LET'S GET TOGETHER: COLLABORATION BENEFITS BOTH FINTECHS AND TRADITIONAL FINANCIAL FIRMS

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The following article is based on findings from "Financial Services at the Crossroads of Digital Transformation," our collaborative report with Forbes Insights.

Today's consumer-centric culture demands fast and convenient access to accounts, personalized communications, targeted products and round-the-clock service. Many FinTech companies deliver on that promise, offering advanced software solutions such as mobile payment applications and investment platforms. These new tech companies seem to be appearing on the financial scene on an almost daily basis, and traditional financial institutions are taking notice.

According to a recent survey of 200 business and legal executives, partnerships are the key to staying competitive in the financial services industry. 71% of respondents agreed that collaboration can help financial institutions keep pace with the cutting-edge financial and payment services offered by new technology companies. Nearly half count FinTech firms as partners, while just 20% are developing their own technologies in-house.

Whereas in previous years, banks may have been reluctant to work with FinTech firms due to perceived risk, the mutually beneficial nature of this collaboration now appears to be undeniable. Traditional banks see the opportunity to learn from FinTechs and leverage their technology in the future, while many FinTechs see the benefit of adopting the mature approach to processes and governance from companies who have been in the industry for some time.

The need for collaboration extends beyond just traditional financial services institutions and FinTechs. Collaboration between industry participants and regulators is also essential to the evolution of financial services overall.

K&L Gates has partnered with Forbes Insights again to conduct an in-depth study on how technological disruption and an ever-changing regulatory environment are impacting executives in the financial services industry, and what challenges and opportunities those trends present. Drawn from a detailed survey of 200 financial and legal executives, the report addresses topics including the impact of digital transformation, competition from non-traditional companies like FinTechs, forces of risk, and future outlooks on the industry.

Download the report >

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