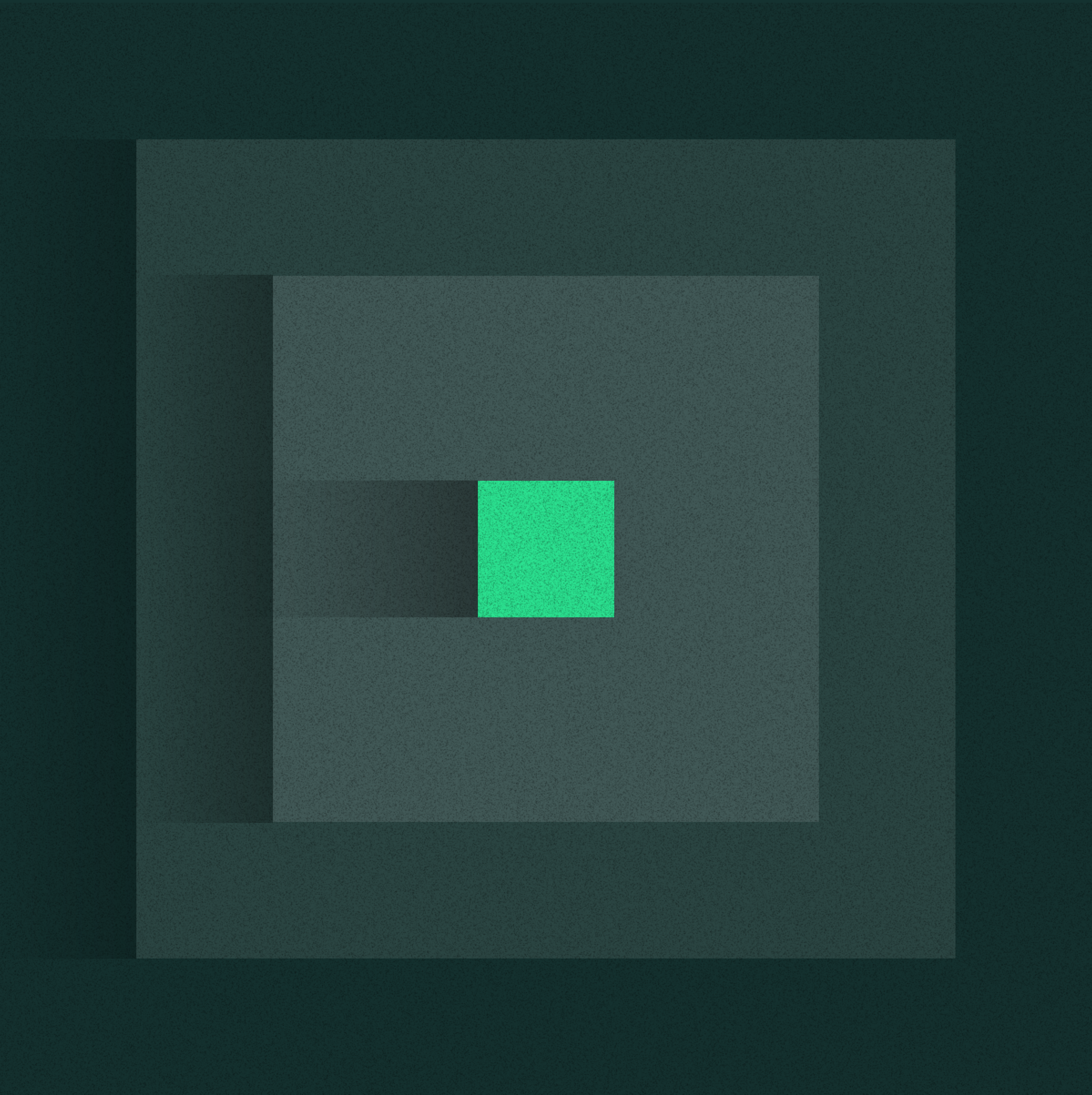
Payhawk | CURVE

2024 edition

Fintechs and Big Banks:

How innovation is shaping finance for businesses and consumers



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Introduction:

Hristo Borisov
CEO and Co-Founder

Payhawk

Shachar Bialick
CEO and Founder

CURVE

Fintechs have helped both companies and consumers understand and manage their finances in new and better ways. At Payhawk, we've created a product that helps simplify business payments and expenses and gives full transparency over company spend across 32+ countries around the world. Our user-friendly, intuitive product supports SMBs and Enterprise-sized businesses to save time and empower their teams.

We know that for businesses both big and small, a solution like ours will make everyone's life easier. But we're no stranger to meeting sceptical companies who are used to operating in more traditional ways.

This ebook is designed to explain the benefits of fintech and how fintechs and banks work together in our well-established and regulated financial system.

We're thrilled to partner with fellow fintech, Curve, to showcase how collaboration is part of our DNA.

Like many revolutions, the Fintech revolution offers a huge opportunity to empower customers to live healthier financial lives. To have more choice. A better understanding. And at less cost. But what fintech is and how it fits into the financial system can be confusing.

As this ebook explores, fintechs and traditional financial companies like banks can and do work together. Some fintechs offer customers improved services that we're already familiar with, while others have created whole new categories of products. But none work in isolation.

At Curve, we sit 'over the top' of traditional banks and financial systems, working with your day-to-day bank to help you spend, send, see, and save your money more simply. But we couldn't do this without being part of a broader, collaborative financial system.

That's why we've joined forces with Payhawk for the ebook. We want to explain how fintech and banking work from our point of view: two fintech start-ups joining the dots of different parts of the financial system for the benefit of our customers.

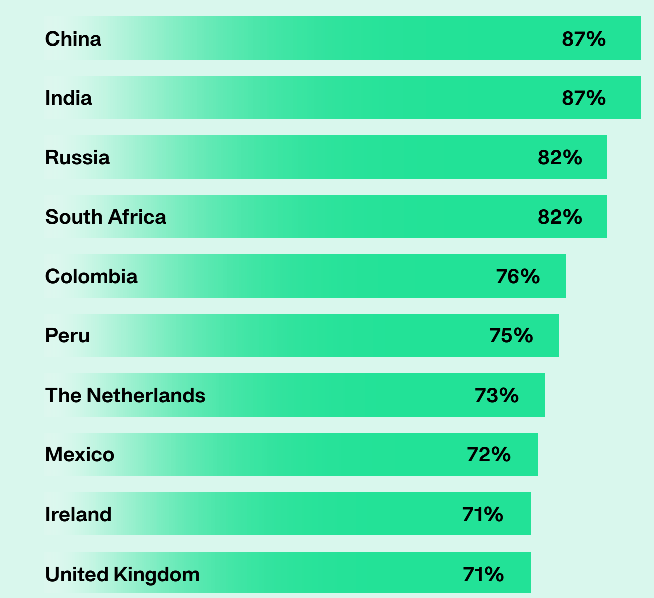
Why fintech?

Fintech — the intersection of financial services and technology — generally refers to companies that bring automated and improved financial services to individuals or businesses. The word ‘fintech’ goes back to the early 1990s, but the term only started becoming popular around 2014.

Three major factors accelerated the growth of fintech:

- The 2008 global financial crisis, when consumers started to lose trust in traditional banks
- The explosion in the number of people using smartphones around the world (49% of the population in 2016 grew to 78% in 2020[1])
- A shift in regulation enabling financial innovation (learn more in section 3)

The top 10 markets in consumer fintech adoption (% digitally active population)



Source: EY Global FinTech Adoption Index 2019. Based on a survey of 27,000 digitally active consumers.

Traditional banking services like deposits, loans, payments, and personal finance management stayed largely the same for many decades. This lack of movement existed because the main actors (big banks) historically had a low incentive to innovate coupled with an inability to move at speed. Market regulation also made it difficult for new companies to enter the banking market, making competition scarce.

Fintech companies, with their lean and flat structures, new business models, and relentless focus on customer outcomes, have been able to adapt to new technologies and trends much faster. This agility has changed how we do banking today and will continue to do so. But how and why are fintechs able to offer these improved services?

Focusing on the customer

Fintech companies succeed by making people’s lives easier. Fintechs can adapt to customer needs better than traditional banks, thanks to their often excellent user experience (UX). How easy is it to order food or a taxi from your smartphone? Isn’t it a nice touch when Netflix recommends movies based on your preferences? Now, think about how that intuitive and personalised experience translates to your finances.

Fintechs have revolutionised how we deal with money, both personally and in the business world. These days it’s a whole different ball game, from sending payments via messaging and having all your card payments in one single card, to allowing business owners to control real-time company spend.

UX is at the forefront of these new and improved services, creating accessible and straightforward applications to operate in the financial services market. On the other hand, traditional banks have usually seen the end-user experience as the last and least important part of the equation.

Customer engagement is also a cornerstone of most fintechs. Customer feedback and ratings are crucial for product development and attracting more customers. Fintech companies often try to create communities around their products to help generate enthusiasm and spark ideas for further improvements. Most fintechs won’t be happy accepting the traditional approach of using colossal marketing campaigns to blast out advertising in the hope of attracting customers. For fintechs, happy customers are the best customers as they’re likely to be the best brand advocates.

Accessibility

Fintech companies can also serve niche markets and customers that have previously been underserved. Some banking services now specialise in sole traders or virtual cards for younger generations of digital natives. Or what about the use of Artificial Intelligence (AI) to analyse credit risk, reducing the potential for human bias?

In Africa and emerging Asia, the focus of fintech has been on financial inclusion and economic development. World Bank data shows that the rise of the middle class in many developing economies is down to advances in the digital economy. Africa is the world's largest adopter of mobile money transfer systems, owning 70% market share in 2018. Kenya-based fintech Tala, for example, allows anyone with an Android smartphone to apply for a loan and get an instant decision.

Legacy banks failed to serve rural areas in China due to higher risk and low margins. Now, companies like Ant Financial, a subsidiary of Alibaba, use big data analytics to assess credit risk and to provide more accurate services. Today, Ant Group provides payments and other financial services to more than 1 billion users.

We're now looking at a complete democratisation of almost all financial services in the market. You can buy and sell stocks or transfer bitcoin in seconds from your mobile device, without place or time limitations. It was almost impossible to operate with stocks or cryptocurrencies a few years ago. And it was costly, confusing, and required an understanding of financial markets. Federal Reserve data from the US from 2016 to 2019 shows that more than 53% of families own stocks, and over 30% of those are lower-income families.

Cost and time efficiency

Abandoning the idea of physical bank branches reduces the cost of services. Fintech solutions are often more cost-effective as they have less real estate costs and fewer customer service staff.

Most of the fintech industry is built under open Application Programming Interfaces (APIs). APIs have enabled businesses old and new to work together more safely and efficiently. Before APIs, developing a new financial application required a lot of time and money as it had to be built from scratch. And it was almost impossible for different systems to interact with each other.

Today, APIs allow companies to focus on specific functionalities, decrease market time, and reduce development costs. They also let different fintech companies and products communicate and share data to improve the customer experience.

Challenges

Unsurprisingly, any new tech that creates change can also bring challenges.

As more and more people gain access to financial services and data, some of the new challenges to regulators and other stakeholders are:

- Data security
- Financial exclusion of those less digitally connected
- Market distortions due to poorly understood interactions between customer behaviour and new technologies (take the GameStop shares situation, for example)
- Data privacy and the use of personal digital information for profit
- The potentially harmful use of technology by corporate or governmental actors (i.e., facial recognition), including ongoing biases from human coding

Top 10 fintechs by sector, according to Insider Intelligence 2022 and Fintech Magazine 2021

Retail banking

N26
Monzo
Tandem
Starling Bank
Tide
Nubank
Ally Financial
Revolut
Chime
Atom

Payments

Paydiant
Dwolla
Venmo
PayPal
Klarna
Curve
Payhawk
Stripe
Square
Wise

Investing and wealth management

Carta
Betterment
Vanguard
Moneyfarm
Robinhood
Advizr
Habito
Nutmeg
Wealthfront
Hydrogen
Charles Schwab

Insurance

Cuvva
Shift Technologies
Steppie
Knip
Bought By Many
Ally Financial
Slice Labs
Roost
Lemonade
Teambrella
Kasko

Markets, Currency, and FOREX

Ripple
Kraken
Coinbase
Bitstamp
BTC Media
Digital Asset
Ethereum
BlockFi
Circle
Gemini

Lending and financing

Zopa
SoFi
AvantCredit
Assetz Capital
Bond Street
Orchard
Funding Circle
AuxMoney
LendUp
Younited Credit
AfterPay

Core fintech technologies

- Blockchain
- Artificial Intelligence (AI)
- Big data
- Machine learning
- Application Programming Interfaces (APIs)
- In house tech / innovative algorithms
- Cloud computing
- Internet of Things (IoT)

Funding

- Funding for fintech startups: $49 billion in 2020 to $131.5 billion in 2021 (CB Insights)
- Fintech accounted for $1 in every $5 of global venture funding (CB Insights)
- Fintech companies attracted $1 trillion from 2010 to 2020 (Bank for International Settlements)
- Fintech companies make up a third of all new unicorns in 2021 (Fintech Global)

How fintech has changed the financial system as we know it

Let's face it: legacy banks aren't going anywhere. Customers, including businesses and consumers, largely trust banks to hold their current account deposits and use them as the 'first step' to entering the financial world.

In recent times, this assumption of safety is being challenged, however. Considering the collapse of Silicon Valley Bank and the difficulties faced by Credit Suisse, even 'traditional' banking establishments will now struggle to build and keep trust.

Plus, customers want more than that from their financial lives. So banks will likely keep their market share, providing they adapt their products and services to customer needs. This adaptation will likely require many banks to make their business models more flexible. Having the best digital version of their current offerings won't be enough — they'll also need innovation in product and value proposition, such as mobile payments or peer-to-peer lending.

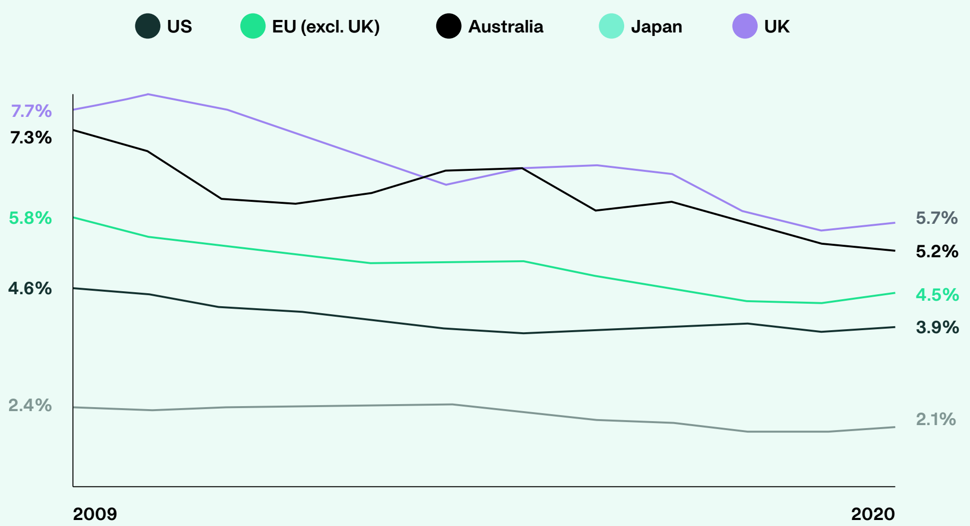
As the graph below shows, revenue at traditional banks has dropped since the first wave of digital banks. It's even lower today as fintech companies continue offering a broader range of services than their legacy counterparts.

The number of fintech startups is growing day by day — driven by the adoption of new technology and shifts in the regulatory framework. In November 2021, data[7] revealed that there were 10,755 fintech startups in the American continent, 9,323 in the EMEA region (Europe, the Middle East, and Africa), and 6,268 in the Asia Pacific region. And the rate of growth shows no sign of slowing as fintech services become more and more embedded in people's lives every day.

We need to make a big distinction here, though. There are different kinds of fintechs. You've got the fintechs that do something traditional in a better (or more digital) way, such as online banks and neobanks. And you've got those that bring entirely new services, such as Curve and Payhawk, with a one-stop solution for consumers and businesses, respectively.

In terms of market capitalisation, in 2020, four major fintech companies and payment processors were collectively worth more than a trillion US Dollars[8]. That's pretty mind-blowing, especially when considering that the value of the six largest banks in the US was a much smaller $900 million.

Banks' revenue as a share of gross domestic product



Source: Abbot et al, Accenture, November 2021, The Future of Banking. It's timefor a change of perspective

We can't forget the Big Techs

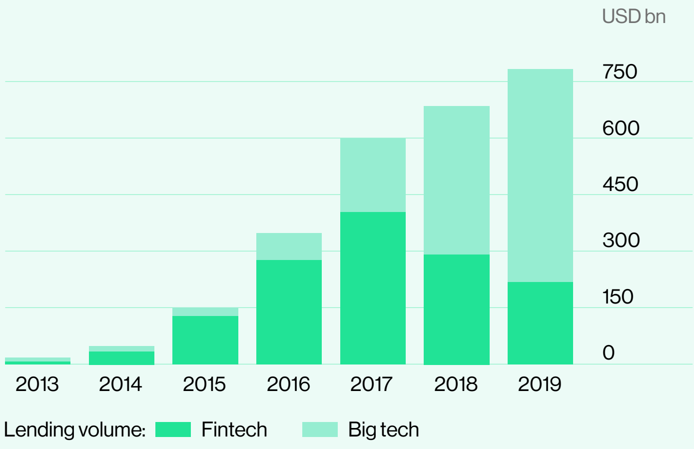
Big Tech companies (Amazon, Google, Facebook, Alibaba, Apple, etc.) have an advantage because they already have the customer base and data to provide customised financial services to their customers.

Alibaba, the e-commerce giant, started offering loans to underserved SMEs in 2010. SMEs, which constitute the majority of firms in all economies, face higher barriers to credit access than bigger firms. Alibaba's loans were based on the company's historical credit records on the Alibaba platform. Data from a BIS paper[9] mentioned that big techs have a competitive advantage due to the network effect, which is when a company uses its platform to keep users engaged in its product ecosystem, partly through the high costs to a consumer of switching to another product or service — either direct costs or because of the hassle of using a new service.

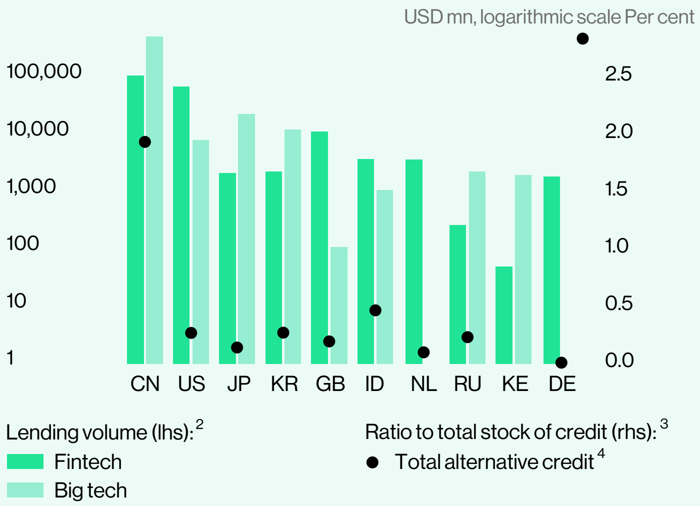
And Big Techs also have a technological advantage over traditional lenders in making customers repay their debts. They can do this by potentially blocking them from their tech platform if they don't make their repayments. McKinsey data[10] showed that the **market capitalisation of the largest seven tech companies is the same as the 200 biggest banks, with a total value of $12 trillion.**

Big Tech vs Fintech Credit

Big tech credit is overtaking fintech credit



These alternative forms of lending are becoming a significant portion of total credit in a few economies



Source: Feyen et al. Bank for International Settlements, July 2021,
[Fintech and the digital transformation of financial services: implications for market structure and public policy]

Competition or cooperation?

Initially, fintechs were seen as competitors to big banks, offering similar services but with a better customer experience and a cheaper price tag. But all that has changed.

The thing is, many fintechs aren't interested in 'becoming banks' only to provide the same services under the same regulation as traditional banks. This would only stop them from being able to innovate at pace and offer customers the best experience possible.

Likewise, traditional banks often lack the structure to innovate in-house. Instead, they often decide it's more cost-effective to partner with a fintech company to update one particular area of their offering. Ultimately, there's space for both banks and fintechs in the financial system.

The number of partnerships between big banks and fintechs increased during the COVID-19 pandemic, which triggered a need to provide the best digital services to both sets of customers. Slowly, as the whole financial ecosystem becomes more modernised, there will be plenty of room for collaboration between banks, processors, fintechs and networks. And as fintechs provide whole new experiences, rather than just 'digitising' existing ones, the scope for cooperation will only grow.

Look at JP Morgan's acquisition of OpenInvest, a platform that allows asset managers and investors to categorise investments based on their social and environmental impact. Or HSBC's partnership with Tradeshift, an e-invoicing and accounts payable fintech, which gave the bank direct access to the invoicing platform to automate payments. Not to mention the main Spanish banks who created their own service/app together called Bizum, to allow customers to send money via smartphone. To date, Bizum has more than 20 million users[12] — that's almost half of the Spanish population.

Diversifying lending post SVB collapse

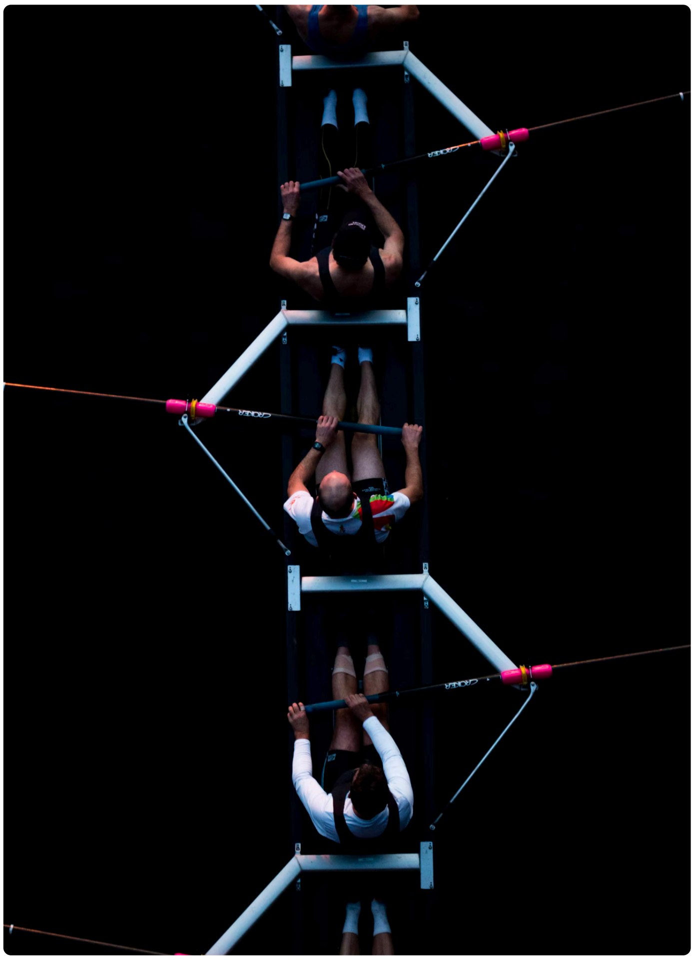
The 2023 collapse and acquisition of Silicon Valley bank by HSBC (in the UK) and First Citizens Bank (in the US) will likely change businesses' attitudes to banks going forward and have ongoing repercussions for 'assumed' trust and stability.

The SVB collapse highlighted the need for businesses to proactively safeguard themselves against financial risks and diversify their credit and funding sources.

Startups, in particular, have started to recognise the importance of evolving their financial strategies to reduce reliance on single providers, including traditional banks. By diversifying credit and funding sources, growing businesses understand that they can:

- Mitigate risk and reliance
- Access better potential rates and terms
- Gain flexibility
- Cater to different business needs
- Build credit history

The SVB collapse and acquisition serve as a reminder of the importance of diversification and contingency planning in ensuring business resilience. By learning from this experience, businesses can become more sure-footed about protecting themselves and view diversifying credit and funding sources as a tool for long-term success.



What you need to know about fintech's regulatory environment

"Open banking is one of the rare cases globally where regulation precedes innovation and not vice versa. By redefining the ownership and data-sharing rights, Open Banking and PSD2 regulations put the customer at the centre and aim to lower entry barriers into the banking sector"[13]

Pinar Ozcan, University of Oxford
Markos Zachariadis, University of Manchester.

Different countries have different regulations. But wherever they're based, fintech companies work in highly regulated sectors. Fintechs are held to as high a standard as any other financial institution, such as a bank or a more traditional payment company. The regulations that fintech companies have to comply with depend on what activities they specialise in. Fintechs need to consider whether their activities need to be authorised and which regulations, rules, and guidance they must comply with.

Customer protection is key, which means all financial institutions must follow strict anti-money laundering and anti-financial crime rules. Fintechs can often follow these rules more quickly and simply, without compromising on security because of their improved use of technology. For example, fintechs were some of the first financial companies to let customers lock or freeze their account in the app if they lost their physical card.

The purpose of financial regulation is to make finance safe - both for users and for the economy. Regulators achieve this by imposing various requirements on financial firms. This might be a requirement to hold a certain amount of capital as a minimum. This capital holding means the firm always has enough money to keep running, which protects customers from losing their money (and the economy as a whole from a new 'credit crunch'). Other times, the requirements affect how a firm conducts its business and treats its customers. These rules are no different for Big Tech companies moving into financial services.

The innovative nature of fintechs means that the traditional regulatory framework can be a poor fit for what's on offer. Fintech companies are, by definition, trying to provide new services to their customers or new ways of offering traditional services in a cheaper, quicker or simpler way. Regulators around the world are constantly updating the existing rules to better fit the new fintech offering. They also create whole new areas of regulation to capture entirely new services. These regulatory updates can enable innovation by creating new commercial opportunities and making sure they're safe.

When a new financial activity is brought into regulation, customers become more confident that they're adequately protected if something goes wrong, so more people are likely to use the new service. Regulatory innovation has a huge job in mirroring - and keeping up with - market innovation. Regulators and the fintech industry need to be in constant communication to make sure both sides are aware of what's in development. This dialogue means both regulators and industry players can proactively plan their future offerings in line with the other, so that customers can be sure they're getting the best and safest services.

Fintech around the world

The UK is one of the biggest fintech markets. In fact, London is commonly known as the second-ranked fintech ecosystem globally[14]. This ranking is due to its importance as a traditional financial centre and its close links to other global hubs. It also offers a wide range of financial services and a welcoming approach to financial innovation[15].

The EU is rapidly developing its laws and regulation around fintech to foster a vibrant fintech industry. The EU led the way on Open Banking through PSD2 (see below) and is the global leader in protecting consumer data. The EU's ambitions for fintech are to promote competition and innovation and overcome legacy issues in traditional financial markets to knit the European Single Market closer together.

China has, by some measures, the most developed fintech market in the world. This fintech success comes from a digitally active population that uses retail fintech services, large investment in the industry, and strong interest from the government in fostering digital finance to make up for an underdeveloped traditional financial sector. China's lead, especially in payments and digital currencies, is still at the forefront of these sectors globally. However, political risk can make links between the Chinese and global fintech sectors unstable.

Japan and South Korea have robust fintech sectors that are thriving and encouraged by their governments. Some challenges in Japan include the dominance of legacy financial infrastructure and a relative lack of consumer demand for new services. The South Korean government actively promotes fintech innovation by encouraging safe innovation through a regulatory sandbox.

Australia has a dynamic fintech market which has only driven further by the pandemic. The Australian Consumer Data Right is the global leader in giving consumers greater access and control over their data. This regulation supports the Australian version of Open Banking and is often considered as a model set-up by other jurisdictions.

The US hosts the world's major centres of both finance and technology, but this doesn't necessarily mean it leads in fintech. This is partly because of the dominance of traditional financial companies and practises, but also because of a complex regulatory environment that is split between federal and state regulation and between different public institutions. Some official attempts have been to drive innovation in finance more actively. For example, President Biden's 2021 Executive Order on Open Banking. On the whole, fintechs and challengers to the traditional system still operate under legislation and regulation mapped out decades ago, such as the post-financial crisis Dodd-Frank reforms.

It will be interesting to see if the US can create a coherent approach to supporting fintech innovation. It's already the home of Big Tech, with a sizable market and a solid reputation in venture capital funding. So if it moves to simplify the regulatory framework and promote competitive innovation, this will have a massive effect on the global fintech sector.

Some of the key regulations for fintech firms around the world	
Regulation	Aim
Payments Services Directive (PSD2)	PSD2 is the core EU legislation that covers payments services. PSD2 launched in early 2018 to enable innovation in payments. Its core development was to require banks to open up their payments services to Third Party Payment providers to directly offer customers new forms of payment and interconnectivity for their money. This interconnectivity between traditional and contemporary forms of payment has helped make the financial system more stable as a whole. PSD2 has encouraged the development of market-led Application Programming Interfaces (APIs) that help the different parts of the digital financial system talk to each other. Together this has promoted the development of a thriving fintech payments ecosystem benefiting consumers with cheaper, quicker, simpler and safer payments. PSD2 is under review by the European Commission in 2022, with a “PSD3” expected to follow. PSD3 will likely build on the developments of PSD2 to promote further competition and innovation in payments.
Open Banking	The core idea of Open Banking is that the customer has the right to share their banking data with third parties to access new financial services. Open Banking was originally a set of activities enabled under PSD2 and promoted in the UK via the Competition and Markets Authority. But now it can refer globally to any set of policies that allow customers to use their data to access financial services from third-party providers. South Korea and Australia have advanced Open Banking frameworks. There are ongoing discussions globally to expand Open Banking into a broader Open Finance framework, which would expand the type of services and data that would be ‘open’ - from deposit and payments data currently, to loans, insurance and even digital identity.
E-money legislation	E-money is a store of value held electronically as a representation of cash and denominated in national currency (Dollars, Euros or Pounds, for example). Regulators in various jurisdictions, such as the EU and UK, brought in new ‘e-money regulations’ to support the introduction of e-money to facilitate cashless payments. In order to treat all customers fairly and safeguard its value, each jurisdiction has its own set of regulations regarding e-money.
Buy Now Pay Later (BNPL)	BNPL is a new way of providing consumer credit, particularly in low amounts. Fintechs can provide BNPL more effectively than traditional credit providers because their tech can help them better assess consumer affordability. Many jurisdictions are currently exploring specific BNPL regulations to ensure that the consumer is protected from financial harm when taking out BNPL credit.

Crypto assets	The surge in crypto asset trading over the last few years has driven public sector interest in regulating this new market. One of the original purposes of crypto assets was to provide a market outside highly localised and regulated financial systems. On the whole, different jurisdictions are in different places when debating how to regulate crypto assets. But the twin issues of consumer protection and the stability of financial systems are at the heart of any concerns. Many regulators are exploring how to regulate the "on" and "off-ramps" of the crypto market. That is, the companies (usually fintechs) that customers can use to turn their traditional money into crypto assets. Part of this involves the closer regulation of how they are marketed to the general population. One specific area of regulatory attention is around digital money, including stablecoins and Central Bank Digital Currencies (CBDCs). Stablecoins are private crypto assets that aim to hold a stable value against a designated national currency, which allows them to be a reliable interaction point between the traditional financial and crypto/fintech systems. CBDC would be a form of digital currency created by the public sector to allow individuals to transact using a form of "digital cash" online. It would have the same functionality as a stablecoin but as a direct liability of the Central Bank. The areas of stablecoin regulation and CBDC development are currently under intense public sector scrutiny.
Other regulation	There are broader regulations that also affect fintechs and other financial market participants. These regulations protect consumer rights and make sure that markets function correctly, competitively and safely. Some examples of these regulations are personal data (e.g., the EU's GDPR), competition (especially the role of Bigtechs and other digital 'gatekeepers' in finance), Anti-Money Laundering and operational resilience.

Putting control back in customers' hands: The one-stop-shop fintech solutions

Fintech promises to improve our lives by giving us more control over our money, whether that's through cheaper, faster, simpler, more accessible or safer services. One way some fintechs do this, like Curve and Payhawk, is by working alongside traditional financial institutions.

Curve makes your money work harder

Curve, the financial super app, launched in 2018 and now has more than 3 million customers in 31 markets across the UK, US, and European Economic Area (EEA). It's due to launch in the USA later this year.

Curve is on a mission to be the one-stop-shop for a consumer's financial needs, allowing people to see, send, save and spend in ways like never before. Founder Shachar Bialick created Curve with a vision of ending the fragmentation that exists right now. As financial markets offer ever more specific services for customers - providing better but more complex services - Curve consolidates the experience to make the customer's life easier.

A single point of access to a wide range of financial products and services, Curve bundles your money into one smart card and an even smarter app. Unlike other services, Curve lets customers connect and supercharge their legacy banks to the 21st century, without leaving their bank or signing up to a new one.

Curve is an "Over The Top" platform. That means it doesn't replace banks but rather builds on top of the traditional banking sector to give customers the flexibility to make the best choice based on their available financial services. Since Curve builds on top of the existing financial system, instead of competing directly with it, customers don't even have to change their behaviours or underlying bank accounts.

Because of its unique technology, Curve can offer customers a number of features to simplify their financial lives.*

- Connect your cards: The core Curve feature lets customers link their debit, credit, loyalty and crypto cards via the app, so they can choose which card to spend with on their digital or physical Curve card by swiping through the app. The app shows and categorises all purchases in an easily visible way. Curve is a Mastercard ® debit card that can be used abroad by customers at fair rates.

- Go Back in Time allows users to move transactions made on their Curve card from one funding card to another up to 30 days later.

- Curve Flex helps customers to split payments made in the past year into installments. This feature frees up money to help customers rework their budget at a moment's notice — all with a quick swipe on their phone.

As an over-the-top platform that connects to customers' cards and bank accounts, Curve can offer value to businesses across multiple sectors - not just in financial services. Whether it's enabling contactless payments, providing customers with credit at the checkout or the ability to spend crypto, Curve is helping its partners simplify people's payments and financial lives. Curve already has partnerships with companies like Samsung ®, Huawei ® and Swatch ® to help customers make secure contactless payments via their mobile device or watch. Partnerships like these mean more and more people can benefit from Curve's platform.

Payhawk lets you manage all your company spend in one place

For large and growing businesses, Payhawk is **business spend, reinvented.**

Many finance teams use multiple disconnected tools for corporate cards, payments, invoices, purchase orders, subscriptions and expense management. This lack of connection leads to lots of manual work and a lack of spend visibility. Payhawk reduces the amount of manual work by combining those key elements in one easy-to-use platform, automation-powered platform, acting as a one-stop-shop for finance teams.

Like Curve, Payhawk lets your business keep its legacy company bank account but improves your finance team's — and spending employees' — user experience. It also gives finance leaders real-time control and visibility over company expenses via in-built policies, approval workflows, multi-entity dashboards, reporting, and more.

Integrations are key, too, especially accounting software and ERP systems. Payhawk has direct integrations with TravelPerk, Datev, Microsoft Dynamics, QuickBooks Online, Netsuite and Xero. It also has open APIs to adapt the data from the platform to fit into your company's systems.

Payhawk simplifies expense management for all stakeholders in your business thanks to its handy features, letting you:

- Design the approval process for fund requests in just a couple of clicks with **custom workflows**
- Pay your bills or quickly reimburse employees directly from the platform with **SEPA Instant and Faster Payments**
- See all your **subscriptions** and invoices in one place and take complete control of unused platforms/services
- **Approve spend before it happens with an intuitive Purchase Order system**

A.T.U Die Nr.1 Meisterwerkstatt

Use case

Business digitisation

"We looked intensively for a solution that would offer us the flexibility to simultaneously have a card and retain full transparency and control. Both I, as CFO, and all my colleagues knew the biggest problem was that we always ended up chasing receipts. Thankfully, we no longer have to chase receipts. Since using Payhawk, managers must simply take a picture of their receipt (so the OCR can capture the data) and enter it into the automated finance system. In the first year, this change resulted in ATU recouping €2 million from the tax office that would have otherwise been lost."

VIKING

Use case

Global company

"We wanted to help our colleagues focus on their jobs instead of spending valuable time on bookkeeping. Our service technicians should be out there serving vessels, and now they can be. They travel all over Europe — sometimes even the world — and whenever they have an expense, with a smart solution like Payhawk, they just take a photo and they're done."

STATE OF PLAY HOSPITALITY

Use case

Project/ venue spend and ROI

"We get complete spend visibility thanks to Payhawk's integration with NetSuite. That flow of spend data means we can understand our P&L very quickly after we produce it, with no headaches — including spotting if there's overspend. For example, if we see that we're spending too much or more than expected on DJs in a particular venue, then we can say 'were we overcharged? Or should we adjust budgets?"

Working together for our customers

Thanks to ongoing reforms that are modernising one of the most regulated markets in the world, it's clear that banks are no longer the only players in town. Regulations and initiatives like Open Banking have truly levelled the playing field and allowed fintechs to update and improve outdated ways of working in secure and credible ways. Curve and Payhawk are just two examples of how agile fintechs are truly transforming people's lives with their simplified services and client-oriented design.

At first, fintechs and banks were competitors, but today they're working together to transform the financial services industry and widen its consumer base and impact. Legacy banks have won their customers' trust over many years, and fintechs have the tech to innovate rapidly and continuously. This combination makes fintech companies and banks a perfect mix when they come together to give people the best experience possible.

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About Payhawk and Curve

CURVE

Curve is the money super-app that empowers everyone to enjoy financial freedom by simplifying and unifying the way they spend, send, see and save money. Launched in 2018, Curve now has more than 3 million customers in 31 markets across the UK and European Economic Area (EEA). We're due to launch in the USA later this year. Find out more about Curve here.

Payhawk

Payhawk is a leading global spend management solution for scaling businesses. Headquartered in London and combining company cards, reimbursable expenses and accounts payable into a single product; its future-facing technology enables finance teams to control and automate company spending at scale.

The Payhawk customer base includes fast-growing and mature multinational companies in 32 countries including LuxAir, Gtmhub, and Wagestream. With offices in New York, London, Berlin, Barcelona, Paris, Amsterdam and Sofia; Payhawk is backed by renowned investors such as Lightspeed Venture Partners, Greenoaks, QED Investors, Earlybird Digital East, and Eleven Ventures.