




# Unbundling embedded finance

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07.09.2022

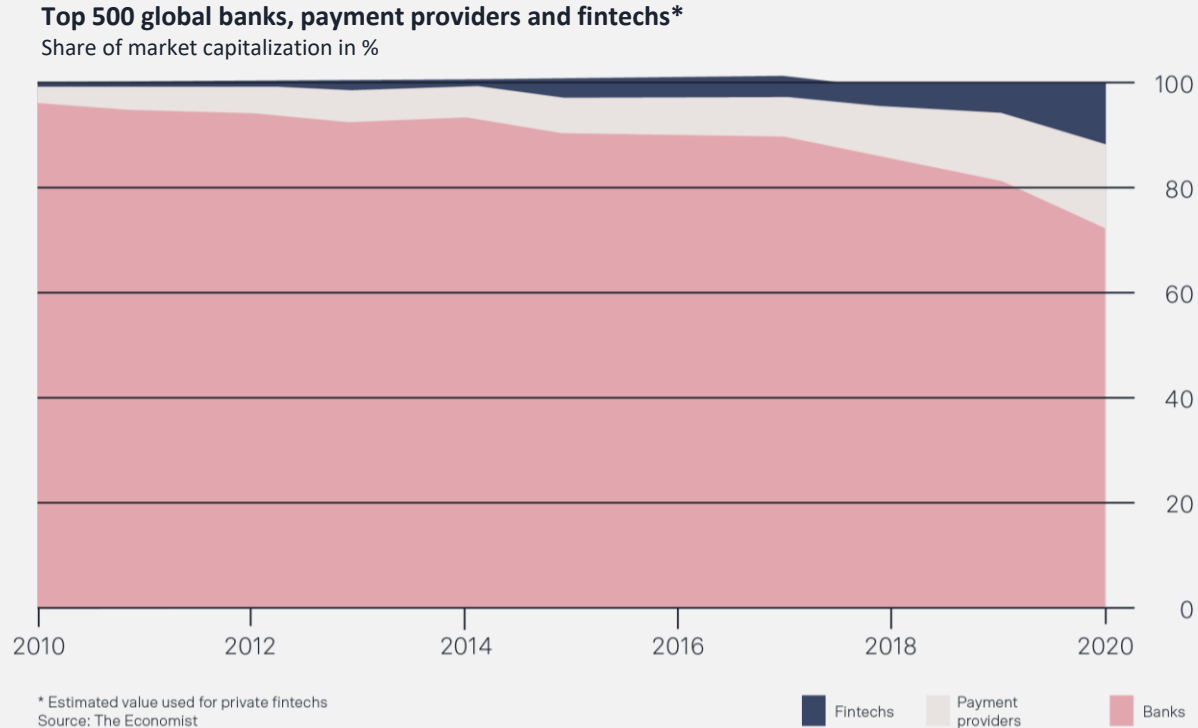




## A few observations from the market

# The competitive landscape is changing within FS

Share of market capitalization of banks is shrinking at an increasing rate



# New entrants from various industries are voicing ambitions within FS

There is an immense demand for embedded financial services



**Bloomberg**

**Walmart Creates Fintech Startup,  
Speeding Push Beyond Retail**



**The  
Guardian**

**Ikea to expand consumer  
banking services after deal  
with Ikano Bank**



**t-online.**

**Lidl tests Payment function in  
its customer app**

## Walmart

Walmart provides digital payment options (Walmart Pay) and marketplace lending via Goldman Sachs



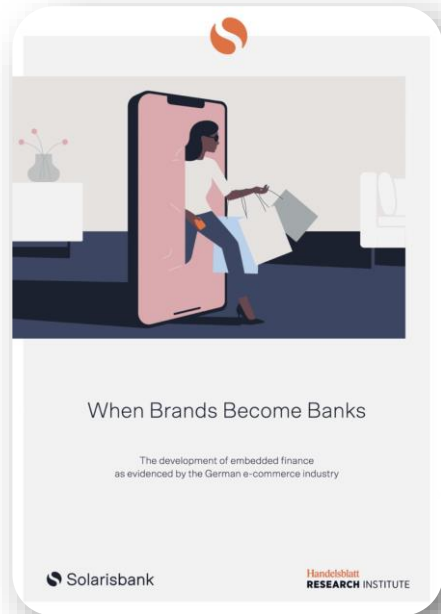
IKEA offers a VISA credit card via Ikano Bank with cashback and reduced rates when purchasing at IKEA



With Lidl Pay, customers can make contactless payments at the till that earn customers digital coupons

# So we decided to investigate further into the phenomenon

What were the aims of our study?



**Time period**

Q1 2021



**Idea and methodology**

Focus on e-commerce  
players in Germany

>2000 respondents



**Chosen Partner**

Handelsblatt Research  
Institute

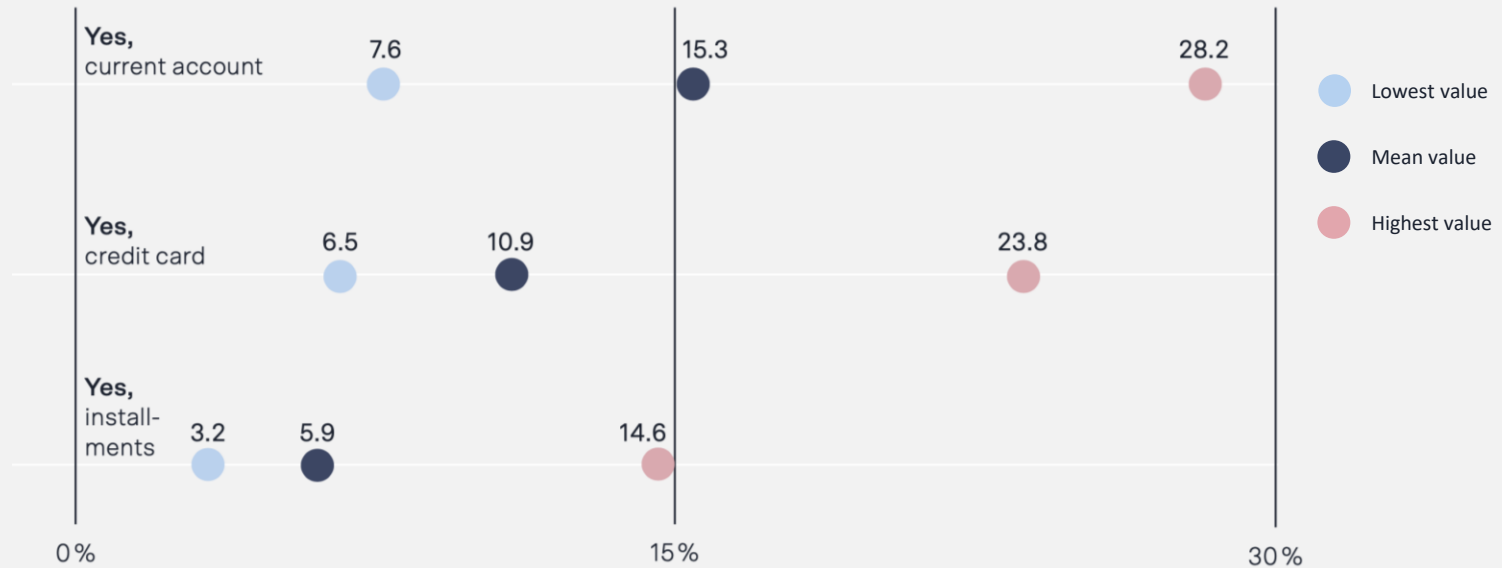


# Our study findings

# Research: When Brands Become Banks

E-commerce players show double-digit conversion potential when offering financial services to their customers

**Survey: Would you use one or more of the listed products from the following e-commerce companies? (In %)**



Source: *When Brands Become Banks*, Handelsblatt Research Institute & Solaris

# Research: When Brands Become Banks

High customer touchpoints lead to demand for accounts, while high shopping cart values make loans attractive



Survey: Would you use one or more of the products from the following e-commerce companies? (In %)







What does this mean  
for corporates?

# Embedding financial services has huge potential for businesses of all industries

This global trend is just at the beginning and has the potential to fully disrupt traditional banking



Unlock additional revenue streams



Increase customer retention and brand loyalty



Leverage valuable customer data

How can corporates  
approach it?



# Option A: Become a bank yourself

But there are obstacles to overcome



Invest  
20M €  
to start



Regulatory burden  
Building up  
bank operations  
from scratch



Time  
12-18 mon.  
to get a banking license



# Option B: Consider working with Solaris

We empower any company to embed financial services into their offering



Banks



Corporates



Big Techs



Fintechs

# Solaris in a nutshell

We empower any company to offer financial services



Tech company with a banking license



Started business in March 2016



Premier Banking-as-a-Service platform



B2B2X business model

**750+**

Fin and tech-driven employees

**80+**

Nationalities

**>45%**

Staff with a tech background

**90+**

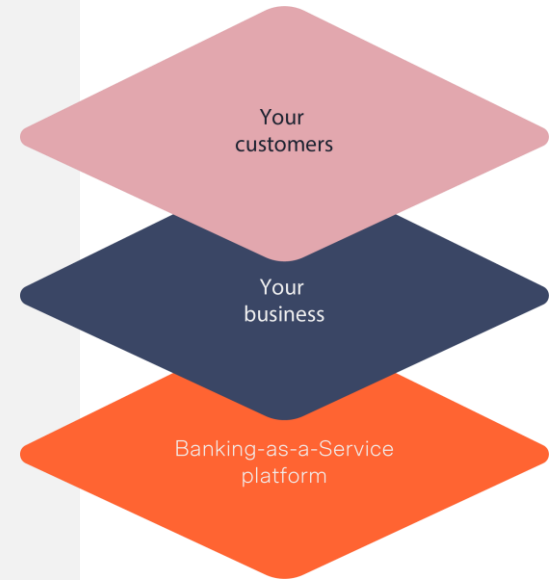
Partners live

**400M+**

Funding

**8**

Localtions

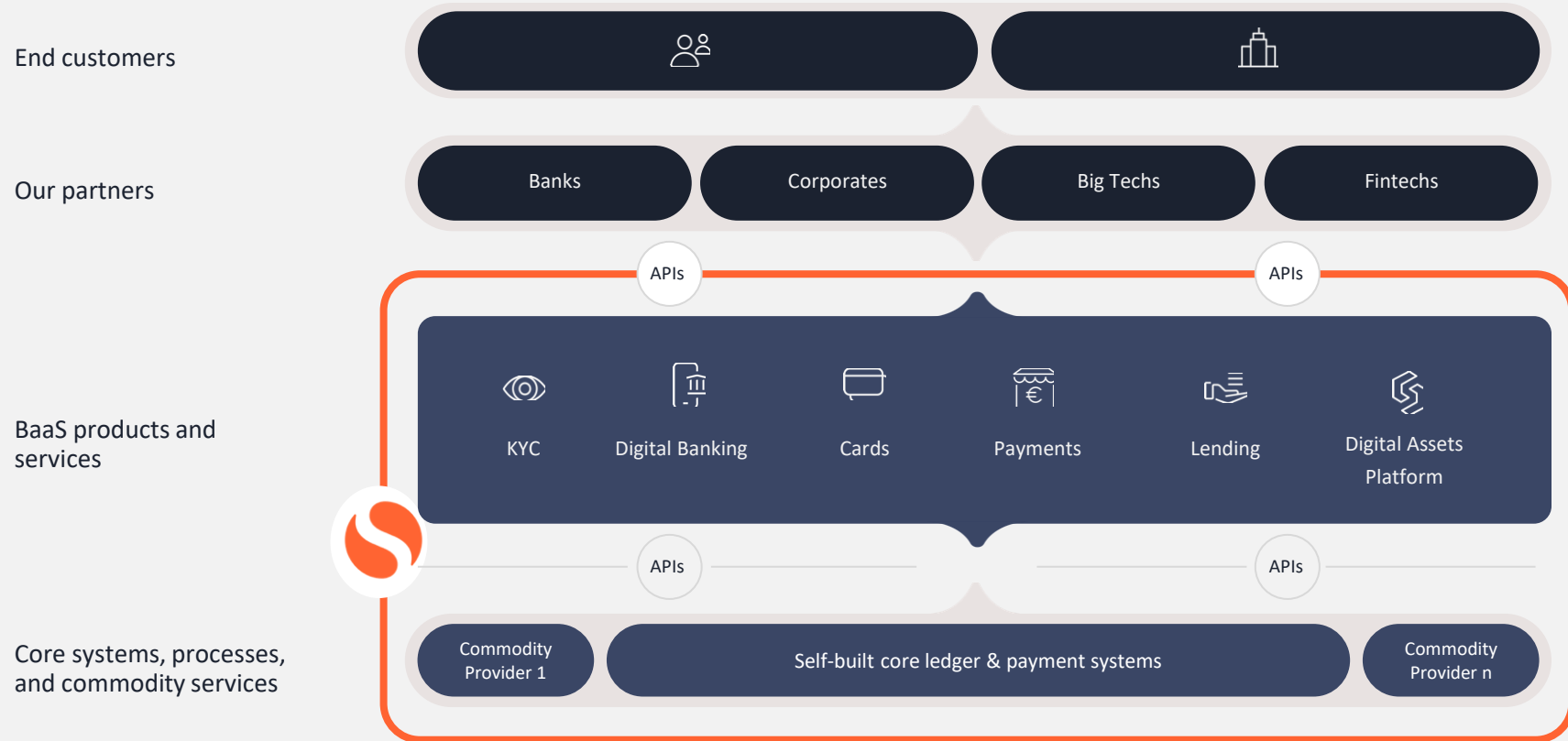


Backed by strong investors



# Solaris' product ecosystem

Built on our Banking-as-a-Service platform



And how does this look  
in practice?





# Case study: Samsung

Enabling the launch of Samsung Pay in Germany

Samsung is relying on Solaris' technical and regulatory infrastructure to create one of the most comprehensive mobile payment solutions in the German market.



## KYC

Bank Ident – an AML-compliant KYC enabling identification at any time and any place



## Cards

Virtual Visa debit card that is bank agnostic and allows online & contactless payments



## Lending

Splitpay – a digital credit line enabling users to split payments into easy installments



**SAMSUNG Pay**



# Case study: CarNext

The leading online marketplace for used cars

With a focus on improving the experience of buying a used car, CarNext.com wanted to complete their end-to-end customer journey with a digital financing option.



## KYC

Video KYC to enable compliant onboarding of CarNext's customer in minutes



## Scoring

Algorithmic scoring engine validates the user's credit worthiness and makes an offer



## Origination & Payout

User signs their loan agreement and receives the payout – paperless and mobile



# Case study: Tomorrow

Sustainable mobile banking with wooden card and positive impact with each transaction

Tomorrow needed a licensed banking partner to make their vision of a sustainable bank account a reality. Solaris shoulders the regulatory and technical burdens of operating a bank for Tomorrow.



## Sustainable banking

The customer's deposits on their digital bank account are used for sustainable investments



## Wooden card

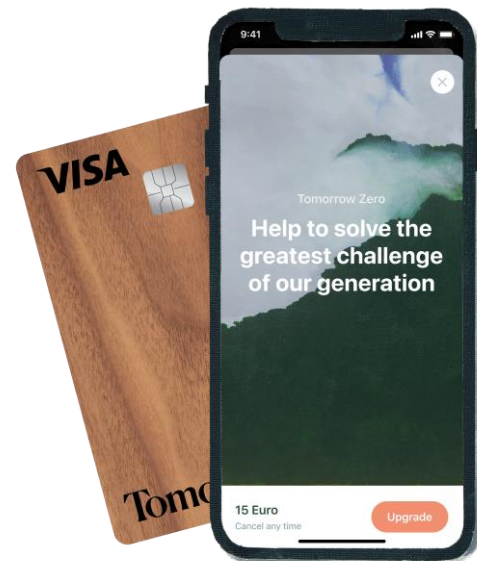
Wooden VISA card made from sustainably sourced cherry wood instead of plastic



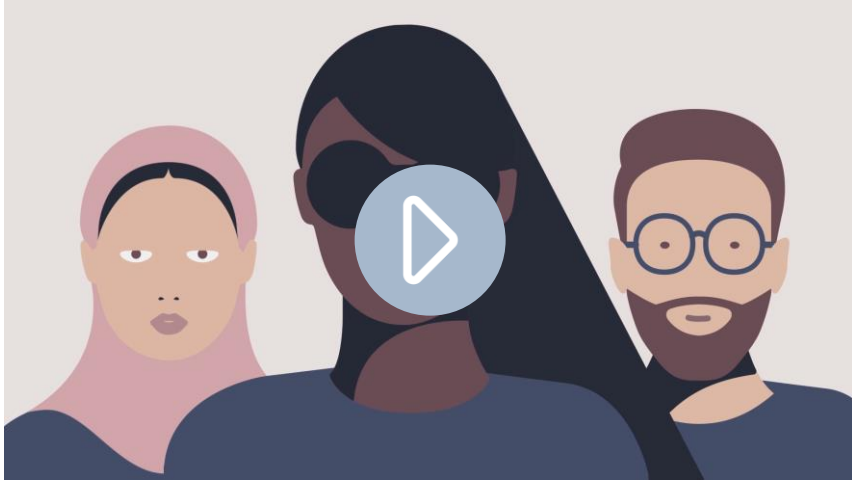
## Impact Board

A portion of every card payment is donated to a rainforest conservation project

# Tomorrow



# Our vision



To create a world where  
financial services  
seamlessly sync with life



Start building  
financial products  
with us

Thank you



# Q&A

## Contact

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