

BANKS and the CLOUD SERVICES REVOLUTION

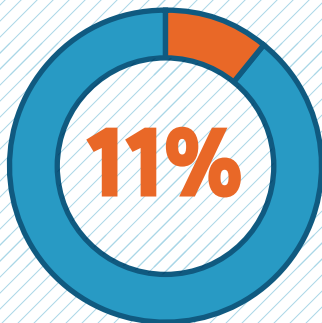
..... Banks are among today's most trusted institutions, but they are steadily losing customers, with many switching to alternatives for their financial needs. Often, these options include a new crop of web-based financial services. Here's a look at how these cloud services are revolutionizing the banking industry.



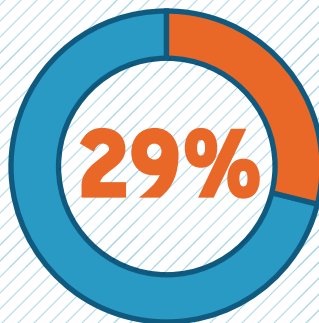
Startups Are Taking on Banks—and Winning

Startups have set their sights on large banking institutions, attacking their payments, lending, credit, and payroll services, among others. The impact has been significant.

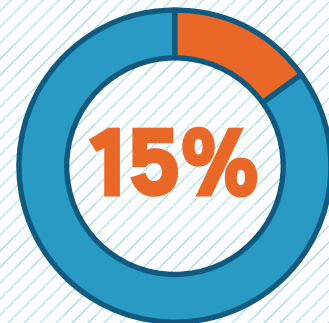
Of banking customers



are likely to leave their bank



are unlikely to buy additional products from their bank

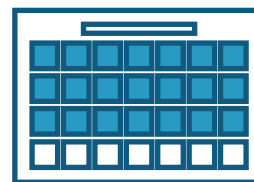


won't refer their bank to friends and family



The jolt is especially dramatic among Gen Y.

Less than 50% of customers in this group choose to continue with their banks within a six-month period.



3 weeks:

The time it takes a large bank to process a loan

VERSUS



7 minutes:

The time it takes a lending startup to process a similar loan

"There are hundreds of startups with a lot of brains and money working on various alternatives to traditional banking." –Jamie Dimon, CEO, JPMorgan

Banks Are Moving to the Cloud...

Banks already recognize the immense benefits that the cloud can deliver.

In fact, of financial institutions



71% will invest more in cloud,
an increase from **18%**
in just one year



60% process the majority of their
transactions in the cloud

...But Cloud Services Are the True Key to Success

Startups can be more nimble, but going to different providers creates a disjointed customer experience. An ecosystem of cloud services can enable banks to be one-stop shops for quick, easy-to-use financial services.



51% of firms intend
to invest in app-driven
technology, while



17% of the Fortune 100
already support cloud service
ecosystems, underscoring the
importance of this
value-building strategy

Banks Need to Partner

Banks can't go about it alone — they need partners to help them understand this new cloud ecosystem and the central role that they can play.

Contact us for more information about how AppDirect can work with you to put your bank at the center of this new technology ecosystem.

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Sources

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