NAVIGATING THE FINTECH FRONTIER

Challenges, Solutions, and
the Computacenter Advantage

LET'S GO

FINTECH'S PRIORITIES SPEED, AGILITY AND DATA

In a rapidly evolving financial landscape, FinTech organisations are at the frontier of innovation. Whether your business is fuelled by technological advancements or hinges on the precision of your execution, there's no denying the pivotal role that speed, agility, and data play in your success.

As the market becomes more competitive, FinTech firms must continuously upgrade their technological infrastructure. Embracing these priorities not only ensures that you stay ahead of the curve but also positions your business to thrive in this dynamic environment.

Computing at quant speed

It's simple: fastest wins. Whether it's spinning up an algorithm or executing it against a torrent of live data, every nanosecond counts.

Extreme agility

In the FinTech world, traditional business timescales are compressed. With start-ups growing global in days rather than years, forward planning is down to weeks, rather than months. With new growth opportunities, partnership and ecosystem opportunities coming along all the time, the business you work in today may look very different in a few months' time.

Data is FinTech rocket fuel

Collecting data from more sources, feeding a trading algorithm, exploiting data to offer more personalised products and services, or turning data into more fertile insights, tomorrow's winners will be those who manage this fuel quicker and better.

Data is key to security – often literally - transaction data is used to detect or predict fraud, while eKYC, digital identity and digital signatures protect customers' accounts.

However, the growth of financial data is nothing short of spectacular. And when it comes to customer applications, "fast" is no longer enough, anything noticeably slower than real time will lose the customer.

AI – the next disruptor

Another factor likely to accelerate FinTech's growth is the relatively new phenomenon of Generative AI, which is only just beginning to disrupt financial innovation.

Financial institutions are already turning to Generative AI to power chatbots and virtual assistants that offer **24/7 customer support**, **complete simple financial tasks** and offer **personalised financial advice**. Others are using AI to **detect fraud and identify threats**, perform **credit scoring**, and **perform algorithmic trading**. And as AI improves, it won't simply improve or accelerate routine tasks, whole new services and business models will be built on it. And as we know, AI feeds on data like a forest fire consumes oxygen.

SPEED, AGILITY AND DATA – THE BIG CHALLENGES

There's the challenge that's staring you in the face. But there are also the challenges lurking in the background, waiting to bubble up, unless you plan for them now. Which are you up against?

The importance of speed

Aside from the need for a data architecture that enables the integration and management of data, fast and at scale, there is often a hardware requirement for pure, simple, blinding speed. As noted, computing speed is the primary competitive edge for many FinTechs. Quant and high frequency traders need the fastest and most resilient infrastructure to operate as fast as the market moves, as trades are made, coping effectively with the large amount of data that must be processed to do so.

The need for agility

Today's winning business model may quickly run into new regulations, a competitor with more funding, or another technological innovation that upturns the playing field. The ability to pivot rapidly is essential.

Quantity and velocity of data

As you generate and collect more and more data, it needs to be categorised and analysed, with the architecture in place to generate up-to-the-minute insights that enable those quick, accurate decisions. How do you streamline data integration to allow this to happen? And how do you avoid clogging your infrastructure with petabytes of zero, or low-value data?

Diversity of financial data formats

The ability to deal with any kind of data – structured, semi-structured and unstructured – separates the disruptors from the disrupted. It separates great customer service automation from the embarrassing, and red-hot leads from ones who'll simply waste your time. It's therefore essential to integrate your data in a way that lets you unlock its full potential – for a comprehensive view of your customers, your business, and potential threats and opportunities.

Data quality

It goes without saying that financial data must be accurate, complete and consistent.
Error leads to flawed analysis, insights and decisions, not to mention a legal quagmire.
The only remedy is a meticulously planned data integration process, as well as regular monitoring of your data quality metrics – and speedy corrective action when required.

Data security

Nothing will threaten the existence of a FinTech organisation like a data breach. Regulatory compliance and rock-solid protection from unauthorised access are vital. Encryption, access controls and regular security audits are three priorities.

YOUR FUTURE-PROOF INFRASTRUCTURE

The importance of a robust roadmap

To enable manageable, long-term growth, your data needs an agile infrastructure that can maintain its performance well into the foreseeable future. And that requires a carefully planned roadmap. Starting with a grasp of industry best practices, as well as an excellent understanding of the organisation, its goals and potential stumbling blocks, the roadmapping process needs to identify integration goals in accordance with the business strategy, then set a realistic timeline with clear, well-defined milestones. Some essential factors to consider include scalability, data governance, security and compliance. But as your needs evolve, what shape should your infrastructure take?

What does a performant FinTech infrastructure look like?

It's clear that your infrastructure needs to offer scalability, agility and flexibility, manage diverse systems, applications, and data formats – in real time – and integrate data seamlessly for analysis and decision-making. But what's the best way to achieve that today: on-prem, cloud, multi-cloud, or hybrid?

On-prem – when computational speed and security is everything

If you need to run a complex trading algorithm where every nanosecond counts, or train large AI models at speed, processor speed is all-important. And if your customers demand the ultimate in data security, on-prem gives you complete control of the data environment, including local customisation of data storage.

However, if speed isn't quite so important, you may not want an asset that depreciates in five years, that's less easy to scale, and comes with relatively high manpower, energy and cooling demands. (And if sustainability is part of your sell, you'd need to consider your energy supply.)

Cloud – when customer service innovation is key

Cloud's attraction is that you can focus your manpower priority on creating innovative services for your customers, and delivering it to them wherever they are, at any time of day, on any device. You'll also have access to ecosystems of complementary innovation that can add more value to your offering – from fraud detection to trading platforms. Drawbacks? Questions to ask include the real cost of unplanned scaling and what access you'll have to the latest tech.

Private cloud, multi-cloud, and hybrid

If superior computational performance is mission critical, on-prem seems obvious. But if your business model is all about customer service innovation, managing an on-prem resource could just be an expensive distraction, and it would make more sense to put your service where the customer is – on the cloud. Or, if you want to follow a cloud strategy but your customers demand the ultimate in data security, would private cloud be a better solution? Or do you have a complex business model more suited to a multi-cloud or hybrid solution?

The answer isn't simple, many startups utilise a version of a hybrid solution that allows for ultimate computation performance as well as more scalability, agility and flexibility, at a price between on-prem and public cloud.
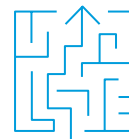
The important thing is to have a flexible roadmap that doesn't lock yourself into one route or another.

HOW DO YOU GET THE SUPPORT YOU NEED TO SOLVE YOUR BIGGEST CHALLENGES?

Introducing the Computacenter and Dell Technologies partnership

Computacenter has over 40 years' experience of delivering multi-vendor IT services and solutions to some of the world's leading financial services organisations. We provide consultancy, technology, and on-site technical support, across everything from supplier rationalisation and security projects to public cloud migrations and managed services.

Dell Technologies is a comprehensive technology solutions provider, helping enterprise customers of all sizes to navigate their digital transformation.

Their range of technology includes data storage, information security, virtualisation, analytics and cloud computing.

Computacenter has been a Dell Technologies partner for over 30 years, and as a Titanium Black Partner, we have now been awarded their 2023 Partner of the Year Award for Excellence in Services, EMEA region and their 2023 Partner of the Year, UK region.

Together we have a unique ability to deploy bespoke solutions globally at scale, with a wealth of experience in sourcing, transforming and managing IT infrastructures for financial institutions.

Some specific ways in which Computacenter and Dell Technologies are helping FinTechs of different sizes and growth stages include:

- Adopting technologies that can scale and flex as they grow
- Optimising and managing cloud infrastructures to achieve cost savings and efficiencies
- Securing and harnessing data to drive actionable insight and decision-making

COMPUTACENTER'S SERVICE PORTFOLIO INCLUDES THOSE OF PARTICULAR RELEVANCE TO FINTECHS

(1) **Data Strategy**
helping you exploit your data, safely

(2) **Data-Center-as-a-Service** (DCaaS)
go operational in just 10 days

Whether your legacy storage solution has hit a wall, your data silos are restricting your innovation, you need to develop a data compliance and security strategy, or you want to reduce your data's growing carbon footprint, we can help. And if you need a better way to identify and categorise your most valuable data to avoid being swamped by irrelevant data, we understand.

We can work with you to build a state-of-the-art platform for both existing data needs and future digital services, to help you exploit maximum value from your data as you manage your growing data estate.

The sooner a data center is up and running, the more value it can generate. So it pays to work with a partner that's able to install yours without delay, whether you're in a part of the UK with limited local options, in the heart of London, or you need multiple global installations. We're able to deliver, integrate and operationalise a brand-new data center, with all your required software, in a tenth of the standard time, with optional pre-installation and testing. That's end-to-end integration from pallet to processing... in some cases in less than ten days.

Our portfolio includes:

Data assessment and discovery	Database migration and transformation	Analytics platform modernisation, including AI and ML enablement	Data security and governance, removing risk at the core, cloud and edge

Our base offering includes:

- Defined blueprints, including a detailed Bill of Materials (BOM), innovation and release management, and unique SKUs to automate the procurement process
- Multi-vendor integration – pre-built, configured and tested with firmware and OSApp layers added in our integration centres
- Delivery, unpacking and installation by skilled engineers with all packaging material removed

Optional services also include:

- Flexible, scalable global delivery via our integration centres across Europe and the US
- Connection and automation services that start the integration and software deployment process before shipping
- Plan-ahead capacity for delivering additional infrastructure, immediately available and only charged when needed
- Single-point-of-contact multi-vendor maintenance

3 **FinOps**
ensuring optimum cloud value

Whether you are looking for your first managed FinOps service, or whether you need help leveraging your cloud investment, Computacenter can help.

Delivered through our team of accredited and certified engineers, we'll help you:

- Identify, optimise, and control your public cloud costs – and identify cost saving opportunities across multiple clouds

- Ensure your cloud investment delivers its intended business objectives – whether that's increased productivity, reduced costs, or improved quality

- Implement best practices to drive continuous innovation

- Employ continuous collaboration to ensure real time decision making and support for effective cost management

Want to gain financial and operational control of your cloud usage while maximising innovation and agility?
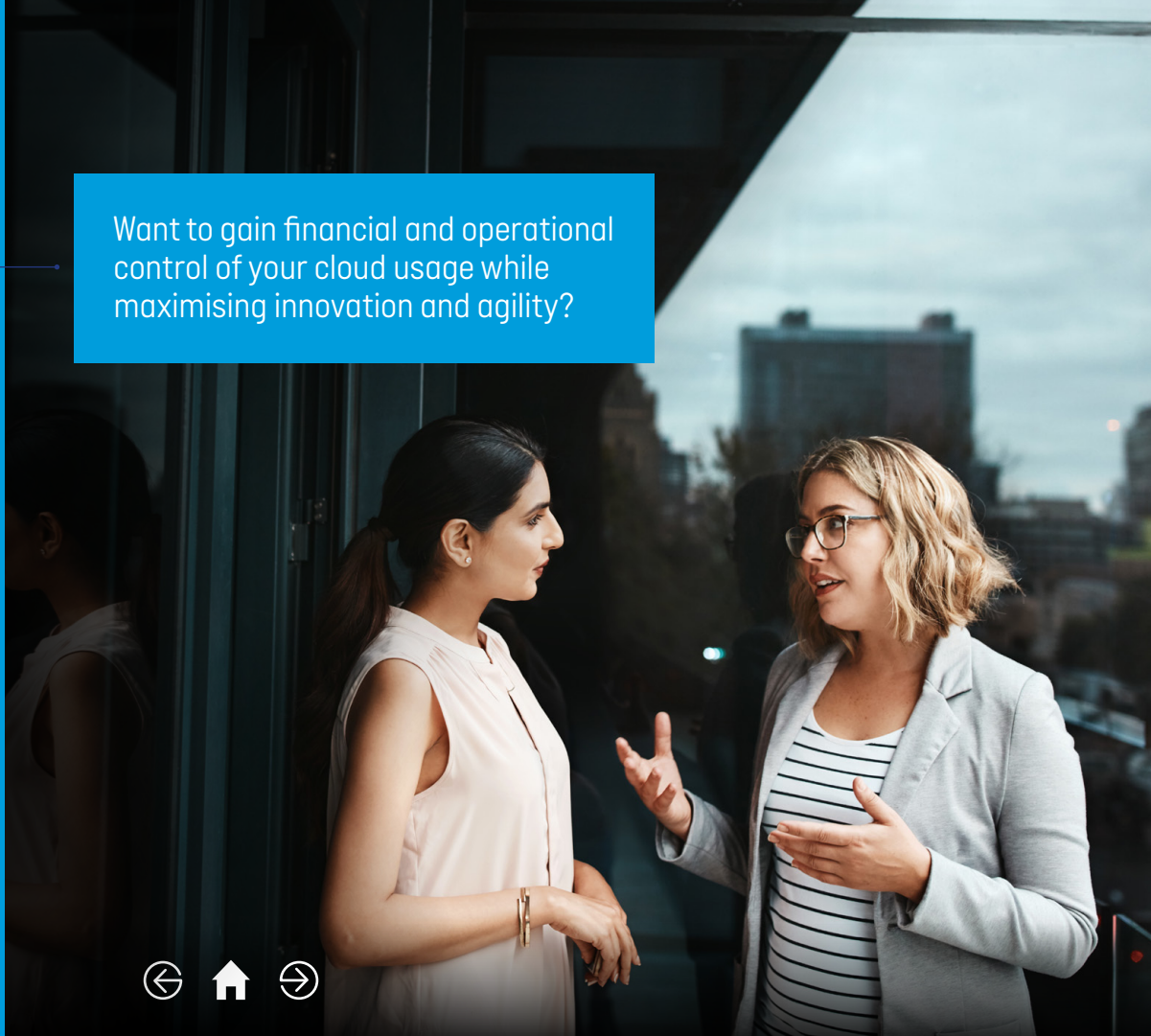
COMPUTACENTER'S PHILOSOPHY

Enabling Success in the FinTech Landscape

For FinTech companies, navigating this intricate landscape requires more than cutting-edge technology; it demands a philosophy rooted in enabling success.

Sources:

Why is the UK so successful in fintech?
FT Advisor, 30 January 2023

European fintech funding drops as investment discipline returns, Finextra, 12 September 2023

UK fintech investment drops to $5.9 billion in H1 2023 – down 57% in a year, KPMG, 21 August 2023

UK launches £1 billion fintech fund to compete with Silicon Valley, CNBC, 16 August 2023.

Computacenter, with its commitment to this philosophy, identifies five major trends that are shaping our complex environment:

Speed
The pace at which technology and markets evolve.

Disruption
The constant introduction of novel technologies and business models.

Resilience
The ability to adapt and recover from challenges.

Experience
Prioritising both employee and customer experiences.

Sustainability
A holistic approach to business operations, emphasising people, communities, product and service delivery, and the planet.

To address these trends, Computacenter offers three core strategies:

1 Drive Operational Efficiency: This involves supporting immediate business priorities, managing risks, ensuring security, and delivering top-notch performance and service to both internal and external customers.

2 Sustainable Business: This strategy emphasises a mindful approach to holistic business operations, focusing on people, communities, product and service delivery, and the planet's well-being.

3 Agility and Growth: This is about capturing new market opportunities by evolving operations and defining innovative products and services.

For FinTech companies, this philosophy is invaluable. The sector's nature demands swift responses, adaptability, and a forward-thinking approach. Digital transformation might be the aim, but it's essential to begin with a solid platform. This platform should simplify core IT operations, build upon and modernise existing investments, and be ready for future challenges.

Computacenter's philosophy of enabling success is not just a set of guiding principles; it's a roadmap for FinTech companies. By focusing on operational efficiency, sustainability, and agility, Computacenter provides the tools and insights necessary for these companies to thrive in an ever-evolving financial landscape.

LET'S TALK ROADMAP

Whether you're a large, established player, or a fast-growing start-up, Computacenter and Dell Technologies have the unique ability to deploy bespoke solutions at any scale, with enormous experience in sourcing, transforming, and managing IT infrastructure for financial sector institutions.

By leveraging Computacenter and Dell Technologies capabilities in creating agile, competitive, and cost-effective IT environments, a FinTech organisation would be well-equipped to navigate the fast-paced and ever-changing landscape of the industry.

It would have the necessary technology, innovation insights, and on-site technical support to stay ahead of the competition and deliver exceptional customer experiences.

To find out more about how we can help your organisation with the urgency it deserves, get in touch with your Computacenter Account Manager, call **01707 631000**, or email **enquiries@computacenter.com**

About Computacenter

Computacenter is a leading independent technology and services provider, trusted by large corporate and public sector organisations. We are a responsible business that believes in winning together for our people and our planet. We help our customers to source, transform, and manage their IT infrastructure to deliver digital transformation, enabling people and their business. Computacenter is a public company quoted on the London FTSE 250 (CCC.L) and employs over 20,000 people worldwide.

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