

The Pulse Check podcast – episode 41

Speakers:

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Bojan Obradovic, Group Head of Innovation and Digital Partnerships, HSBC

[Ben]

I eventually started to get angry at it and said just do your job, make an opinion. It gave me the advice and I thought, 'Huh, that's interesting', because it's not allowed to do that. So, who's actually giving the advice on a regulated activity?

Information asymmetry has typically been a core advantage of banking institutions.

A lot of the power is coming back to the customer.

[Salomon]

There are some banks that still keep calling me up to try to sell loans to me. They don't even speak English.

[Ben]

I hope to the high heavens that I stop getting phone calls from these telemarketers. That will be the future of banking that I will enjoy.

My bank needs to contextually understand my journeys.

It shouldn't feel like banking.

It should just be part of everyday life.

[Bojan]

If the world becomes increasingly unpredictable, trust becomes increasingly more valuable. The bank that's built on trust, weathered many storms, world wars, financial crises. That is a unique advantage.

[Salomon]

If you look at Netflix, probably it's also more acceptable if Netflix recommends the wrong movie once in a while. But if you recommend the wrong financial product and I lose a lot of money, that would definitely not be appreciated.

[Text on screen]

synpulse8 Presents

The Pulse Check Podcast

synpulse8

[Salomon]

Welcome to Pulse Check. We have a special episode today. I'm here with Benjamin (Ben) Quinlan from Quinlan & Associates and also with Bojan. So, Bojan Obradovic, you're the Group Head of Innovation and Digital Partnerships at HSBC. So, your first time on the podcast, so thank you so much for making time.

I normally start with an icebreaker before I introduce you further. So, Ben, first to you. What makes you, you?

[Ben]

I'm pretty sure that a lot of people know my other hat as a stand-up comic. So hopefully I bring a bit of levity and humour to my work as a consultant and the process of working with us can be slightly more enjoyable than the average consultant in the market.

[Bojan]

Well, I'll just say that I was very impressed when I first saw Ben do his stand-up comedy and that was an unexpected twist as I learned about that, but it's impressive.

I don't have quite as an impressive story in that regard. But maybe there are two things I can highlight. One is I'm an avid videographer. I've been passionate about that since the very early stages of my life. Owing to my father who was passionate about it.

So, did a lot of video editing. Had my own video editing company, was producing videos just for friends for fun. Had my own YouTube channel.

And the other one is I played organised basketball for more than a decade. I was a slam dunk champion in my high school. I used to be able to jump really high. I tried the other day as I was taking my son to his basketball lesson and I can barely touch the rim now. [laughter]

[Salomon]

Thank you so much, Bojan, and once again excited to have you both here especially to talk about Innovation and also hyper-personalisation in the financial services industry especially banking.

I have with me also the report that Quillin & Associates together with synpulse8 just produced and launched and I wanted to take two statements out and I'm sure you will share more details after but what stayed with me is interviewing customers in retail banking that there is 63% greater likelihood of opening a banking account that provides more personalised offers.

And second statistics. So, there's 94% higher chance of purchasing a more personalised product or service offering.

I mean for both of you who have worked in the industry for many years you're for sure not surprised but it's high numbers and it also shows what the clients expect. So, before we go into all details, anything else that stood out for you, Ben, in the report?

[Ben]

It's a really interesting topic and one we wanted to unpack because of how much development we're seeing in consumer applications in hyperpersonalisation. So, we ask people, how important is this to you? How important is a hyperpersonalised experience?

3/4 of people said very important or critical.

We then ask how many of you have experienced it? Less than half. And of those who have experienced it, how many of you were satisfied? Less than half. So, the numbers are pretty telling.

I think the reality is there is a recognition that this is such a critical part of the next journey for banks and financial institutions, but so many people are not getting it right. So it was on that basis that we really wanted to unpack the understanding of how delivering better personalised experiences would create more signups, more engagement, more purchases and better loyalty with the banking institutions that customers face off against.

[Salomon]

Yeah. And to make probably the topic also a bit broader for you, Bojan. I mean in your role as Group Head of Innovation for sure the customer experience is extremely important. So maybe you can just.. opening it up a bit broader on what is important for you and also at HSBC when it comes to innovation and then also the impact on customer expectations.

[Bojan]

Of course. Well at HSBC we like to say that customer is at the heart of everything that we do.

And I think what would be really helpful is if I share my experience as somebody who's worked in the bank for 20 years now in the technology department.

How I've seen a fundamental shift of the way that the bank looks at technology especially in the last number of years.

Technology has always been a very important part of the bank. But what we're now seeing in technology innovation in particular is it's becoming mission critical. Mission critical to meet our current customer needs and mission critical to service the needs of the future, to future proof the bank and understand what our customers' future needs are going to be.

And you can see that in the way that our Group CEO is now positioning technology innovation. It is a discussion that he's himself often involved in. Across all of our businesses this is now one of the highest priorities and the bank is taking of that fundamentally core approach in terms of the criticality of the way this plays.

Now at HSBC, our approach to innovation has several different segments. First and foremost, we recognise that there is a huge transformative potential taking place now with three technologies that are rapidly advancing.

Artificial intelligence of course at the top of that list because it's changing not only the way that our industry operates but it's going to change the way we live our daily lives and therefore, our expectations as individual customers of any bank are going to be influenced by the advancements in that technology.

Secondly, we see blockchain also as a technology that will likely have a significant feature in financial services. It already is a technology that we are significantly investing in. We've already released some products that are bringing that potential of that technology to life.

And thirdly, we have quantum computing as well which we think is going to not only from cybersecurity defence perspective going to be fundamentally important to protect the bank but also to harness the power of that technology and introduce it across our businesses.

We have formed dedicated teams that are advancing these capabilities inside of the bank more holistically. We are also leveraging strategic digital partnerships that we have with the largest technology providers who are actually at the forefront of changing the industries advancing technologies like artificial intelligence innovation ecosystems in the world's jurisdictions where the future of financial services is being defined.

Universities that are helping us with a lot of the technology research and also talent coming out as well as the public sector in places like Hong Kong where there is a concerted effort from the authorities to advance these type of technologies all that will enable things like hyperpersonalisation to come to life.

I would also like to perhaps highlight that when we look holistically across the horizon from innovation perspective, we have to think about not only from technology perspective but we have to think about what happens with respect to generational shifts that are going to take place. How are consumer behaviours going to change as a result of the changes taking place because of the technologies? And think about strategically what we as a bank need to put in place from investments perspective in order for us to be able to service the needs of our customers of the future.

And so that sort of gives you a sort of comprehensive understanding of our approach to innovation.

Final point I'd like to also say is that we also like to invest in fintechs that have strategic value to HSBC in terms of them being used as a provider to any of our businesses and are constantly looking at the most promising companies who can help HSBC advance on any of these journeys.

[Salomon]

Thanks Bojan. Actually, personally I can confirm we've worked with you in the past years and

there's been a lot of initiatives and for sure in Hong Kong it's also the biggest bank here you have been driving it but in general maybe back to you Ben, there's still many retail banks that struggle with personalisation and I would wonder what are some of the key barriers that they need to overcome.

[Ben]

Sure. I think the first thing just to pick off on what Bojan was talking about is legacy technology and infrastructure. A lot of the technology being used by many banks particularly in Hong Kong is not fit for purpose for real-time decisioning and analytics and it's also quite fragmented.

That ties into I guess the other challenge that banks have around all of their data silos. If I go to a bank, typically each part of the customer data, whether it's their credit data, their onboarding data, it sits in different pockets of the IT architecture and that often doesn't talk together.

So, as a result, you don't end up with a proper unified 360-degree view of a customer. It's very common that a bank in one department will only know certain things about me whereas the other department will have absolutely no clue whatsoever. And that's because banks are typically very product-led.

So, you know, a credit card department is driving the agenda of the credit cards. So, they're specifically looking about how to place their offer or their product within what you may need. But that's not how you should be thinking about servicing a customer. It should fundamentally be a journey-led approach.

You know really understanding the needs, the behaviours, the patterns of that individual and how an entire bank's product suite can be embedded within those stages of a customer journey. And then even within a product, segmentation, it's very old-fashioned.

So, we talk about the way that banks segment even if you look at let's say a wealth offering you have your retail, your core affluent, your high net worth. Then you have your ultra, then you have your family office.

It's all well and good to create segmentation based on how much money people have but that's in no way a reflection of their needs. I think there's a long laundry list beyond it but I would say those are the core elements around the infrastructure siloed data product-led decisioning and then really fragmented journeys.

[Salomon]

And I think I'm sure you resonate with what Ben just said. I mean, 7, 8 years ago, the virtual banks in Hong Kong started their journey with eight virtual banks launching their service offering. And of course, it's much easier if you start greenfield right? And they could select which services and products they first offer.

For you of course as the biggest bank here, one of the biggest globally, you have all the different departments. You have also HBC Life, you have retail, global markets and so on so you touched on it before but maybe double clicking on it that complexity and you mentioned Partnerships, how do you overcome that hurdle that you are big that you are heavy with many departments with thousands of IT engineers in across the world. So how do you overcome that complexity?

[Bojan]

That's a very big question but is also a question that any executive within a large global bank is constantly thinking about across any aspect of what we do. If.. you mentioned digital banks there and Ben has done a great job illustrating some of the complexities that we face within large global banks but if I just take one step back and look at this topic more holistically across both what I would say is that both digital banks, fintechs and large global banks we all look at hyperpersonalisation as one of the mega trends that we are strategically investing in and that's driven by essentially two things.

One is the advancements in technologies artificial intelligence, predictive data analytics and capabilities to harness large amounts of data and essentially assess your customers,

understand them better and offer better products and services. The second reason is if you just think about our lives think about what we're exposed to outside of banking, you look at content delivery from YouTube and Netflix, it's abundant and near instant. You look at social media, it's abundant and near instant. You look at e-commerce products, services are abundant and near instant. And in many places around the world, you can order something online and get it within hours. And what you see on there is just continuous attempts to offer you personalised services that really tap into your.. based on their understanding of what you need at any given point in time.

And so, all of us in our daily lives are now used to that environment are used to seeing this in everything that we do and therefore that translates into our industry as well.

Financial services has to keep up with those trends and therefore hyperpersonalisation becomes critical to both whether you're a digital bank or a large global bank.

But Ben has touched on this really well. There are going to be differences in the approach owing to the differences in our setup. With a view to arrive to a common place, which is to make sure that you really truly understand your customer and that you're delivering them tailored products and solutions for what they need there in their lives. So, what are going to be those fundamental differences?

If you think about HSBC, 161-year-old bank now this year, it is a bank that's built on trust that's deeply embedded in parts of the world, in particular here in Hong Kong. It's a large global bank that has weathered many storms, world wars, financial crises. It's a bank that has that fundamental trust with their clients in terms of keeping their money safe and helping them grow their grow their wealth. And that is a unique advantage that a large global bank like HSBC is going to have and needs to protect as we had especially in an increasingly unpredictable world.

We're also large in a sense of not just the footprint, the technology footprint, but in the complexity of our technology footprint, which covers some platforms that are actually older than any of us in this room that have been built many years ago. they're super stable. All the way to some of the cutting edge developments that we're working on which I've mentioned previously with respect to cutting edge artificial intelligence, cutting edge blockchain, cutting edge quantum computing.

That is the environment that we operate in in a large global bank and so we have hundreds of petabytes of data distributed across all of these types of systems that are varied in their size and scale. And that's what we're strategically focusing on is harnessing the power the depth of data that we have which digital banks are not going to have especially the new ones that have been set up by their given nature.

We have seen many of our customers pass through generational changes, right? We have some customers that are that have been there since day one of HSBC, especially in the corporate side. And we've seen many personal wealth generational changes take place through HSBC and therefore we have that data. We understand our customers deeper than would be the case if we just started from scratch. But it is on us to figure out how do we tap into that gold mine and bring that to life.

The other thing I will say is that of course digital banks they will start from a native stack as you mentioned and for them it's going to be a lot easier to be quicker in terms of delivering their products and services and trying new things out than a bank like HSBC would be able to do. The other probably point worth mentioning is that their risk appetite is also going to be different to ours. They will be able to take a greater amount of risk than a bank like HSBC would be in certain segments and we've seen that when crypto came to life.

There was.. large global banks were probably the last ones and are still for the most part last ones to step into the space whereas digital banks were among the first to do that.

So, I just wanted to highlight those contrast those differences. Final major point that I think is worth highlighting is that because of the wealth of resources that we have, the one unique difference in approach is going to be a combination of great technology and great people for our customers.

Meaning that we have relationship managers that face off to our clients across various stages of their wealth journey. In this case we are supercharging those relationship managers with this technology so that they themselves are able to give that human touch with much greater insights into individual customers than they're able to do today. This is our strategic priority right now.

Digital banks typically because of their setup and thin margins, they do not have that relationship manager type concept. So, for us as a large global bank it'll be a combination of both supercharging our RMs with a lot of information about customers so when they face off to them they are far better equipped to give them those personalised services and also the technology itself being exposed to the clients directly.

[Salomon]

So a very good point. So, the personalised experience is not only what you see on the app but it's actually also in the human relationship with an RM.

[Bojan]

Absolutely. Yeah.

[Salomon]

And of course the trust element you mentioned before, you've built it over hundreds of years as a bank. If you look at Netflix, of course, much younger and probably is also more acceptable if Netflix recommends a wrong movie once in a while, but if you recommend the wrong financial product and they go bankrupt or lose a lot of money, that would definitely not be appreciated at the financial regulators of course or at your bank.

But nevertheless, back to you, Ben. What can banks also learn from e-commerce streaming and maybe also other industries when it comes to hyperpersonalisation just to compare even though again it's not as highly regulated but any elements you would take up?

[Ben]

I don't think they have to look very far to see what looks good. I think banks have long been using the wrong benchmarks with respect to what a great state of hyperpersonalisation should be and I think that's because they're looking at each other.

So, when you actually look at the consumer world, what would otherwise be a very static platform, you're facing off against a web page that is Amazon and it feels like no one's talking to you and you're disconnected. That's not true because the shopping experience that you go through, there's all of these embedded nudges and suggestions based on the understanding of your metadata and experience engaging with the platform.

So, if I have a certain purchase history within Amazon, it will say you may also like or pick up where you left off or here's a related product tied to something that might be useful vis-à-vis what you just purchased.

If I bring the same thing to Netflix, every time we log on Netflix, our home page experiences are different.

I'm sure Bojan's, you've got Gossip Girl, Too Hot to Handle, you know, all the top quality shows.

[Bojan]

Emily in Paris.

[Ben]

Exactly. Emily in Paris.

But jokes aside, the reality is my Netflix home page is not Bojan's. It's not yours. It's not anyone else's. It's curated for me because Netflix understands very well my patterns of consumption, what kind of genres I like watching, how long I watch for, where I might pause, where I might fast forward. And all of this metadata is being sucked in this engine to then spit out, well, what might Ben like? I even find it funny when you binge watch a series and after it

just autoplays by the fourth time, a pop-up will say, "Are you sure you want to keep watching this?" Almost like you need to do something healthy with your life and not stay in front of the television.

But it goes to the fact that you don't have to have that human engagement. And I think a lot of the time particularly banks in Hong Kong it's a very high-touch market. Whether it's the wealth management space the insurance space with the brokers, the agents, the idea of personalisation it comes through people.

It actually comes a lot through technology and with the way that we spend time on our phones these days it actually makes me feel sick when Apple gives me the update at the end of the week saying you spend an average of 7 or 8 hours on your mobile phone every day.

So, of my waking day, half of it is spent looking at a screen. So, if I've got that much time on the screen, that's where you're going to catch my attention. That's where you're going to engage me, and that's where you're going to put in offers, deals, suggestions that are embedded in what I'm doing every single day.

So, I really do believe that there is so much to learn from these other industries that the banks can take on board. But obviously the thing to bear in mind is there's different considerations around risk. As you say as a licensed regulated industry, banks need to be very cognizant of the risk associated with leveraging new AI tools for example to provide these suggestions.

Is there bias embedded? You know, is this going to be an accurate suggestion? This doesn't basically deem us not liable if something goes wrong. So, there's a different risk profile mindset, which I think ties back to your first question as to why some banks have been a little more cautious about how fast they push the hyperpersonalisation agenda.

[Salomon]

Yeah, it also can be dangerous, right? Because if on social media you see maybe a funny cat video for once and then suddenly leave because you spend some time on it, you see only cat videos coming after.

[Ben]

I totally agree.

[Salomon]

So you don't want that, right? So back maybe to you, Bojan, there's some banks that still keep calling me up to try to sell loans to me. First of all, they don't even speak English. Of course, I'm in Hong Kong. Cantonese is the language here, but in my profile, it's clear that my Cantonese is probably not good enough.

So, that little bit of information could be there that you talk in the right language and also you come with what is relevant to you.

Right. Of course, the HSBC experience is much better in that regard. I also like the new mobile app where it already recommends what I'm more looking forward to.

But now looking forward in let's say 5 10 years from now. Is it feasible with all the complexity you've mentioned before that we could have a similar experience that is acting so quick that immediately shows okay I just realised you are back in Europe traveling, meeting friends maybe you want to look into FX and optimise your FX margin or whatever the example is that it acts that fast.

[Bojan]

So I believe both Ben and I are agreeing on the point that us as individuals, our perceptions are shaped by our everyday digital consumption. Our expectations are shaped by our everyday digital consumption. Whether that's Netflix, YouTube, whether that's social media, whether that's Amazon or Temu or whatnot.

We are seeing every day how you can have personalised experiences but content delivery product delivery near instant 24x7 really highly cater to you and actually even more freakishly, if I can use that word, if we in this podcast talk about air conditioners I'm pretty sure, that all of us when we go to Instagram tomorrow we're going to see some advertisements being popped up where we can get the latest air conditioner and let's check in tomorrow with each other. If any of our phones are nearby, whether it pops up.

That's the world we live in. And so, our perceptions, our expectations are shaped by this. And therefore, when we interact with financial services, those expectations come into play.

But we are a highly regulated industry based on high levels of accuracy and high levels of account accountability where consequences are quite significant if we get something wrong and therefore, you'll have a far more risk-based approach and our risk management is at the core of how we approach these advancements.

So, when we talk about artificial intelligence we talk about responsible adoption of artificial intelligence. That means that we need to be fairly certain that whenever we deploy this powerful technology, we are able to understand how it arrived to certain conclusions because we are ultimately accountable not only to our customers and shareholders but also to our regulators. So that is sort of the environment that we operate in.

Now when we look 5 to 10 years ahead that's a very long-term horizon 10 years and nobody really can predict that but I can talk about it from two different segments.

First one is the more near-term segment, what we're seeing happening now and in the next few years.

And then I want to touch on maybe a more of a medium-term segment where agentic AI is going to come into the play. And that's going to have a fundamental shift in the way that we deliver our products and services and in the way that we personalise those to the individuals.

In the more near term, it is really all about two things in my view.

One is enabling your data analytics capabilities to move the bank from being reactive to being predictive and catering no matter whether you're delivering this over your digital channels, catering to your true customer needs, predicting where you think and what you think your clients will need and being as accurate about that as possible.

And secondly, it's really harnessing the power of artificial intelligence to supercharge our ability to inform our customers of all of the options that they will have available so that they can make far better decisions about their wealth, about their money more general.

If I think about my personal experience today, I use my favourite generative AI tools to really educate myself about various options that are taking play.. that I have available from an investments perspective. Educating myself on what the trends are that I was unable to do so quickly just a few years ago because it would require deep analysis, a lot of document reading.

Now you can get that near instantly fast and it enables you to make smarter decisions, enables you to make better decisions, enables you to act quicker on let's say your wealth management than you've ever been able to do before. And our job as a bank is really to enable our clients to get that level of information about themselves and about their financial needs and cater to them so that we can supercharge them.

Equally supercharge our relationship managers who are still facing off to clients who prefer that high-touch approach giving them the necessary capabilities so that when they sit down with their clients to talk about their wealth management plans they are talking about it from a much better place because they have that level of information that they previously did not have.

If I think more medium term, agentic AI is going to be the true transformative change that will reshape how much of the industry is going to be delivering all financial services including wealth management in the way that we think about personalisation.

So, you're going to move from a model where individuals are getting information to make their own decisions to a model where individuals are setting goals, objectives and are giving the power to agents to execute on their behalf. And that is a fundamental shift in the way that we will likely live our lives and the way we will likely think about personalised experiences.

So, we'll go from a model where today I am making decisions on what is the best life insurance product for me where I'm comparing all of the different options. Maybe I'm using ChatGPT or any of these tools to help me understand what what's the lay of the land in the market to a model where I just say get me the best life insurance within this price range that enables me to do X, Y and Z and you let the agents do that on your behalf.

So that's where we're likely headed with the advancements in artificial intelligence that's going to really fundamentally shift the way that we think about personalisation and personal interactions with clients.

[Ben]

I just want to pick up on that because I guess what I'm seeing with a lot of the banks is they're not using these AI solutions to face off directly and give customer advice.

As Bojan said, a lot of the technology is being utilised from a human in the loop perspective. So, they're enablement tools for the frontline workforce to engage and advise customers. But the big trend that's happening on the flip side is customers are aware of the power of this technology.

So instead of sitting down with a financial adviser to ask how would you allocate my portfolio? What would you do? People are typing this stuff in GPT.

I actually did an experiment just very recently because I bought a new place and when I was looking at the mortgage, HSBC was offering that fixed 2.71%, 3 to 5 year lock-in mortgage. So, I just curiously asked GPT which one would you go for? Would you go for the highball plus you know flat variable mortgage or would you go with HSBC's? And it gave here's a general list of pros and cons and things to consider. But none of this is financial advice.

And I said, "That's all very good. This is very generic. I want more detail and I want your opinion." Blah, blah, blah. None of this is regulated financial advice.

I eventually started to get angry at it and said, "Just do your job. Stop being so lazy and make an opinion, like have a call." So, it said fine. And then it gave me the advice. And I thought, huh, that's interesting because it's not allowed to do that. So, who's actually giving the advice on a regulated activity?

But it's also going to the point that I said that it does call into question a big moment for a lot of these intermediated functions where information asymmetry has typically been a core advantage of RMs, agents, brokers, and so on. I think a lot of power is coming back to the customer to make these decisions.

We've already seen this play out with travel agents, right? I just ask GPT give me a great itinerary for a two-week Euro trip and it does and it's perfectly done.

[Salomon]

Personally also I leverage of course AI heavily. Of course, there could be situations where things were unavailable in terms of information and could go wrong. But in many cases it may go right and then people think like why do I need to talk to a bank if I can figure it out myself of course.

[Bojan]

But I would say that even before the advanced generative AI you had the capability with the internet of course to figure everything out by yourself and I was educating myself a lot about various different options for investment but it took me much longer to arrive to conclusions than is the case today.

Basically, I'm supercharged as an individual but the capability to really learn was there even before generative AI came into place. So, we're now in a supercharged sort of capability. It makes it easier.

The question then becomes really more philosophically is and Ben has just asked, give me an opinion and it gave an opinion. So is Ben going to listen to that opinion is the key question in the same way that he would listen to that opinion if it came from a trusted regulated financial institution.

And so, it will vary subjectively from individual to individual but trust is going to be a key determinant of this.

And also, what do you actually want to outsource to AI as far as decision-making is concerned and judgment is concerned. These are also going to be questions that I think individuals are going to be answering themselves.

But one thing that will be fundamentally there still in my view is if we think about where our money is going to be stored at.. the majority of let's say wealth today.. it will be with trusted Institutions.

If the world becomes increasingly unpredictable trust becomes increasingly more valuable and individuals tend to go to what they view as safe assets, which is why the gold prices today is skyrocketing.

So that sort of trust angle is something that shouldn't be forgotten and our responsibility as a large global bank as a trusted institution as a regulated institution is to make sure that when we give advice to our clients that this is coming from a highly detail analysed and accurate place as possible whereas you know a lot of warnings are coming with GPT.

So, these are some considerations that I would say I have in my mind as I think about this space.

[Salomon]

You're absolutely right that a lot of the information was available and those technology to some extent what happens now it's more democratised. So, and I hope also to see this in the future with a bank like HSBC that you can provide also certain services that due to high costs you were only able to provide to the high-end ultra-high net worth individuals and now you can start to provide it also to the mass affluent maybe even retail customer

Personalised advice in a sense of I have my relationship manager who knows me personally even still today is still not available for everyone and with this maybe to round it off as we're almost on time, I'll ask maybe just both of you any other big trend or anything you see in the future that will be life-changing for a banking consumer.

[Ben]

A life-changing trend in banking. Look I think at its core banking is not rocket science. It's managing payments, managing money, providing loans. My view of the future is that it ties into what really matters in this report.

My bank knows me. They know what I do. They know what I.. how I engage with it and they deliver the service specifically around me. I'm hoping one day in the future I log on my banking app and my home page is different.

They know that Ben Quinlan every month sends money to mom and dad. So that option is there. Pay dad like as a popup. They know that I've just bought a trip. They have my transaction record. I've just bought a ticket on Cathay Pacific to Japan. And right away they go, "Hope you're looking forward to your trip. Let us know if you would like some help with FX. We can give you a special rate on the yen. Here's the best travel card that we can offer you. If you're intending to spend offshore, you get 1% rebate on everything."

Like, that's what I'm talking about in terms of a seamless customer journey. And I hope to the high heavens that I stop getting phone calls from these telemarketers just like you trying to offer me loans.

That will be the future of banking that I will enjoy. That will be the future of banking where I feel my bank gets me because yes, there will be concierge high-touch services that I will need there's no doubt about that but my daily everyday banking I think it just needs to contextually understand my journeys and experiences to make this seamless. I think we've discussed this concept before invisible banking.

It shouldn't feel like you're banking. It should just be a part of everyday life, transactions, paying, and so on, but done at the right points in time. No more banners trying to advertise something when I open an app. It's just a generic marketing campaign, the next push for this card. And I don't care.

If you know what I spend money on because you have my full transaction data, then you'll know what to provide to me, and you'll know when to provide it to me. that's going to make a difference to how my experience will evolve with a bank and in this DIY world. I think people will talk with their feet.

[Salomon]

Very well said. Anything to add?

[Bojan]

Well, it's tough. It's a tough hack to follow this one. But if we think ahead of the next say decade. I believe that this is not just another decade of growth. It's the most transformative decade of our lifetimes.

Advancements, concurrent advancements in three extremely disruptive technologies more broadly, generational shifts taking place where in the next decade you're going to have the largest wealth shareholders be the first online only digital first generation. That's what's going to happen by 2035 2036.

And their expectations of the way they interact with financial services more broadly is going to fundamentally differ to the previous generations. Of course, many trends like embedded finance are on the rise as well.

So, there's a lot happening and it's happening very fast and it's there therefore going to have significant ramifications or improvements in financial services.

But if I'm to make three sort of predictions, one will be that we are most likely going to see a world where we're going to have some form of autonomous finance through agentic AI. So agentic wealth, agentic commerce could be themes that are going to feature prominently in financial services where the bank is going to be there to make sure that you can fulfil life goals and those are going to be executed again by autonomous agents.

Second one is where we didn't talk about it enough here but the advancements with blockchain digital assets are going to potentially take us to a place where exchange of value exchange of assets across the world are going to be near instant 24x7. Therefore, enabling far faster volumes of transactions and exchange of assets than we've ever seen in history before that will underpin much of what we've talked about from AI perspective.

And the third one, I like this concept of invisible embedded finance. It is likely that we're going to increasingly see this as a trend. And what is that if we were to bring it to life? If you think about yourself going into a supermarket today you get a bunch of products, you go to a cashier and could be a person or could be a machine and you're there and you're checking out and you're opening up your Apple Pay or maybe taking cash out to pay for that transaction.

That is you feeling finance because you're doing it yourself. In this concept of embedded invisible finance, you're essentially just picking up whatever you need from the grocery

store, walking out, not worrying about payment because the payment is taking place by itself. It's automatically picking up that you've selected these products, these products cost this much money. It's all automatically taking place without you having to worry about that.

And we're going to increasingly see potentially these type of finance trends taking place across many aspects of our lives. that's sort of bringing that to life.

[Ben]

I almost think it's going to be your fridge knows you have no eggs, which then prompts an agentic order instruction via e-commerce to then route through your banking payment app to execute the order when a minimum order size is reached to then do delivery to your home.

That's what I genuinely think is going to start happening. I believe that.

[Salomon]

And you will have your Google or meta glasses on and if you look at the Ferrari, it may just tell you, don't even think of it. You're not there yet.

[Ben]

I always say the resolution is always perfect when you take the glasses off. I might skip on the meta things

[Salomon]

With this, thank you so much, Bojan, Ben.

It was a pleasure. Very informative and I'm excited for the future. So, thank you once more.

[Ben]

Thank you.

[Bojan]

Thank you for having us.