

GI Geldinstitute, Germany: Cognizant's AVP, Center for the Future of Work, Says Traditional Banks Fear Technology Giants



"The days of traditional banking, where barriers to entry were astronomical, are coming to an end, and a drastic change of mentality is needed in the industry's established sector if it wants to survive the upheaval," says Euan Davis. "European banks must become ever more resilient: they need to redefine their business and business models for the emerging competitive environment, implement new technologies in faster rhythms, and dramatically increase their ability to react to geopolitical changes."

Excerpts from GI Geldinstitute's article:

"Research from '[The New Banking Genome: Building the Resilient Bank of tomorrow](#)', has found that the Revised Payment Service Directive (PSD2) and open banking reforms are levelling the playfield for 'new' entrants. As a result, over half (55%) of digital-first challenger banks and three-fifths (61%) of fintechs feel more confident that they can compete with existing banks. What is worrying, however, is that incumbent banks seem not to be aware of this, with only one third (36%) seeing the threats of the new landscape. The report features research from over 300 European banking executives.



The research found that in addition to the concern of challenger banks and fintechs, incumbents view the existing technology giants such as Amazon, Google and Facebook as a major threat, with over a quarter (28%) predicting that these digital behemoths will be banks' main competition within the next three years."

Click [here](#) to read the original article in German.

<https://news.cognizant.com/2019-01-31-Euan-Davis-Says-Traditional-Banks-Fear-Technology-Giants>