RAY YEE

FUTURE OF FINANCE

nordnet

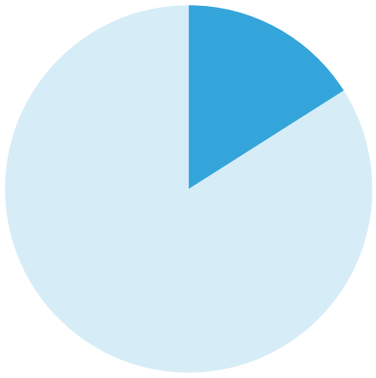
CONSUMER FRUSTRATIONS

MAIN BANKING & INVESTMENT CUSTOMER ISSUES

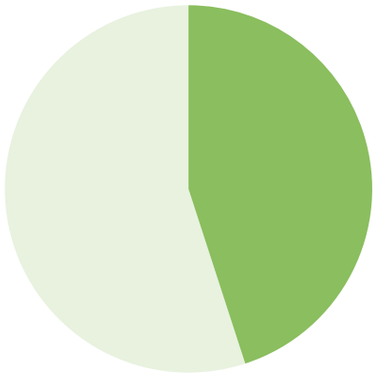
LOW TRUST IN BANKING

PAY HIGH FEES FOR ADVICE

nordnet RESEARCH SHOWS THAT:



16% of total savers regularly meet a banking advisor



45% of total consumers don't trust banking advisors

60% of total consumers lack the know-how to invest

THE SAVINGS MARKET

THE SWEDISH MARKET

1.6 T SEK

In Swedish Bank accounts today

60% in CASH

40% invested in saving products

OVER 50%

Have 100 000 SEK in cash

MILLENNIALS – CUSTOMERS OF THE FUTURE

92% Would change bank for its digital services

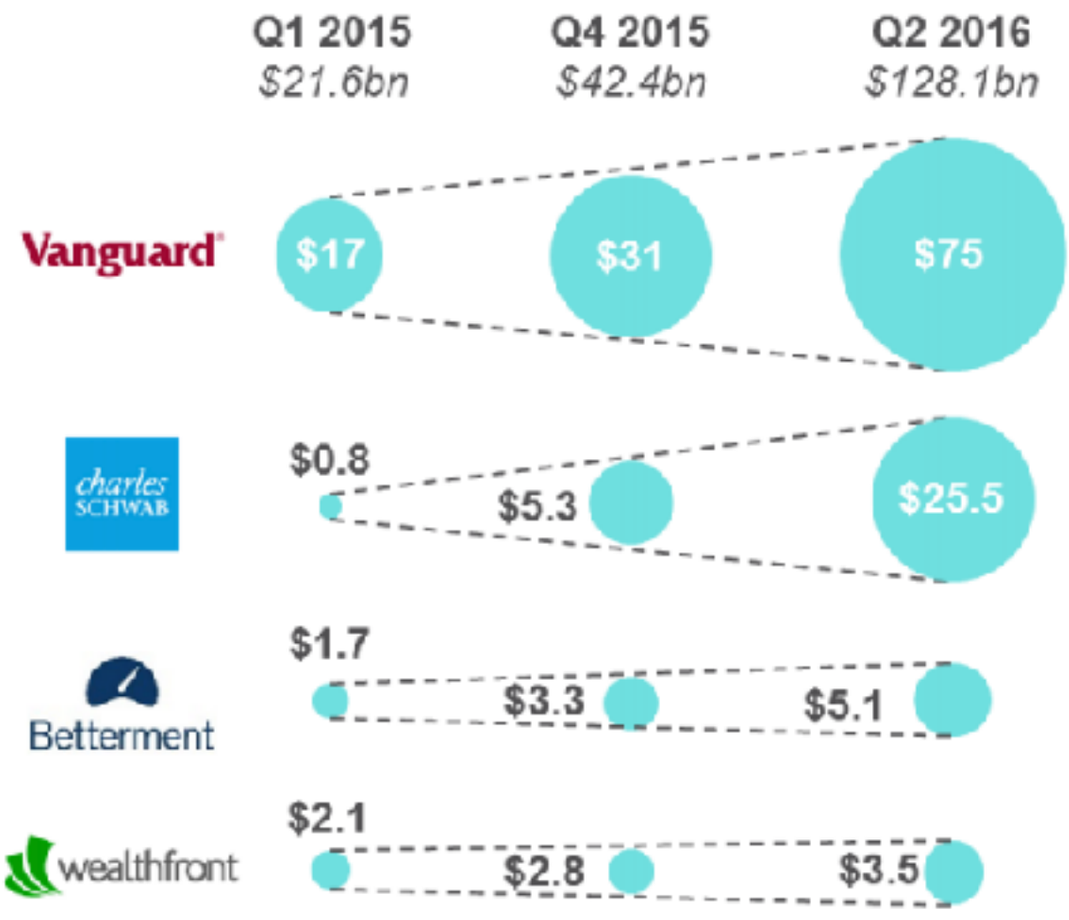
78% Would use robo advice for investment help

71% Would rather go to the dentist than to the bank

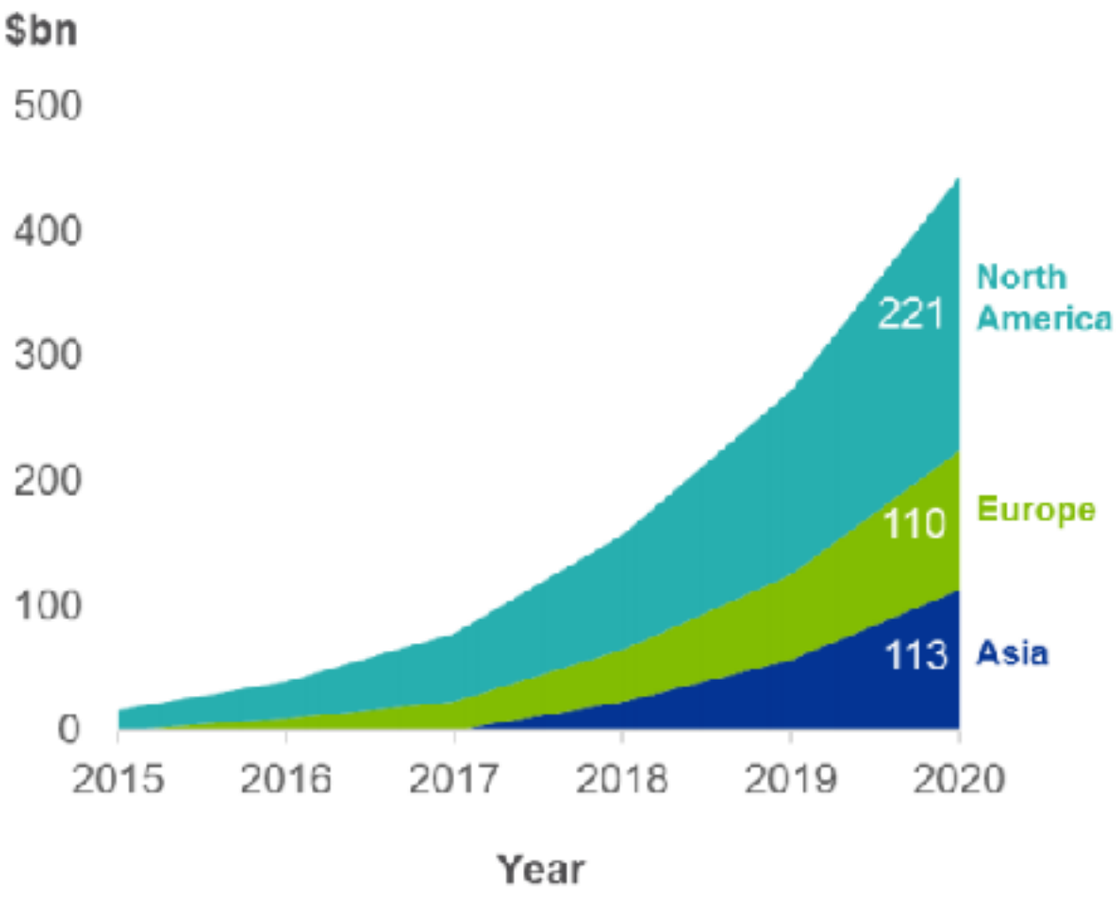
2025 By 2025, Millennials will represent half of the active population of the world

ROBO ADVICE IS A RISING TREND

Growth in US Robo Advisory Platforms



... not just a US phenomenon



Sources: Financial Times, Citi Business Advisory Services "Industry Evolution Survey" Oct. 2016

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NORDNET'S ROBOSAVE

YOUR INVESTMENT ROBOT

Take care of your savings based on your target goals

EASY TO GET STARTED

Answer a few short questions, so Robosave understands what kind of portfolio fits you

TRADES FOR YOU

Robosave buys and sells instruments for you to help you maintain your desired risk level

BENEFITS OF ROBO ADVICE

OPEN ALL YEAR LONG

Growing trend helping customers invest in portfolios 24/7

SMART – NOT ANNOYING

More up to date than a human, does not push you to invest

DOES THE WORK FOR YOU

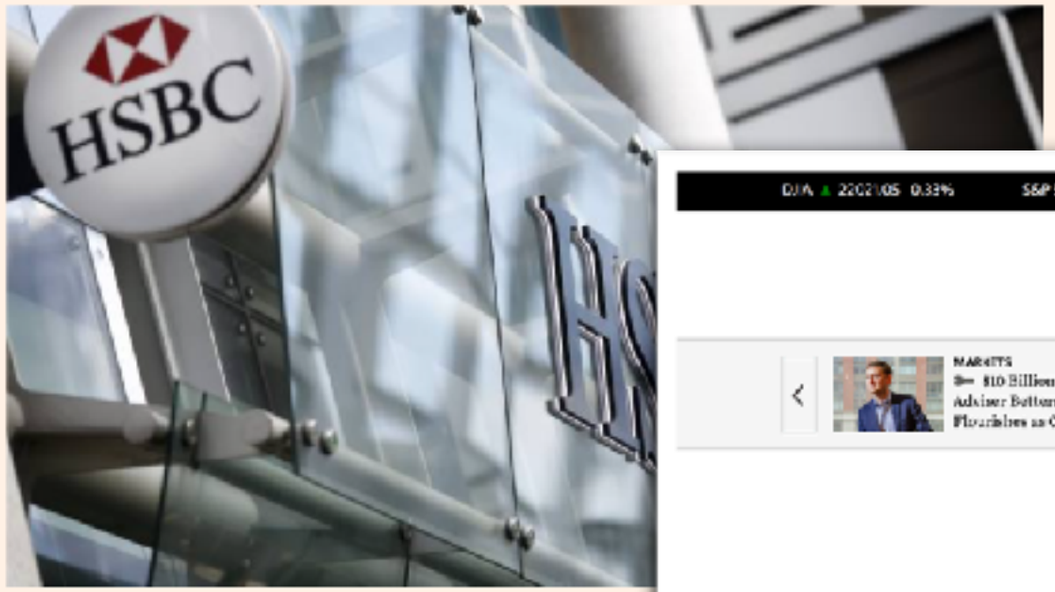
Portfolio rebalance to keep you on track and save you time

FINDING THE GAP IN THE MARKET

ROBO NEWS

HSBC to roll out robo-advice for small savers

UK bank to launch online investment service for customers with less than £15,000



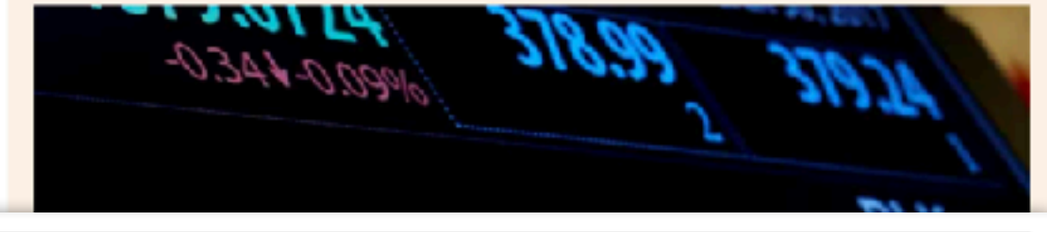
© Bloomberg

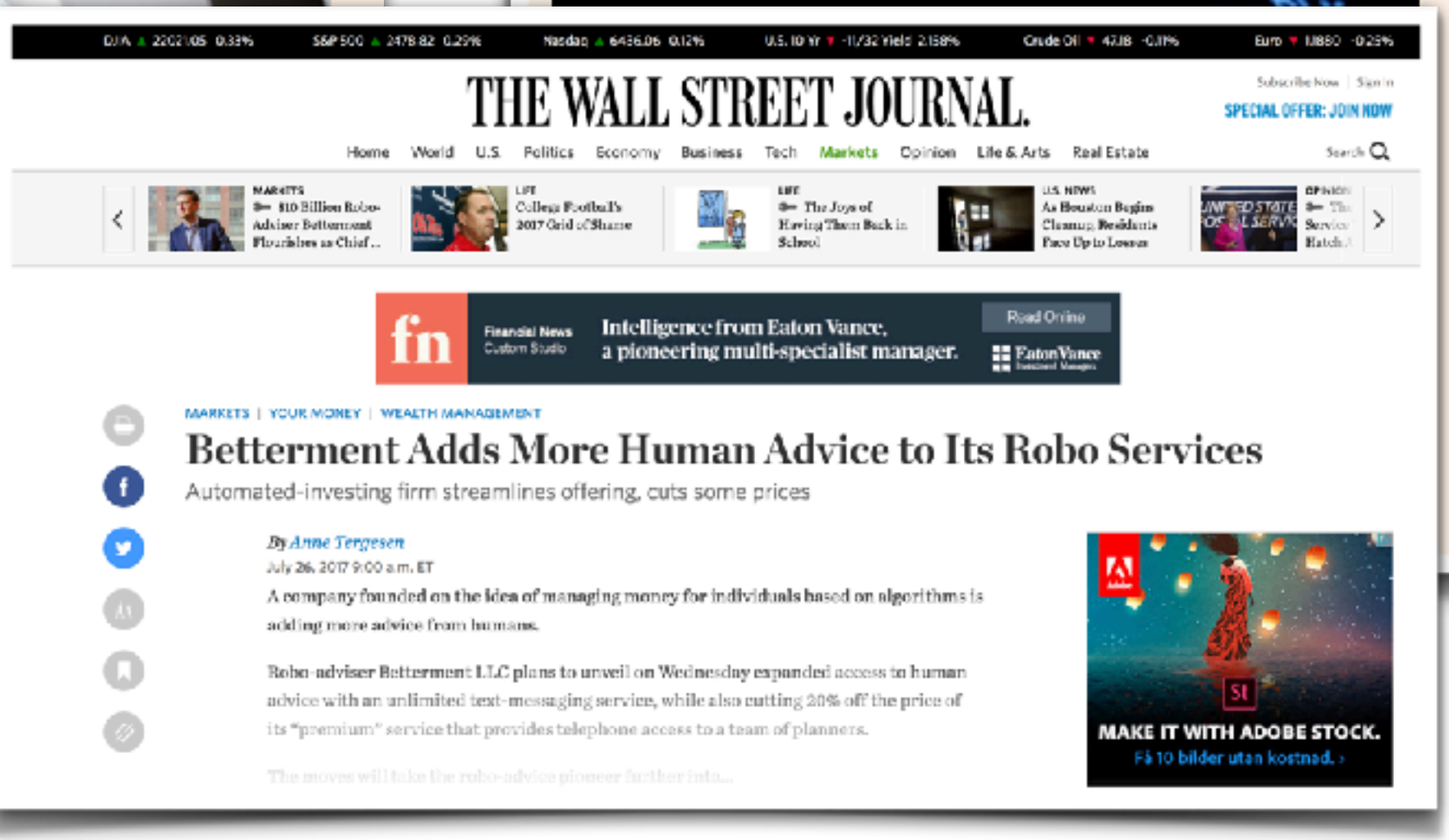
Robo-advice | + Add to myFT

BlackRock invests in UK robo advice provider

€30m stake deal in Scalable Capital is latest push into online financial services

FTfm





Evolution of Robo advice

1. Questionnaire and risk-based asset allocation

2. Re-balancing towards target portfolio

3. Investment strategy and algorithm-based adjustments based on customer behaviours

4. Advice based on complete customer profile on income and risk exposure

HUMANS vs. MACHINES

COGNITIVE SYSTEMS CREATE A NEW LINK

HUMANS EXPERTS IN

COMMON SENSE

MORALS

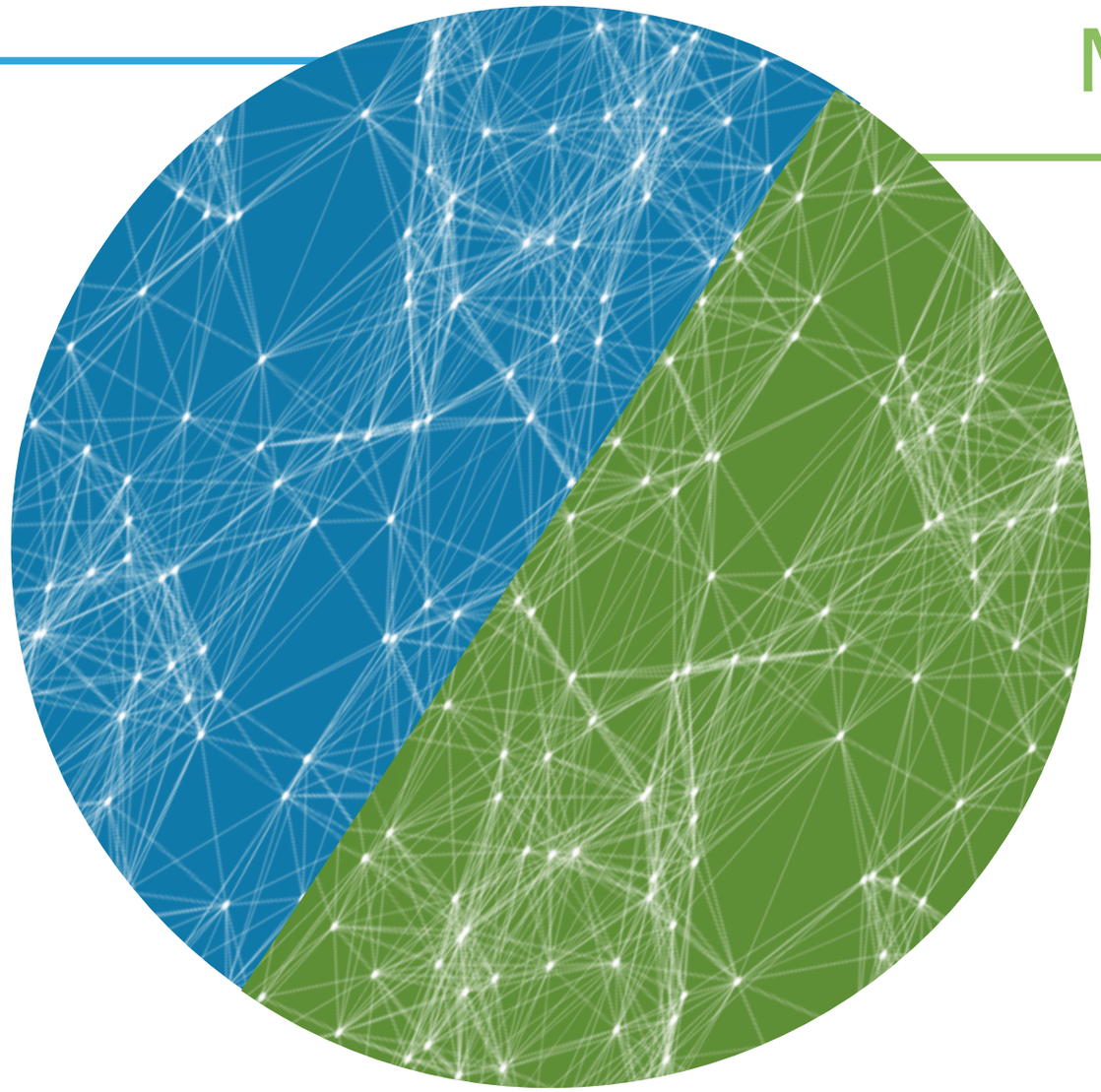
IMAGINATION

COMPASSION

ABSTRACTION

DILLEMAS

GENERALISATION



MACHINES EXPERTS IN

MASTER IN ANALYSING LARGE AMOUNTS OF DATA

IDENTIFYING PATTERNS

MACHINE LEARNING

NON-BIASED ANALYSIS

IMMENSE CAPACITY

AI VISION

WHERE AI COMES TO PLAY

LEVERAGE AI TO ENABLE WORLD CLASS ADVICE TO ALL

SCALE FS

Use power of machines

Scale financial services only available for a few to all, at an extremely low cost

BIG DATA

Use machine learning

Analyze larger amount of data than any human possibly can, to achieve even sharper financial advice, and learn on trends and fluctuations

COMMUNICATE

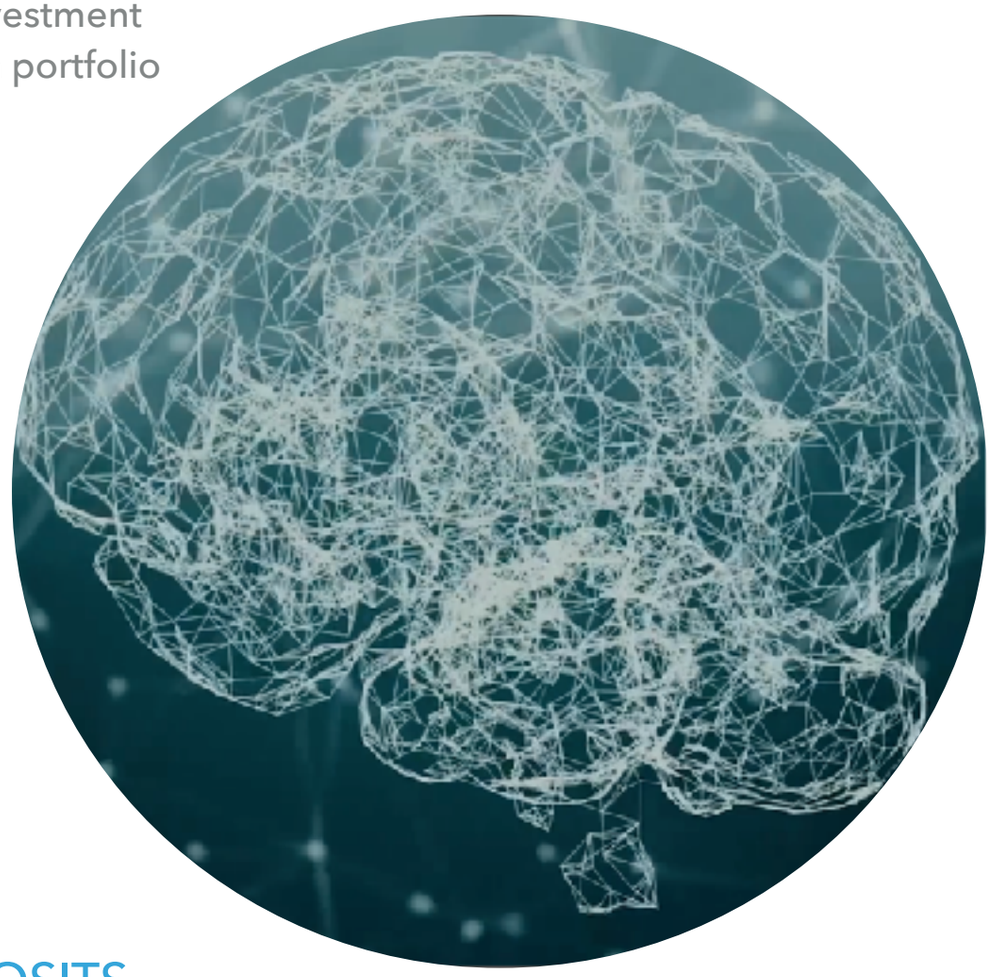
Use cognitive systems

Communicate with customers in a natural language

STEP 1: ROBOSAVE

THE BRAINS BEHIND ROBOSAVE

INTELLIGENT ALGORITHMS are used to assess customer's knowledge & experience, investment objective, and time horizon to provide a portfolio recommendation



A CHATBOT that becomes more and more sophisticated when assessing our customers

AUTOMATED MONTHLY DEPOSITS
trading based on assessing customer's holdings to grow the portfolio aligned with target

STEP 2: AMELIA

NORDNET'S AMELIA STRATEGY

MVP LAUNCH

Nordnet's MVP launches include:

Improved on-boarding process

Recommendation engine

24/7 support

NATURAL LANGUAGE

Amelia is a 3rd party component enabling natural language communication

Unique cognitive capabilities for managing complex dialogues

Ability to learn quickly and adapt to customer behaviour, intent, and actions

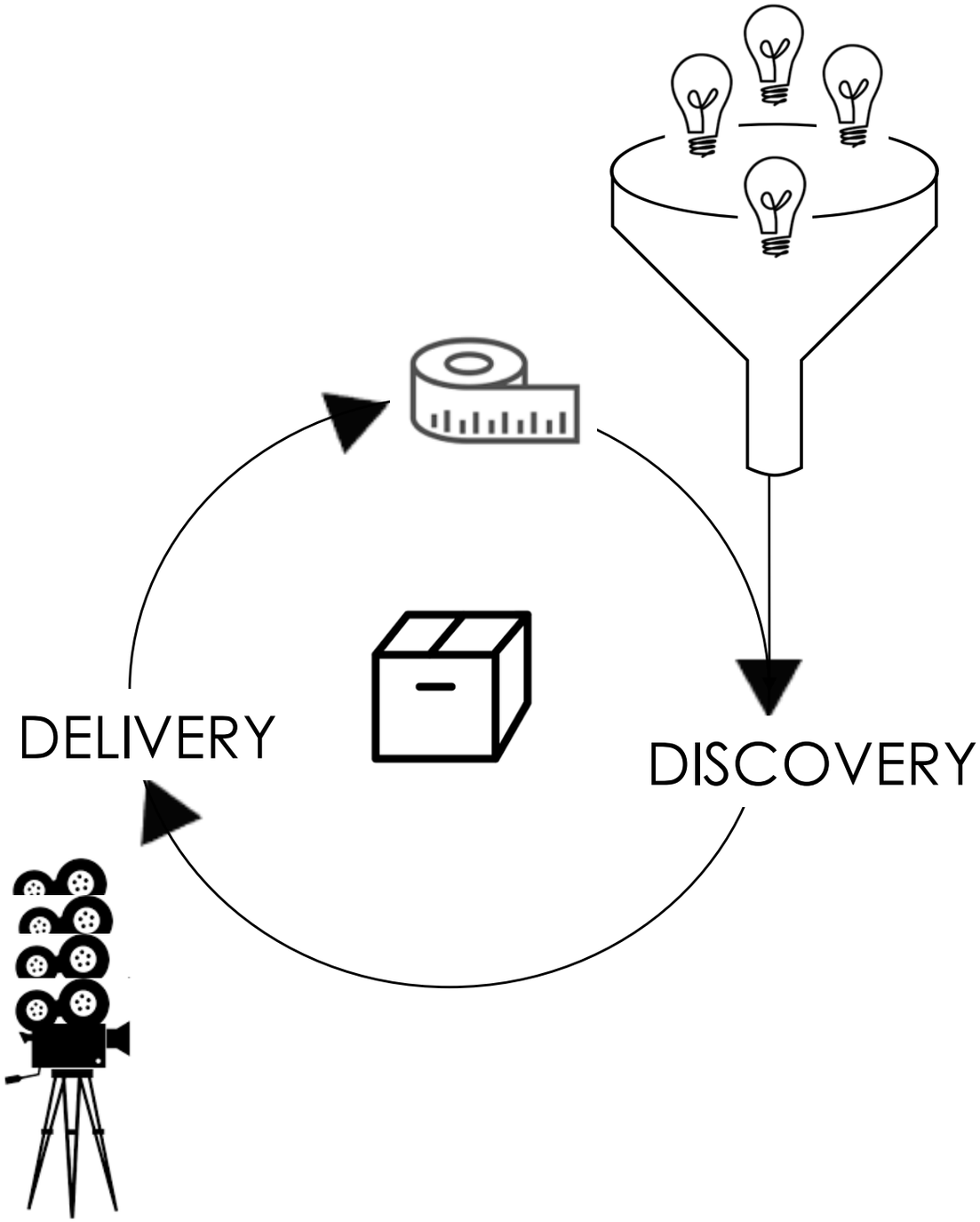
Respond to analytical triggers in real-time

Vision, Goals, Initiatives…

AGILE MANIFESTO

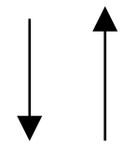
- **Individuals and interactions** over processes and tools
- **Working software** over comprehensive documentation
- **Customer collaboration** over contract negotiation
- **Responding to change** over following a plan

http://agilemanifesto.org/


DELIVERY
DISCOVERY

Jira Software

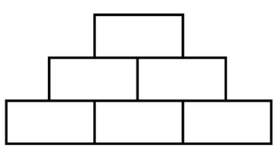
BUSINESS GOALS



INITIATIVES

DELIVERABLES

EPICS



STORY

kanbanize

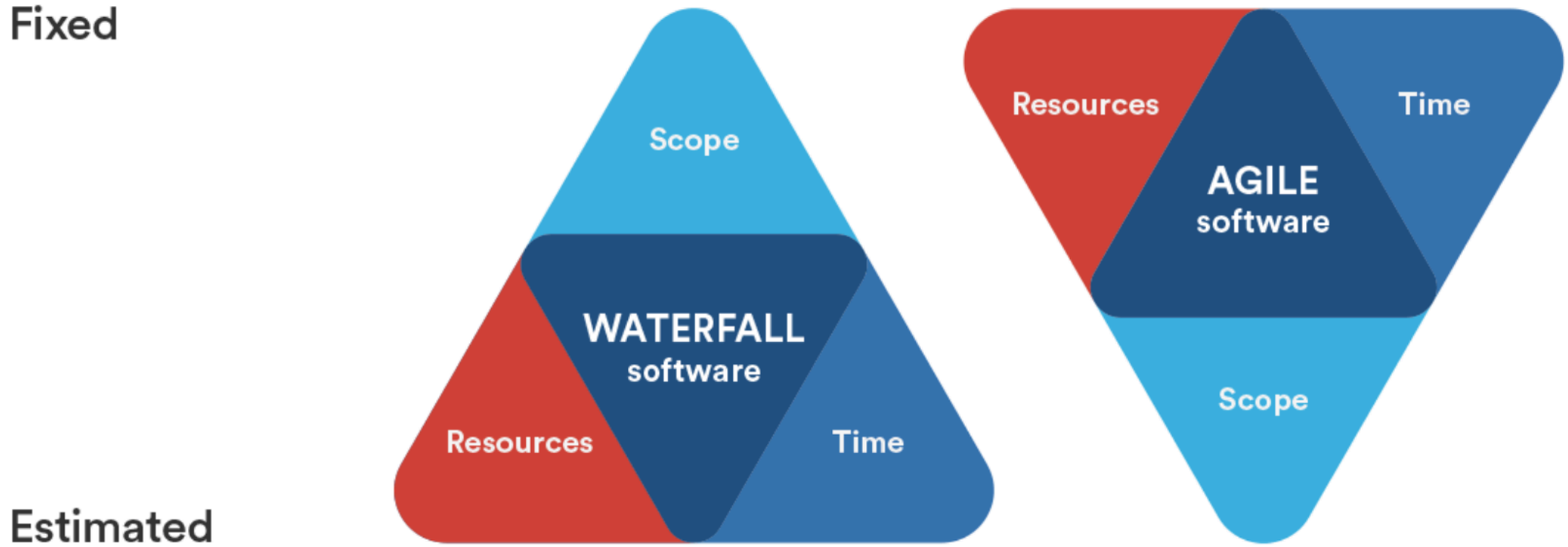
Jira Software

Hipchat

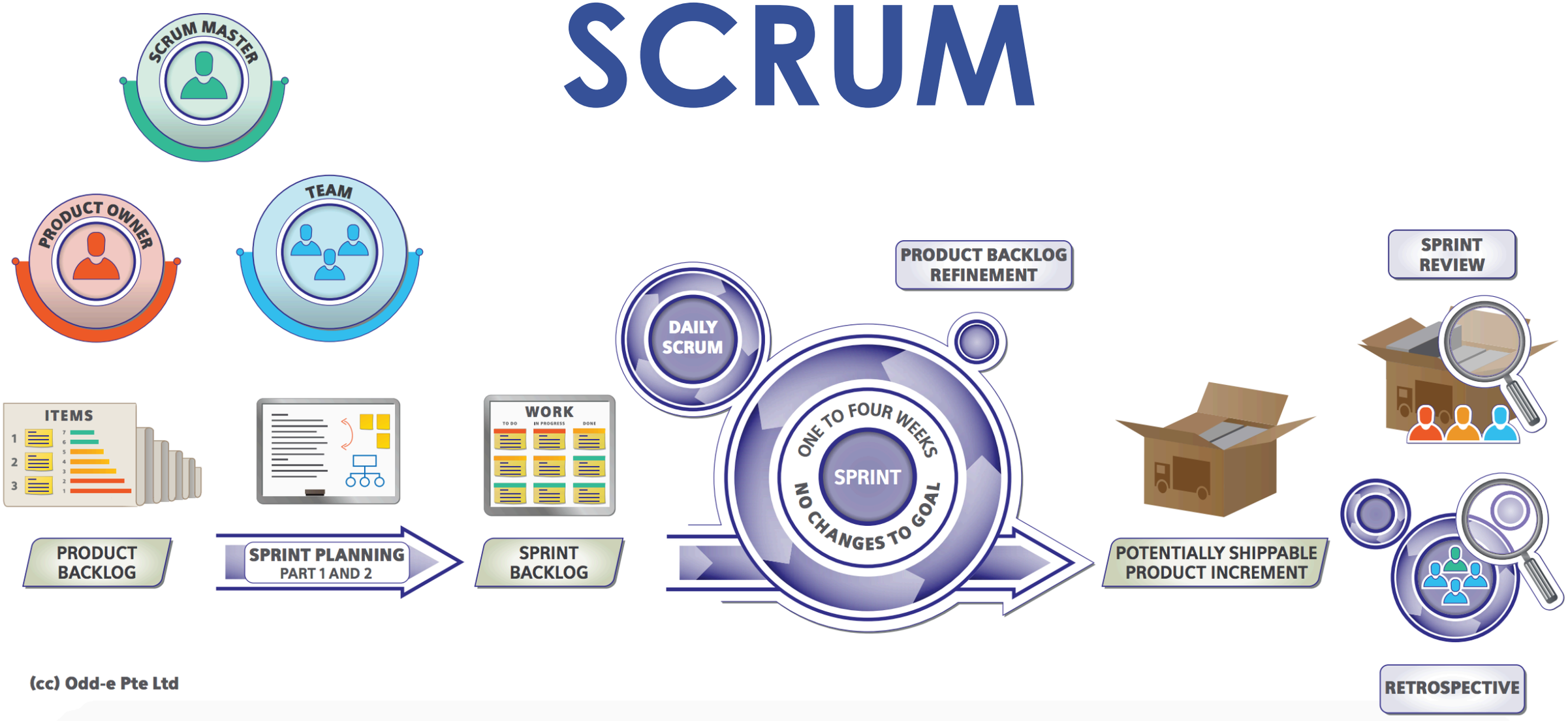
WIKI

Confluence

Waterfall vs. Agile



SCRUM



(cc) Odd-e Pte Ltd

https://less.works/less/scrum/overview.html

THE FUTURE OF FINANCE STARTS WITH MACHINES

Only machines can analyze large sets of data in such speed to make an impact on future finances

Only through machine learning it is possible to understand patterns in both data and user behaviour to tailor-made financial advice

Cognitive systems can overlap the need of human like communication