

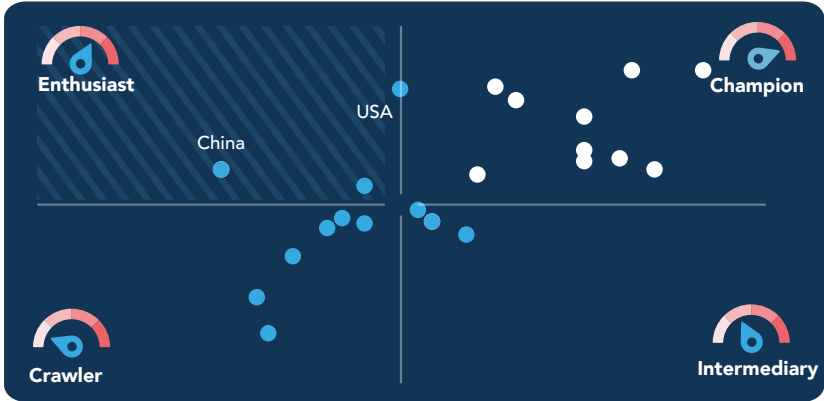
Benchmarking the Enthusiasts

Twimbit Key Takeaways

Tech giants play an important role in both these markets. The lack of strong regulatory push has created an environment for participants to shape the market evolution

US tech giants partner with the banks by leveraging their banking infrastructure to deliver innovative services, while in China the banks are using the digital technology solutions from the tech giants

The world's two largest economies are placing their bets on a free market economy as the key growth driver. Technology and business model innovation have helped create several unicorns and tech giants



USA	vs	CHINA
FINTECH ECOSYSTEM		
<p>~ 5,799 startups¹</p> <p>Funding status 2019: US\$26.1bn²</p> <p>Over 25 Neobanks <i>(digital only banks that are not subsidiaries of existing banks)</i> Leading neobanks include SoFi, Chime, Varo Money, BankMobile</p> <p>Tech giants are leveraging payments as the enabler to make foray into financial services</p> <p>Mobile payment penetration rate: 24%</p> <p>Big tech Apple, Amazon, and Google making headway in mobile payments. Starbucks is number two in number of users</p>		<p>~ 1,963 startups³</p> <p>Funding status 2019: US\$1.9bn⁴</p> <p>4 Online-only Banks Tencent-backed WeBank, Alibaba offshoot MYbank, AiBank, backed by search engine operator Baidu Inc, and China CITIC Bank Corp Ltd</p> <p>Tech giants have developed wide ecosystem for cross-selling of financial services. They have diversified from payments to banking, wealth management and other services</p> <p>Mobile payment penetration rate: 86%</p> <p>Tech giants Alipay and Tencent have 94% market share of mobile payments market</p>
REGULATORY APPROACH		
<p>Market-led approach with no regulatory standards to support the development of open banking products and services</p>		
INITIATIVES OF LEADING MARKET PARTICIPANTS		
<p>Wells Fargo & Co leads the way for Open Banking in USA with Wells Fargo Gateway that offers 17 types of API products and has entered into 15 data sharing agreements with third parties to harness their APIs</p> <p>Tech giants partner with leading banks to offer financial services</p> <ul style="list-style-type: none">- Amazon partners with Goldman Sachs to offer lines of credit to merchants selling on the Amazon platform- Apple and Goldman Sachs partner on a new credit card		<p>Bank of China (BOC) was among the first in the world to launch its open platform in 2013, with close to 1,600 interfaces made available till date</p> <p>Leading banks forge partnerships with tech giants</p> <ul style="list-style-type: none">- ICBC signs partnerships to use Ant technology and Alibaba platforms to drive its existing payments and e-commerce business- China Construction Bank sets up FinTech department supported by Tencent

¹Fintech Weekly

²Accenture

³Tracxn

⁴Accenture