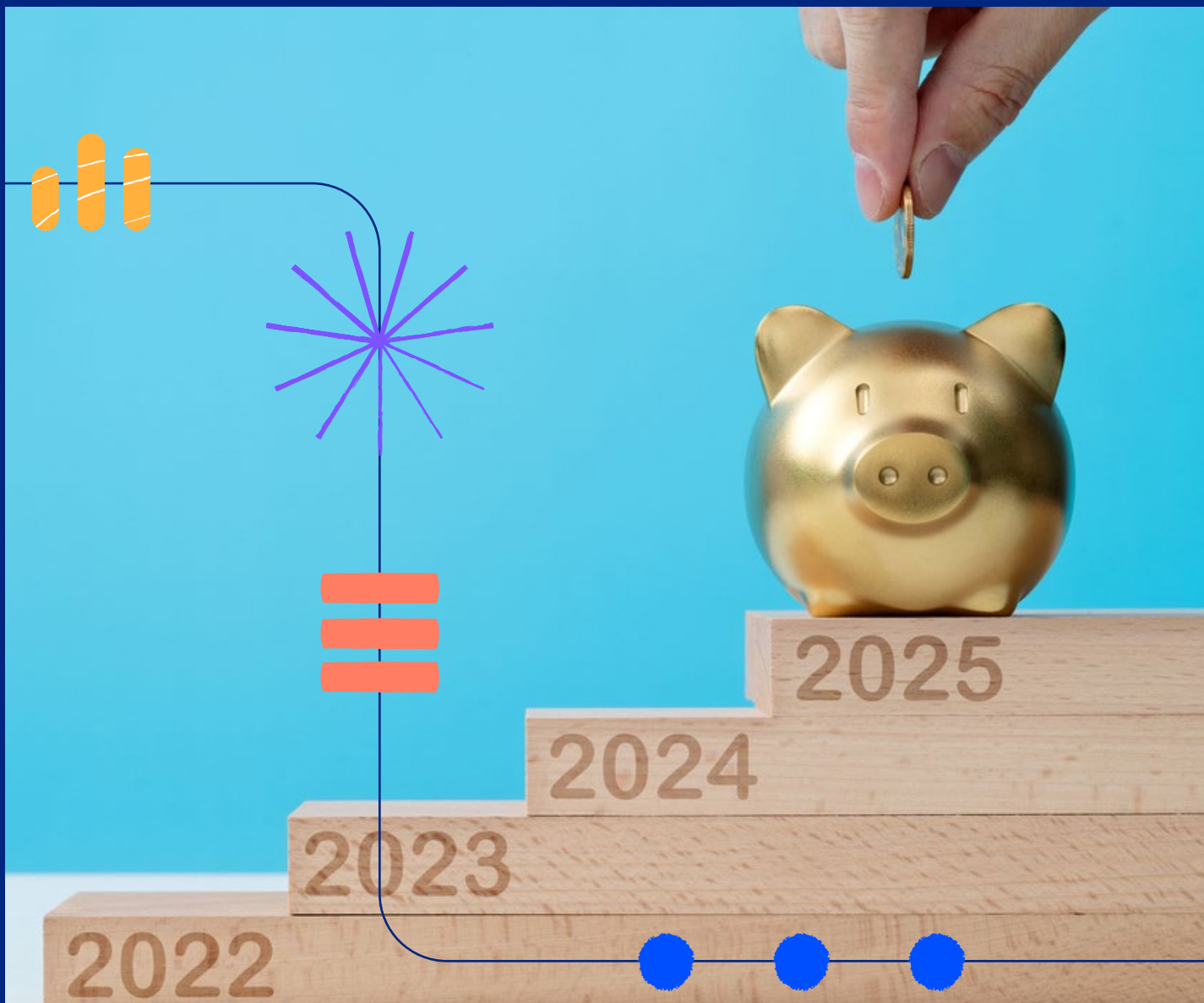




# Financial Services Technology: EasySend's Vision for 2025



The financial services industry is evolving rapidly. Financial technologies such as blockchain, the internet of things (IoT), predictive analytics, and machine learning (ML) are expected to revolutionize financial services in 2025.

Banks, insurers, and other financial institutions will increasingly leverage these new technologies to make financial services more efficient, secure, and accessible. Financial institutions will implement new ways of providing financial services in remote and low-infrastructure areas, and of improving financial security and reducing fraud risk.

Furthermore, financial institutions will increasingly leverage the data generated from digital technologies to provide tailored and personalized financial solutions to customers.

## This technological revolution is expected to bring about major changes in the financial landscape:

- AI-driven chatbots are likely to become a common customer-facing tool for financial institutions.
- Blockchain will be used to facilitate real-time financial transactions across different financial institutions and reduce transaction costs.
- IoT devices will be increasingly used to provide financial services in remote and low-infrastructure areas.
- The financial services industry is also expected to benefit from the increased use of predictive analytics and ML algorithms which will allow financial institutions to better understand customer behavior, financial market trends, and risk management.
- By 2025, financial services will be distributed by a variety of providers, including traditional financial institutions, fintech startups, retail stores, technology companies, and digital banks.
- The financial service industry is also expected to experience increased regulation in the coming years. This is aimed at ensuring financial services remain secure and reliable, while also protecting consumer data privacy.

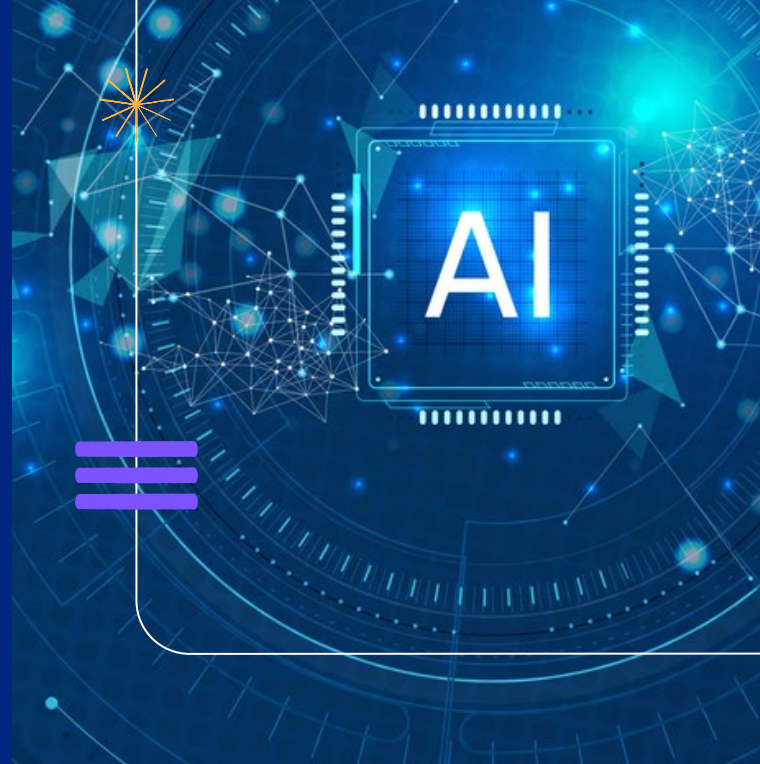


These advances are expected to improve customer experience and financial inclusion as financial services become more accessible and user-friendly. Let's dive into each of these trends in more detail.

# AI-driven transformation

ChatGPT has taken the world by storm. The implications of the latest developments in AI space for financial services are vast and powerful.

Any repetitive and standardized process can be automated, meaning financial institutions' employees can focus on more complex tasks. Some applications that financial institutions are already exploring include:



## 1 Chatbot-driven customer service & conversational banking

AI-driven chatbots will become the primary customer-facing interface for financial services, allowing customers to interact with their financial institutions. As the technology matures, AI-driven chatbots will become increasingly common in financial service customer support, with the potential to handle more complex inquiries and provide personalized solutions.

## 2 AI-driven financial advice

Financial institutions are already leveraging AI to provide financial advice and financial planning services. These include algorithms which can automatically generate financial plans for customers, as well as providing personalized recommendations on investments, retirement accounts and other financial products.

## 3 AI-driven fraud detection

AI algorithms are also being used to detect financial fraud and money laundering. AI-driven financial services will become increasingly sophisticated in detecting financial fraud, allowing financial institutions to protect their customers from scams and fraudulent activities.

## 4 AI-driven loan origination

AI-driven financial services will also allow financial institutions to provide automated loan origination, enabling customers to get loans quickly and easily without needing a bank teller or a financial adviser.

## 5 AI-driven process optimization

AI will enable financial institutions to automate and improve financial processes, such as loan applications, risk management, and customer service. But it also promises to improve financial institutions' efficiency, helping them better manage costs and increase profitability.

# Crypto and Distributed Ledger Technology

A dramatic meltdown of the [FTX cryptocurrency exchange](#) has sent shockwaves through financial markets, shuttering confidence in cryptocurrency and distributed ledger technology (DLT). While the full extent of the financial fallout is still unclear, there is no denying that blockchain and crypto technology will encounter increased regulatory scrutiny going forward.

However, the potential of distributed ledger technology goes beyond cryptocurrency. And financial institutions are already exploring ways to leverage blockchain technology for financial service applications. This includes distributed ledger systems, which can help financial institutions increase transparency and efficiency in financial transactions.

DLT technology has the potential to revolutionize financial services by facilitating real-time financial transactions across different financial institutions. This could bring down transaction costs and enable faster settlement times. Additionally, DLT is expected to improve financial security and reduce fraud risk.

Institutions are going to further explore these opportunities in the coming years, and financial services will be increasingly powered by DLT.

## Internet of Things (IoT) financial services

The financial services industry will increasingly leverage the internet of things to provide financial services in remote and low-infrastructure areas. IoT devices such as wearables, smartphones, and tablets are expected to become a common financial service touchpoint for customers, making financial services more accessible.

This could lead to the financial inclusion of the [1.4 billion people in the unbanked population](#) worldwide, who are currently excluded from financial services due to lack of access.

Additionally, financial institutions will be able to leverage the data generated from IoT devices to provide personalized financial solutions. IoT-generated data about customer behavior and preferences for financial services will increasingly be used to provide more personalized financial services. Moreover, IoT financial service systems could improve banks' risk management by providing real-time visibility into financial transactions.



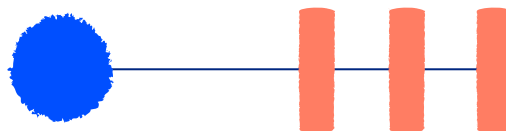


# Predictive analytics and ML

Predictive analytics and ML algorithms will allow financial institutions to better understand customer behavior, quickly follow financial market trends, and improve risk management. This could lead to an improved financial service experience for customers, as financial institutions would be better able to anticipate their financial needs.

Additionally, ML algorithms could enable financial institutions to automate processes such as loan applications and credit scoring. Automation of financial processes will reduce processing time and costs for financial institutions and improve the speed at which financial transactions are settled.

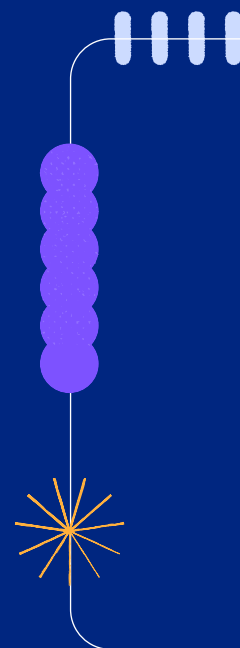
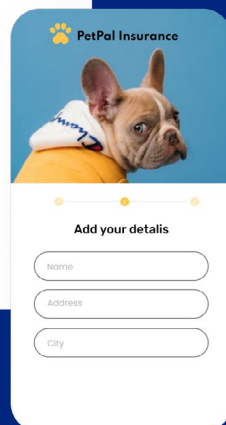
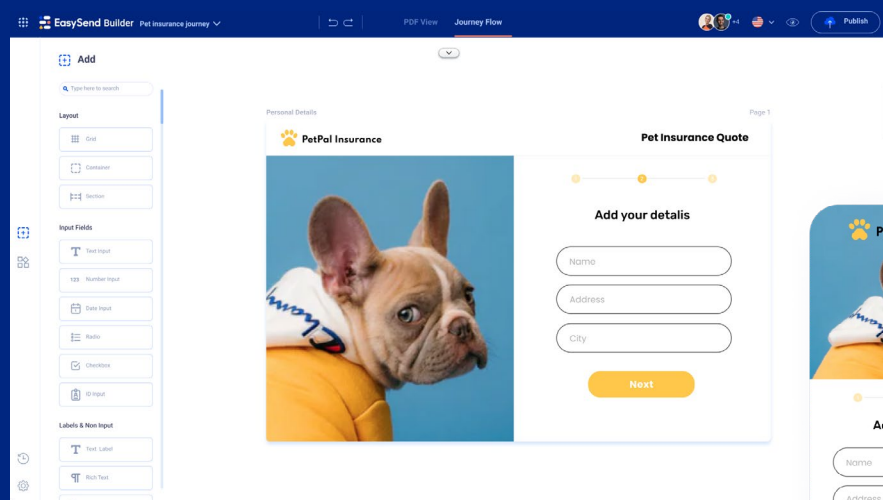
ML applications in financial services will also be used to detect financial fraud and money laundering. ML-powered financial security systems can scan financial transactions for suspicious activities, flagging them before they occur.



# No-code technology

No-code and low-code technology will enable financial institutions to quickly develop financial service applications and deploy them with limited resources. This could lead to financial service companies providing more innovative financial solutions, as they would be able to respond faster to customer demands.

No-code technology also has the potential to reduce financial institutions' reliance on specialized software developers, making financial services' development more accessible and cost-effective.



# Digital compliance

The regulatory landscape in financial services will become more complex in the future. As financial regulations evolve, financial service companies must create and manage multiple compliance policies to ensure regulatory compliance across different markets.

Digital compliance is expected to become increasingly important for financial services across the globe. Digital compliance technology will be increasingly important in financial services as financial institutions need to comply with the regulations set by different regulatory bodies. Financial institutions are expected to leverage digital and AI-powered tools to automate the compliance process, making it easier and more efficient.

The image illustrates digital compliance through a user interface. It features a woman in a business suit using a smartphone. In the foreground, there is a digital form titled "M INSURANCE". The form has three main sections: "Personal Details", "Partner Details", and "Claim". Each section contains a table with fields for first name, last name, account number, ID number, phone number, e-mail, address, zip code, and state. A floating overlay form titled "Personal Details" is also visible, showing fields for First name (Noah), Last name (Levi), Account number (22285669), and ID number (824569824). A "Next" button is present at the bottom of the overlay form.

# Cybersecurity

Financial services remains [the most targeted industry](#) for cyber attacks.

As financial services become increasingly digital, financial institutions must invest in cutting edge cybersecurity measures to protect customer data and financial transactions from cyber threats. Cybersecurity technologies such as blockchain, encryption, and biometrics authentication are expected to become more prevalent in financial services.

These technologies can provide financial institutions with secure methods for storing customer data, transferring funds, and performing financial transactions. Cybersecurity measures can also help financial institutions detect and prevent financial fraud and money laundering.

# New market entrants

The financial services industry is expected to become more competitive in the future, as new market entrants such as FinTech companies and Big Tech companies will enter the financial services space.

These new players are expected to leverage innovative technologies such as blockchain and AI-powered financial applications to a much greater extent to differentiate themselves from the traditional financial institutions. This will accelerate financial service innovation and create new opportunities in financial services.

# Innovative business models

The financial service industry is expected to move away from traditional financial business models. Financial institutions will be encouraged to become more agile and create innovative financial solutions that are tailored to their customers' needs.

Personalized financial services, such as financial advice and financial planning tools, will become more popular. Financial institutions are expected to leverage AI-powered tools to provide personalized financial services that can better meet their customers' needs.

## Mobile payments

Financial institutions are expected to create secure financial transactions platforms that leverage the latest mobile payment technologies such as NFC and biometric authentication. This will enable financial institutions to provide financial services through their mobile applications and websites, making financial services more accessible for customers.

Financial service companies will also be able to use mobile payment apps to offer new financial products, such as loyalty programs and rewards systems. This could help financial institutions increase customer retention and provide financial services in a more efficient manner.

## A new generation of B2B customers

A new generation of B2B financial services customers is expected to emerge. Tech-savvy customers who are comfortable with digital financial products and services are growing up and moving up in the world.

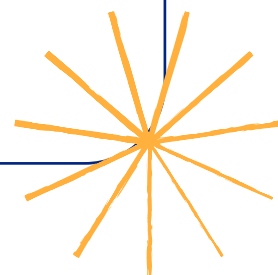
This will have implications beyond the B2C segment.

Financial institutions must adapt to this changing environment by providing B2B financial solutions that leverage the latest financial technologies. While older generations are willing to tolerate slow-moving business loans and traditional financial services, younger generations will demand financial solutions that are faster and more efficient not only in retail banking, but also in financial services for the business world.

Financial institutions will need to develop financial products and services tailored to the needs of this new generation of financial services customers in the business segment.

The B2B financial services industry is expected to move towards self-service. Customers demand to have more control over their financial decisions with the introduction of financial planning tools, financial advice, and other financial education resources.

In addition, financial institutions will leverage mobile applications and websites to provide business financial services on the go. This could make financial services more accessible and convenient for young B2B customers.



# Growth of international finance

The financial services industry is expected to become more integrated and globalized. International financial transactions will become easier and faster, thanks to improved financial technologies such as blockchain technology.

This could lead to new financial products and services tailored for international customers, such as cross-border payments solutions and multi-currency financial accounts. Financial institutions will be able to offer financial advice tailored for international customers, which could help them better understand the financial risks associated with cross-border financial transactions.



# Green and socially responsible finance

As more financial services companies focus on sustainability, green finance is expected to become a major trend in the financial services industry.

Financial institutions will have to develop financial products and services that are tailored towards environmental goals. For example, JPMorgan had recently [set targets to cut emissions tied to its finance](#) and dealmaking in the iron and steel, cement and aviation sectors. This trend is likely to gain more traction in the near future, leading to innovative financial products and services such as green bonds, climate investments, renewable energy financing, and carbon credits.

This could involve offering financial advice and products that take into account environmental, social and governance (ESG) factors, and introducing financial education programs that help people understand the complexities of financial markets and make informed financial decisions.

Another trend that financial services companies should look out for is the introduction of regulations and incentives focusing on financial technology (FinTech) solutions. This could include regulations to ensure data security and privacy, as well as financial incentives to encourage FinTech innovation.

## Hyper-connected ecosystems

In order to offer elevated and personalized customer engagement by 2025, BFS companies need to have a 360-degree view of their customers. Such services will only be possible with hyper-connected ecosystems that can bring this data together.

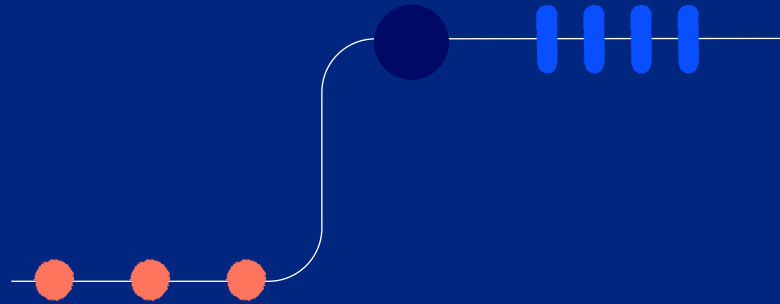
Financial institutions must create an environment where their partners can access each other's financial data through APIs in a secure manner.

This could help financial services companies better understand customer needs and provide personalized financial advice, as well as specific financial products and services tailored to the customers' needs, leading to increased customer loyalty and financial services adoption.





# The bottom line



On the heels of the looming recession, the financial services industry is expected to undergo a radical shift in the next five years. Financial institutions will need to invest heavily in innovation and technology to remain competitive, as well as to improve operational efficiency and customer experience.

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The implications of the financial service technology revolution are vast and powerful. These changes will shape the financial services industry of 2025, creating a future where financial transactions are more secure and financial services are more user-friendly, secure, automated and globally accessible.