



MEDIA RELEASE

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It's time to make FinTech your new BFF

The future of banking and the sector's relationship with its financial technology (FinTech) rivals was examined at a conference hosted by [Heartland Bank](#) and [FNZC](#) in Auckland yesterday.

Under the theme *Banking and FinTechs: Friends or Foes?*, and with a particular focus on online origination and lending, the speakers shared their thoughts on the rise of FinTech, the future of consumer and SME finance, and the role of data and analytics in transforming the customer experience.

Heartland Bank CEO, Jeff Greenslade kicked off the afternoon with a nod to Greek mythology recalling the story of Orpheus and the lesson of not looking back.

"While the past might be enticing and comfortable, the future of banking is definitely about looking forward and either emulating FinTechs or collaborating with them," said Greenslade.

"Heartland saw the writing on the wall early and has responded to our customers' growing desire to transact online and quickly. We've partnered with three FinTech lenders and built eight of our own online lending platforms. Put simply, FinTech is our new best friend," he added.

Greenslade reminded the audience that FinTech is not a product or a process, but a channel: "It's about maximising the low cost distribution offered by the internet and coupling it with fast risk decisioning tools that allow you to get to the customer quickly and cheaply, while at the same time providing them with what they want, before they know they want it."

Speed was a key theme echoed by other speakers including [Spotcap's](#) Lachlan Heussler who said banks are known to be really good at giving a slow no when making credit decisions.

Heussler predicted the future of FinTech would be focused on four key areas: user experience (UX), open data, predictive models for automated underwriting, and industry consolidation.

"Consumers are demanding that technology meet them on their terms. They want to fill in an application on their phone while watching the latest show on Netflix. We've come a long way from the days when your relationship with the bank manager was so important that you invited them to your child's christening."

Heussler touched on the need for open data and the recent Coleman Report that may see Australia follow in the footsteps of the European Parliament with the second payment services directive (PSD2) that will require all European banks to release a customer's transactional data to third parties (if requested by the customer), thus levelling the playing field for FinTechs.

Other speakers included Neil Roberts from peer-to-peer lender [Harmony](#) and Craig McLaughlin from San Francisco-based digital design agency, [Extractable](#). Both speakers emphasised the importance of the customer experience in the consumer FinTech lending space.

The conference concluded with a panel discussion on the new challenges for monetising data.

– Ends –

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Note to Editors:

The conference speakers and panellists are listed below:

Speakers

- Jonathan Klouwens, FNZC
- Jeff Greenslade, Heartland Bank
- Neil Roberts, Harmony
- Lachlan Heussler, Spotcap
- Craig McLaughlin, Extractable

Panel discussion

Narrowing the odds– the new challenges for monetising data

Panellists: *Trent Fulcher (Fuelled), Candace Kinser (Independent), Karen Scott-Howman (New Zealand Banker's Association), Paul Psaila (9 Spokes), Sam Daish (Xero)*

Moderated by: *Craig McLaughlin (Extractable)*

About Heartland Bank

Heartland Bank Limited is a New Zealand registered bank (NZX:HBL) that recognises, and is responding to, the changing banking sector. Its early strategic focus was product-centric; delivering innovative banking products to market segments underserved by the other banks. Now, in the next phase of its strategy, Heartland is focused on the channels to deliver its products with an emphasis on digital distribution. Heartland has launched a number of digital platforms (including www.openforbusiness.co.nz, www.openforyou.co.nz and www.openforlivestock.co.nz), that deliver a fast and simple customer experience. Visit www.heartland.co.nz