



# Innovation in the FinTech Ecosystem

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# Agenda

## FinTech Overview

### Introduction and global landscape

The Greek FinTech landscape

How is Mastercard involved?

# Recent changes in regulations and customer needs have led to a transition from FinTech 1.0 to FinTech 2.0

## FinTech 0.0

FinTech 0.0 was a time when **internet connectivity** and **monetary transaction accounts** were still **limited** to upper levels of society

## FinTech 1.0

FinTech 1.0 focused on offering **targeted solutions** to specific pain points

## FinTech 2.0

FinTech 2.0 mainly focuses on **"re-bundling"**: merging apps and digital services into a **single innovative platform** in a cost and time efficient manner

1990 - 2000

Mid 2000s

Early 2010s

Mid 2010s

Early 2020s



Digitalization of financial services



Mobile Payments



Development of online payments



Integration of AI, Machine Learning



Data Analytics in financial services



Blockchain and crypto in financial services



Expansion of new areas (InsurTech, RegTech etc.)

# Successful players are emerging across various segments of the FinTech space

 <b>Payments</b>	<p>Products enabling merchants to accept new payment methods, such as account to account transfers and P2M</p>	     	 <b>Credit/ Lending</b>	<p>Lending-related services, such as SME creditworthiness assessment, instant decisioning and loan application management</p>	     
 <b>Neobanking</b>	<p>Offer banking or other consumer financial services with solutions enabling P2P transfers, current accounts and debit cards</p>	     	 <b>Insurtech</b>	<p>Technology solutions aiming to simplify and improve the insurance industry such as lowering the cost of premiums</p>	    
 <b>Crypto and Defi</b>	<p>Solutions using cryptographic or blockchain technology</p>	     	 <b>Regtech</b>	<p>Products improving and managing regulatory compliance (AML, KYC)</p>	   
 <b>Wealth Management</b>	<p>Products improving and automating the delivery of financial services, such as Robo-Advisors</p>	     	 <b>Enablers &amp; Other</b>	<p>Platforms for analytics, risk managements etc.(anything that facilitates growth)</p>	     
 <b>Enterprise Financial Management</b>	<p>Financial management tools and software, that provide accounting and invoicing solutions</p>	  	 <b>ESG</b>	<p>Solutions combining ESG principles with new financing technologies</p>	   

However, FinTech funding on a global level has recently slowed down after reaching a peak in Q4 2021, given the macro challenges (inflation, higher interest rates)

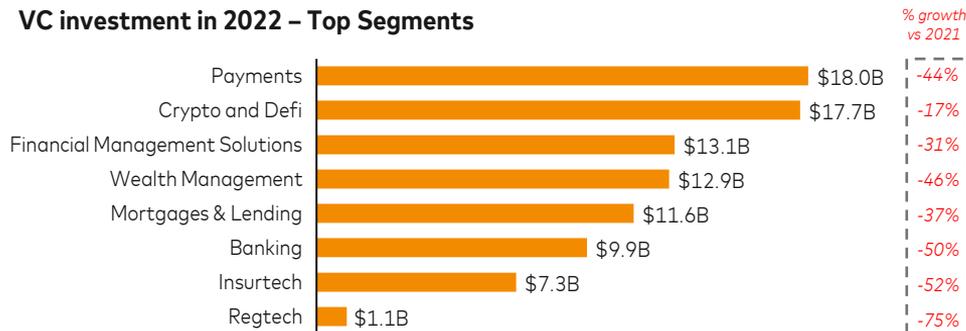


## FinTech VC funding and VC investment

### Global FinTech VC funding by quarter



### VC investment in 2022 – Top Segments



## Key insights

- **Funding slowdown**

FinTech funding experienced a **drop** in 2022, with FinTech startups raising the **lowest amount of money in the last 5 quarters**

- **All FinTech segments impacted**

All segments saw a **decrease in funding** in 2022 compared to the previous year, mainly **RegTech**, which fell more than 70%

- **Payments is the top funded sector**

**Payments** remained the **top sector** for FinTech VC funding even though it faced a **considerable decrease** of 44% in 2022

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# The Greek FinTech ecosystem consists of various stakeholders, both from the public and the private sector



## \$ 4.6 M

in FinTech VC funding in 2022



## 32

FinTechs registered in Elevate Greece



## 1

FinTech Unicorn



### Government

Greek Government established **Elevate Greece**, an **official platform** acting as a startup registry offering in-depth **information and visibility** in the **startups ecosystem**

**ELEVATE  
GREECE**  
national startup point



### Regulators

Since 2019, **BoG** with the **"FinTech Innovation Hub"** and its **regulatory sandbox**, provides firms with guidance on the conformity of their innovative financial services and products



### Financial Institutions

Systemic Financial Institutions have **developed in-house incubators / accelerators** and **other initiatives** that include various FinTechs



### Schemes

**MC** with **"Mastercard FinTech Engage"**, and **"Start Path"**, along with **VISA's "VISA Innovation Program"** have both created platforms to promote and enhance innovation in Greece



### VCs and other Corporates

VCs and other Corporates are **supporting innovation** and already have a **strong connection** with **digital technology**





# The Greek market is expanding with emerging FinTechs touching upon various segments

	Description	Founded	Stage	Investors	
vivawallet	Card acceptance services for businesses	2010	<b>Series C</b>	J.P. Morgan, EBRD, Tencent and others	Became a unicorn in 2022; Partnership with
CUBE	AI-driven tender & contracting management software for businesses	2018	<b>Series A</b>	Marathon VC, Runa Capital	
norbloc	Platforms for managing and sharing KYC data among customers, organizations and regulators	2016	<b>Seed</b>	Venture Friends, Marathon VC, Back in Black, Otiva	
ROADCUBE	Loyalty marketplace where companies create loyalty schemes through AI and IoT	2017	<b>Seed</b>	iQbility and others	Participant in  FinTech Engage
finloop	Provider of purchase financing solutions for customers, powered by open banking	2020	<b>Pre-Seed</b>	Velocity Partners, Genesis Ventures, EveryPay and other	
woli	App enabling children to earn, save and spend money responsibly within a safe environment	2020	<b>Seed</b>	Eleven Ventures and others	Partnership with
SPINANALYTICS	Credit risk modelling for banks and digital banks	2018	<b>Pre-Seed</b>	(ERA) Entrepreneurs Roundtable Accelerator	Winner in  FinTech Engage



# Greek FinTech players need to overcome challenges across different categories to continue operating efficiently

## ★ Opportunities

### Digital payments

FinTechs can develop digital payment systems that are **secure, user-friendly and efficient**

### Online Lending

As **traditional banks** are getting increasingly **risk-averse**, there is a growing demand for **alternative** lending solutions

### Regtech

Greek FinTechs can develop regtech solutions that **help financial institutions automate compliance processes**, reduce costs, and mitigate risks

### Insurtech

The insurance industry in Greece is **ripe for disruption**, with many customers looking for more **personalized, cost-effective** insurance solutions

### Focus on strengths

Areas like **shipping, tourism** etc. can create **specialized/ tailor-made** FinTech solutions that can boost the Greek economy

## ⚠ Challenges

### Limited access to funds

Greek startups **often struggle to secure funding**, which can limit their growth prospects

### Keeping up with technology

**Innovating while keeping up** with today's **rapidly evolving technologies** challenges Fintechs' growth

### Privacy concerns

**Timely and cost-effective data collection** is of utmost importance for FinTechs to achieve user retention and good user experience

### Rapid market expansion

The path to rapid expansion may often lead to **non-profitable business models**, despite high top line items (revenue, higher market share)

### Increasing regulatory scrutiny

Regulatory framework is evolving to be **stricter towards FinTechs**, with greater levels of regulatory awareness and intervention expected

# Agenda

FinTech Overview

**How is Mastercard involved?**

# Start path | Start path is Mastercard's FinTech engagement program connecting high-potential startups to product and partnership opportunities across the globe

**1,500**

applications  
per year

**\$5B+**

In capital raised post-  
program

**30%+**

founded by female or  
diverse entrepreneurs

**10,000+**

network connections  
around the world



## Global Portfolio

**300+**  
Portfolio  
Companies

Representing 40+ countries and a  
diverse set of strategic domains

**HANZO**

**zeta**

**Revolut**

**Santander**

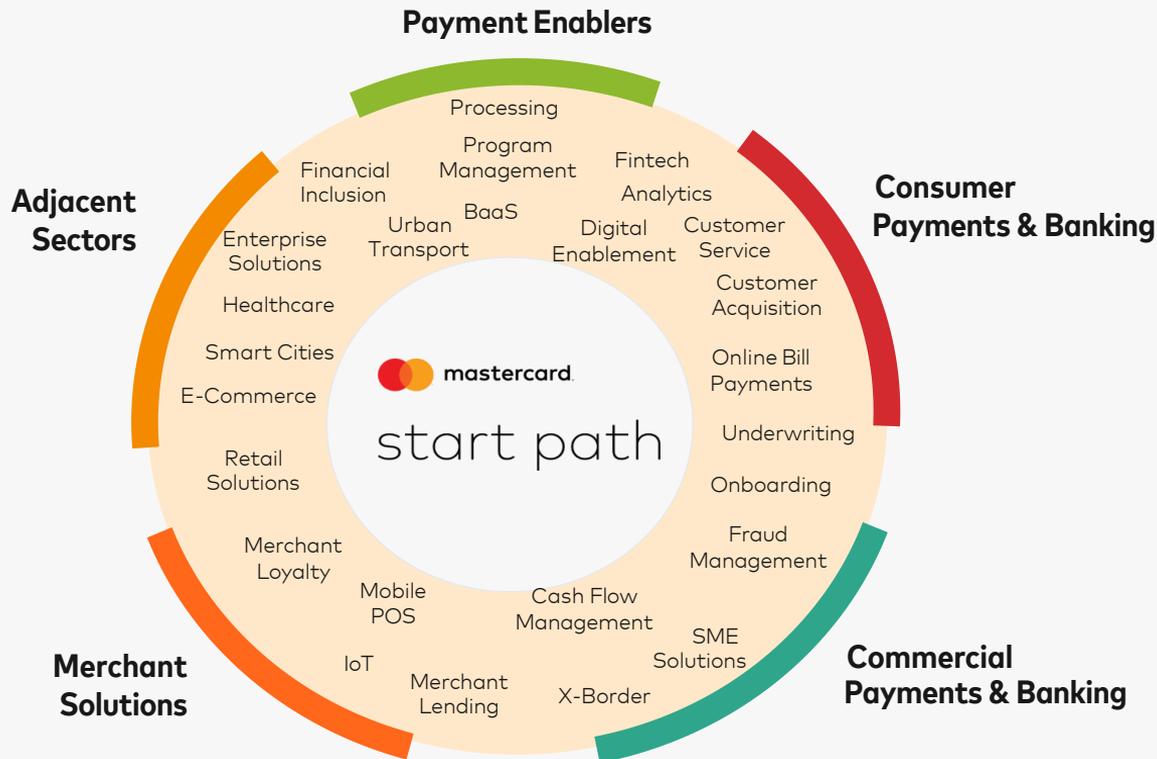


**HSBC**

**citibank**

# Start path | Start path participants are broader than payments, thus the program offers tailor-made tracks to meet their needs

## Segments



## Start path tracks

-  start path **emerging fintech**
-  start path **digital assets & crypto**
-  start path for **open banking**
-  start path **small business**
-  start path **in solidarity**

# FinTech Engage | Mastercard recently launched FinTech Engage, a series of events across Europe strengthening the affiliation of Mastercard with the FinTech Ecosystem

Aiming to unlock the **next wave of innovation**, Mastercard is offering the **FinTech community a series of events** across Central Europe to **identify, accelerate and realize** the next game-changing **FinTech technologies**

FinTech engage series has allowed participants to obtain material **engagement across the industry** as well as **partnerships, networking and brand awareness**

**Location:** Berlin  
**Participants:** ~200  
**Competition winners:** Myos & Decentriq



**Location:** Athens  
**Participants:** ~150  
**Competition winners:** Kipp & SPIN Analytics



**Location:** Prague  
**Participants:** ~200  
**Competition winners:** Resistant AI & 4Trans Factoring



**Location:** Berlin  
**Participants:** ~500  
**Competition winners:** Decentriq & Kipp



 **1st Event**  
5<sup>th</sup> October 2022

 **2nd Event**  
24<sup>th</sup> November 2022

 **3rd Event**  
9<sup>th</sup> March 2023

 **Main Event**  
13<sup>th</sup> & 14<sup>th</sup> June 2023

Thank you

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