GEORGIA’S FINTECH ECOSYSTEM: STRONG AND GROWING STRONGER

FINTECH 2021

TAG REPORT

Driven by Innovation.
Proven by Performance.
Georgia’s Fintech Ecosystem: Strong and Growing Stronger

The Technology Association of Georgia (TAG) Fintech Society has been tracking the performance of the statewide fintech industry for the better part of a decade. During that period, nothing has had as much impact on the health of the world and of the global economies, as the COVID-19 pandemic. Fortunately for the world economy, financial services and fintech innovations were in place to help consumers and businesses weather the storm.

In the fintech world, there are inevitable truths that define the industry: customers are slow to accept new ways of doing things; payments operating models are old and slow to change; and business economic models are slow to record the results of new innovations.

As devastating as the global pandemic has been, it has allowed the fintech industry to demonstrate its innovations and highlight the industry’s vast capabilities. The pandemic encouraged (or forced) consumers to use new ways to pay for goods whether in stores or online. The statistics show that U.S. retailers experienced a 30% uptick in online purchases. And these transactions were spread over a wider group of online retailers. The fintech industry was able to show its innovation mettle at the time when it was needed, at the moment of truth.

An anticipated impact of the pandemic’s purchasing processes was the decline in the use of cash. When a visit to a store was absolutely needed, merchants’ contactless POS devices helped consumers complete a transaction while meeting social distancing mandates. Debit and credit cards of course saw increased usage as an excellent cash substitute especially for contact-adverse consumers. And as a side benefit for banks, the reduced use of cash also helped lower the cost of handling cash while at the same time digital transactions generated incremental revenues.

While national GDPs suffered due to the pandemic, small businesses suffered the most. SMEs learned quickly that updating their payments, cash management and online business models was vital to their survival, let alone success. The management imperative became a fast-paced migration to digital operating processes.

If we’ve reached a new normal, then fintech innovations will help make lives easier.

Georgia – A Crucial Global Fintech Innovation Center

Georgia has been the epicenter for payments and other fintech innovation since the mid-1980s. The strength and integrity of our IT backbone, which handles nearly 70% of US payments transactions, is time-tested and dependable. And during the pandemic, the scalability and flexibility of the Georgia transaction processing backbone was vital in supporting the increased demand of mobile and contactless transactions.

The Georgia-based fintech community has 201 companies innovating, transforming, and disrupting the way that consumers are handling their finances, loans, and payments (see Table I). In 2020, TAG recorded 170 Georgia-based fintech companies. The increase to 201 companies is due to additional TAG research as well as ongoing startup activity. TAG estimates that these companies employ more than 39,000 professionals.

Table I

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Of the 201 companies, there are 12 public fintech companies headquartered in Georgia. These dozen companies generated a combined $37 billion in annual revenues in 2020 and had a combined market capitalization of $192 billion as of December 2020.

In Georgia, 2019 was a very active year for mergers and acquisitions at the highest level. Fiserv acquired First Data, FIS acquired Worldpay, and Global Payments merged with TSYS creating true payments juggernauts. In 2020, these newly expanded organizations, each with a significant Georgia presence, completed 68.3 billion transactions representing four of the top five merchant acquirers according to a 2021 Nilson Report (See Graph I). Global Payments is now listed as 394th on the Fortune 500 ranking jumping from 553rd following its merger with TSYS. This places it in the range of Intercontinental Exchange, which at number 365 is the highest listed Georgia headquartered fintech.

Fintech’s Evolving Definition

A challenge that all fintechs have had, at one time or another, is explaining what fintech is and what it does. At its core, fintech refers to the application of technology to the financial sector—whether through banks, credit unions or other financial services firms, or increasingly marketed directly to consumers and businesses. This definition has evolved continuously over the past 10-20 years, however. Once applied mainly to the back office—computer systems crunching financial transactions,
fintech now just as often refers to a broad range of mobile and interactive technologies that improve financial processes for consumers and small to mid-sized companies.

Given the groundswell toward “embedded finance” with financial actions integrated into everyday activities such as app-based food delivery rather than treated as a discrete event it’s easy to envision a day in which fintech is no longer viewed as a standalone sector just as firms are no longer thought of as “internet” companies. But their underlying products and technologies will remain just as important, if not more so.

Fintech – In the Right Place at a Very Difficult Time

The last 18 months have devastated many families and businesses of all sizes as the world grappled with the COVID-19 pandemic. Fortunately, fintech companies were ready with the technologies to help consumers and businesses make things happen. As we stated in the 2020 TAG Fintech Ecosystem Brief released last October, “Fintech technology that was predicted to be adopted in five years is now on track to be embraced in mere months.” Fintech has been in the right place at certainly a very difficult time.

The challenges fintech companies met were not insignificant. They absorbed a substantial increase in transaction processing loads underscoring the strength of Georgia’s payments backbone, security, and speed. They also brought new innovations to market at a rate not typical for the industry that supported social distancing requirements (e.g., digital wallets and contactless payments). And they fostered new and vital collaborations with financial institutions.

As a result, consumers could interact with their bank without visiting branches, tenants could pay rent digitally, and restaurant food orders could be paid and delivered to their home. Merchants not equipped to handle contactless payment terminals stepped up and connected to their customers through advanced POS systems. Fintechs also rose to the occasion in finding ways to service the flood of applications for Paycheck Protection Program (PPP) loans. This special pandemic-driven initiative gave rise to more Small Business Administration (SBA) loan volume in the course of a few months than is typically processed in several years. With virtually no lead time fintechs (Atlanta-based Kabbage among the most prominent) crafted solutions enabling these applications to be rapidly processed - whether directly or via banks deploying their software - and funds to be extended while they could deliver the greatest economic benefit.

The pandemic brings digital transformation and rapid adaptability front and center. It made getting paid faster, authenticating faster and adapting technology faster an imperative.

Source: FIS 2021 Global Payments Report

Beyond its core payments backbone, Georgia fintechs provided creative and innovative ways to make sometimes complex financial transactions simpler. Here are several examples of the technological breadth of Georgia’s fintech community:

- **Patientco** – delivers payment infrastructure for health systems.
- **Greenlight** – provides debit cards to more than 3 million kids and helps parents teach their children about the basics of financial wellness.
- **Ingo Money** – enables businesses and banks to disburse instant, safe-to-spend funds to more than 4 billion consumer debit, prepaid, credit, private label, and mobile wallet accounts.
- **Purchasing Power** – offers an employee purchase program for consumer products and services and provides financial tools and resources to improve employee financial wellness.
- **Medxoom** – provides comparative shopping, unified bill payments and CRM for healthcare companies.
- **Stackfolio** – uses a machine learning prospecting engine for loan trading.
- **Trust Stamp** – employs AI to leverage facial biometric and wide-scale data mining.
- **eCredable** – uses a person’s bills such as rent, utilities, mobile phone, and cable TV to create a credit report and credit score to help them qualify for credit and loans.
- **Featurespace** – provides an Adaptive Behavioral Analytics platform for financial services and gaming organizations.

The technological inroads that fintech has made also helped small businesses streamline their operational challenges. Whether its launching ecommerce initiatives, onboarding at banks and lenders, financing growth, and integrating blockchain technologies, fintech technologies is making business simpler. One of the most helpful advancements for all sizes of business is gaining insight into customers by using data analytics to understand the vast amounts of data generated daily – helping small companies act and perform like much larger organizations.

**Educating the Next Fintech Generation of Innovators**

How do we train our current and future college and university graduates to succeed in the burgeoning fintech industry? What are the essential requirements: technical software training, network design and security training, or business process training? Actually, it’s all of the above.

Launched in 2018, The Georgia Fintech Academy - a collaboration between Georgia’s fintech industry and the University System of Georgia - is a talent development initiative that enables learners to find specialized educational experiences needed to enter the fintech sector regardless of where they live in the state or the institution in which they enroll. There are currently 26 Georgia educational institutions participating in the Fintech Academy. They are supported by more than 15 fintech companies (with more to come) and 15 university professors, sharing educational training and mentoring services. According to Tommy Marshall, Executive Director of The Georgia Fintech Academy, “Our mission is to

**ATPC – Building State and Federal Legislative Support for Fintech**

The American Transaction Processors Coalition (ATPC) was created to protect, promote, and preserve the interests of this critical American industry (with founding roots in Georgia’s “Transaction Alley”) through proactive public relations and government affairs activities. The ATPC began its federal government outreach in 2014 by educating Georgia’s Congressional Delegation about the payments processing industry’s “hometown impact.” That Congressional outreach expanded to include “hubb and spoke” legislators – those representing districts across America where ATPC companies have a significant presence (sales force, data centers, corporate HQ’s, etc.) – to build broad support for protecting the payments processing and fintech industries and ensuring Georgia and the U.S. are recognized as the global center of the digital economy. The ATPC efforts also expanded to state legislative outreach, starting in Georgia, and expanding to Illinois, Florida, North Carolina, and Ohio.

The ATPC is busy on numerous fronts in 2021 as the economy reopens and legislation at the federal and state level require continued vigilance. Payments processing company employees are returning to workplaces and the ATPC COVID-19 Task Force will help identify best practices for safety and equity, while pivoting to think long-term about environmental, social and governance practices. The ATPC Cybersecurity Council and Cyber Forum will ensure members have the latest information and pathways to engage legislators and regulators on critical security issues. We anticipate a step towards federal government relations normalcy with our annual Capitol Hill Fly-In in September, where members will share their perspectives with Congress on a range of critical issues including cybersecurity, financial inclusion, and other regulatory concerns. Lastly, we remain vigilant about impactful state level legislation that appears to be replicating across America, with topics like data privacy and regulation on digital currencies.

Please visit:https://atpcalliance.com/
Given its intense economic uncertainty, 2020 was a surprisingly strong year for fintech investment – likely in recognition of its role in equipping the economy in navigating the “new normal.”

support the State of Georgia in creating a leading and diverse fintech workforce. We have trained 2,500 students to date in the program, 71% of whom came from underrepresented groups. We expect to train an additional 2,000 students during 2021. By 2025, we plan to have a successful student fintech entrepreneurship program launching 10-to-20 new fintech companies a year that are recent graduate-founded and led.

The undergraduate curriculum encompasses courses such as “Foundations of Fintech,” “Financial Technologies,” “Banking and Fintech,” “Financial Data Analytics,” and “Information Security in Fintech.” Go to https://www.georgiafintechacademy.org/ to learn more.

The FIS Global Payments Report: 5 enterprise takeaways for 2021

The 2021 FIS Global Payments Report examines how the global payments industry has changed over the last year and how the pandemic has catalyzed payments technology further than previous projections. Here are five takeaways that will shape the future.

No. 1 – The accelerating decline of cash
Cash retreated in 2020 as COVID-19 restrictions fell most heavily on physical point-of-sale merchants. In 2020, cash accounted for 20.5% of POS transactions, a dramatic 32% reduction from 2019. We project this decline will continue well after the pandemic, falling an additional 38% between 2020 and 2024, when it’s forecast to represent just 12.7% of POS transactions.

No. 2 – The emerging dominance of mobile and digital wallets
Mobile wallets gained much more acceptance in pockets around the world as consumers looked to reduce physical interactions and increased their online shopping. Mobile wallets absorbed a large part of cash’s share loss at the point of sale, rising 19.5% from 2019 to represent 25.7% of 2020 POS transactions. The pandemic accelerated interest in contactless payment methods, propelling what was already a growing surge in mobile wallet use globally. We project mobile wallets will account for more than a third (33.4%) of global POS transactions by 2024, rising to become the dominant payment method worldwide. Digital wallets will eclipse all other payment methods combined in global e-commerce by 2024, rising to account for 51.7% of transaction volume.

No. 3 – Loyalty is the new modern currency
The pandemic is hastening the evolution of the loyalty ecosystem, as merchants embrace reward programs more in sync with a new generation of consumers. Central to effective loyalty rewards platforms is product design informed by the customer user experience at all stages of the customer journey – awareness ignition, evaluation of alternatives, motivation to sign up, user experience and repeat-purchase behavior.

No. 4 – The existential importance of omnichannel
COVID-19 is accelerating the momentum toward omnichannel experiences with the pandemic being the ultimate stress test of business resiliency. Omnichannel approaches were around and well underway prior to 2020 but the pandemic propelled them into the forefront of development. Nice-to-haves instantly became must-haves. Adaptability is now a core competency and embracing digital transformation is increasingly a matter of survival for enterprise merchants.

No. 5 – Partnerships are essential to rebuild after COVID-19
Creating infinitely flexible, fault-tolerant digital and physical infrastructure is hard work, even for the best-resourced enterprise merchants. The complexity of digital transformation makes going it alone impractical – if not impossible. Partnerships with technology and logistics providers help make digital transformation a reality. Logistics managers are leveraging partnerships to manage a new era of unprecedented risks. Payment partners are helping merchants manage a paradigm shift where safety, speed and convenience are essential to customer experience.

A copy of the 2021 FIS Global Payments Report is available here: https://worldpay.globalpaymentsreport.com/en/ (continued on page 9)
Georgia's Thriving and Constantly Evolving Fintech Ecosystem
As of May 2021

### Private Fintech Companies

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<td>BearTrash</td>
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<td>BluePay Financial Services</td>
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<td>CardSystems Solutions</td>
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<td>Charteryst</td>
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### 2021 (as of May 2021)

- Monito acquired by Horizon Bank
- Equifax acquires Kount
- Jack Henry acquires Sandflake
- Bakkt announced plans to go public via a SPAC by merging with VPC Acquisition Holdings, with an expected valuation of $11 billion.
- Global Payments acquires Zinggo for $925 million.
- Rapyx acquires Bitung for $85 million.
- GreenLight closes $40 million of Series A funding led by Trust Ventures.
- Cardlytics purchases DOSH & a cash-back offers platform, for $75 million.
- Deluxe acquires First American Payments Systems for $960 million.
- Medallion lands $8 million investment.
- Priority Technology Holdings, Inc. to merge with Fiserv Holdings, Inc.
- LoadingPoint announced a $123 million preferred equity financing from Warburg Pincus.
- NCR acquires ATM operator ContourCard for $2.5 billion.
- Payx acquires Onslow Systems.

### Venture capital, IPO and spinoff transactions

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<thead>
<tr>
<th>Company Name</th>
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<tr>
<td>Venture Capital and IPO and spinoff transactions</td>
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### Mergers and acquisitions

Visit [https://www.tagonline.org/societies/fintech/mergers-and-acquisitions/](https://www.tagonline.org/societies/fintech/mergers-and-acquisitions/) for transactions from 2017 and prior, plus the latest updates

### 2020

- Urjient raises $14.65 million in Series D funding from investors including Equifax and OCIF
- Worldline acquires Ingenico for $8.6 billion
- Greenlight raises $715 million in public funding, valuing it at $1.2 billion.
- PPRO raises $700 million in Eurozone Growth, Spire Capital, and Wellington Management; and $90 million from Morgan Chase & Co and Eldridge.
- AMEX acquires Kabbage
- Paycor acquires Gateway Payments
- Paycor acquires Strategic Payment Systems
- Payx acquires The Payment Group
- Payx goes public via SPAC merger
- Trust Stamp raises $7.7 million in Series A and crowdfunding funding
- EVO Payments raises an additional $150 million in equity capital
- Paragon raises $15 million in funds
- Merge acquires Kinesis and upgrades Kinesis platform
- MobileIron acquires Oxeo
- Intrusion Detection Systems

### 2019

- Global Payments merges with TSYS in a deal valued at $21.5 billion
- FIS acquires Worldpay for $43 billion (includes assumption of debt)
- First Financial acquires First Data for $22 billion
- Elan acquires the Sage Pay unit of Sage Group for $300 million
- FLEETCOR acquires Travelvalue
- REPAY acquires TriSource Solutions
- Kabbage raises $1.5 million in fundraising led by Glenview Partners
- DesertStream acquires $7.5 million in a funding round led by Global Payments
- Incom Security acquires Mandiant Loyalty
- Payx closes $22 million funding led by Blue Star Innovation Partners
- NCR acquires D3 Technology
- Commerially closes a Series A funding round of $7 million led by BB Capital
- Incom acquires Haymarket Business Connections
- PayX Payne closes $22 million funding led by Blue Star Innovation Partners
- NCR acquires D3 Technologies
- Commerially closes a Series A funding round of $7 million led by BB Capital
- Incom acquires Haymarket Business Connections
- PayxPay acquires Merge with NVXOM
- iDology acquired by GBG for $300 million
- Link3 Technologies acquired by Icom
- Kabbage raises $700 million in debt financing
- Thunder Bridge acquires REPAY for $65 million
- FLEETCOR acquires Nubank
- Payx acquires First Billing Services

### 2018

- Priority Technology Holdings went public via a SPAC
- FIS acquires Payment Services, acquires Connexio
- Purchasing Power acquired DoubleNet Pay
- Paddop raises $90 million in venture capital
- LendingPoint acquires LoanHero
- Thomas Bravo Acquires and Merges MeridianLink and CRF Lending Solutions
- Bakkt raises $183 million in venture capital
- Q2 acquires Giro Solutions
- NCR acquires Solaris
- Payx acquires the debit card processing, MoneyPass Network and ATM management operations of US Bank's Elan unit.
- Elan acquires Electronic Transaction Systems
- PayxPay acquires $28 million in venture capital from Accel-KKR
- PPRO Group raises $50 million in venture capital
- Farmertech raises $10.5 million in venture capital led by Fidem Partners
- GreenSky completes $474 million IPO
- EVO Payments completes $344 million IPO
- Elan acquires Transparent Commerce
- Brighter raises $31 million in venture capital
- i2c raises $13 million in venture capital from Fintech Ventures
- Kabbage acquires Orchard Platform Markets
- Cardlytics completes $70 million IPO
- Greenlight raises $20 million in venture capital
- BMW acquires Parkmobile


Find more information on these companies and ongoing updates at: [https://www.tagonline.org/societies/fintech/fintech-companies/](https://www.tagonline.org/societies/fintech/fintech-companies/)
larger market. (More funding and M&A detail can be found on pp.7-8, as well as the accompanying SPAC sidebar.)

Fintech companies also hold 16% of the spots on the Crunchbase Unicorn Leaderboard, collectively valued at close to $500 billion. (Crunchbase Industry Spotlight: Fintech)

Fintech’s Next Frontier

Chances are the next generation of fintech has been plotted on the whiteboards of Georgia’s pacesetting companies for some time now. Bringing these solutions to market will depend on building the foundation of the proverbial three-legged stool. The first leg represents the new technologies that are available to fintech innovators. The second leg represents the markets that are increasingly attractive to fintech companies. The third leg highlights the collaboration opportunities between financial institutions and fintech organizations (both startups and established players) to effectively bring these solutions to market.

Leg 1: Advanced Technologies

Below are examples of the first leg, key technologies that add dimension and depth to fintech solutions.

- **Data Analytics and Big Data** – the ability to analyze vast quantities of data (both structured and unstructured) can separate the very successful from the moderately successful financial services organization. Data analytics identifies trends and patterns which can better inform business decisions resulting in better customer relationships and improve operational efficiencies. Examples: fraud, relationship management, external marketing, and customer acquisition.

- **Artificial Intelligence (AI) and Machine Learning (ML)** – AI and ML, while different technologies, are highly effective tools to analyze high volumes of data (Big Data) that can unlock doors to improve customer relations, manage risks, and improve operational efficiencies. Examples: anti-money laundering, on-demand services, conversational banking, robo advisors, credit scoring, fraud, and customer service.

- **Internet of Things (IoT)** – IoT has tremendous potential to collect all touch points of a customer relationship enabling smart interactions. Examples: contactless payments, connected car payments at gas stations, cybersecurity tools, self-checkout, networked ATMs, and iWatch.

- **Realtime Payments** – Already a core feature of payments systems in several countries (e.g., India, China, Brazil, the UK), instant payments have been something of a holy grail in the financial services industry. The potential for 24/7x365 payment rails to initiate, clear, and settle payments transactions or money transfer in a matter of seconds is highly appealing across global markets. The Clearing House (owned by a consortium of the largest US banks) is in the market with its RTP solution, with banks and fintechs already building products to capitalize on its potential. The Federal Reserve will also join the mix with the launch of its FedNOW rails, scheduled for 2023.

- **Behavioral Analytics** – this technology helps banks and fintechs figure out the “why” in determining a customer’s behavior. Behavioral analytics crunches terabytes of data to help tailor the customer experience through automation. Examples: fraud detection, personal financial planning, product recommendations, and automated investing.

- **Biometrics** – biometrics can play a significant role in streamlining the customer experience by automating and authenticating mobile and branch banking transactions in milliseconds (e.g., facial, finger, and voice recognition). Examples include Amazon’s Alexa, Google Home, Apple’s iPhone and iWatch.

- **ISO 20022** – a global and open standard protocol for payments messaging that provides significantly richer and better structured data, improved efficiency, and compliance, as well as harmonization with international payments systems.

- **POS Financing** – point of sale financing can be offered by merchants to assist a customer in buying a product or service at the point of purchase. POS financing is a type of consumer finance and refers to open loop credit cards, closed loop store cards and installment loans.

- **Open Banking** – open APIs enable third-party developers to build applications and services around the financial institution creating greater financial transparency options for account holders ranging from open data to private data.

Leg 2: Market Opportunities for Fintech Expansion

Fintech solutions can reach far beyond the traditional spaces it currently serves. Here are some attractive markets of opportunity that help define the second leg of the stool:

- **Supply Chain** – Market volatility is the enemy of supply chains that depend on consistency to operate smoothly. Market turbulence, such as the pandemic, creates hiccups that irritate ecosystems.
According to McKinsey, nearly 80% of supply chain assets would benefit from better access to working capital, and the remaining one-fifth of assets are often inefficiently financed. While improvements have been made, progress has been slow. Many catalysts—including digital delivery, fintech innovation, blockchain, and API technologies—could stimulate cheaper and more accessible supply chain finance (SCF). Reducing supply chain complexity and streamlining credit decisions will drive efficiencies into the cycle.

Small-and-Medium-Size Enterprises (SME) – SMEs have the same basic needs as larger organizations just at a smaller scale. To better meet their needs, fintech and financial institutions need to tailor solutions that focus on streamlining perceived bottlenecks. Features that SMEs value: self-serve access, simplicity, and consumer-centric interfaces. The more digital the better.

Georgia Example: Atlanta-based Kabbage (acquired by American Express in 2020) has led the fintech industry by redefining the lending landscape for SMEs. Using a fully automated platform, Kabbage leverages real-time data from sources such as social media, payments, and orders from ecommerce platforms to assess risk. These streamlined processes deliver quick decisions (7 minutes) — exactly what the SME needs. Kabbage also offers cross-selling options using its analytics models to micro-segment a client's needs and offer information on how the company can improve revenues or reduce costs.

The Unbanked and Underbanked - The Federal Deposit Insurance Corporation estimates that in 2018, 6.5% of US households were unbanked, and 16% were underbanked. According to an American Payroll Association Report, almost three-quarters of employees in the U.S. “would experience financial difficulty if their paychecks were delayed for a week.” Even for those who are in the banking system, 40% would have difficulty covering unexpected expense of even $400. The pandemic clearly tested these limits.

• Georgia Example: Atlanta-based CapWay is a strong supporter of the neo-banking movement featuring a 100% digital and mobile banking experience. CapWay offers feeless to low-fee banking services for the unbanked and underbanked in rural communities, inner cities, and millennials.

• Georgia Example: Please see Greenwood sidebar on page 13.

Gig economy workers – more than 50 million U.S. gig economy workers (part-time and contract workers) have inconsistent or unpredictable income patterns making their needs unique. For this reason, they are generally underserved by banks, making them a growing opportunity for fintech firms.

Georgia Example: Atlanta-based Kabbage saw growth of more than 25 percent in the number of corporate users in the first half of 2020 relative to the prior year, with the share of financed invoices exceeding 90 percent in some months, compared with the more typical 70 to 75 percent.

Leg 3: Collaboration is Important to the Future Success of Fintech

The third leg of the stool is collaboration. Following a period in which banks were wary of disruptors aiming to “steal their lunch,” both financial institutions and fintech firms have grown to value the natural synergies of working together—leveraging the nimble nature and tech savvy of fintechs in tandem with the market reach and compliance backbone of Fs. There will always be fintechs opting to market direct to consumers and businesses in head-on competition with banks—offering healthy market alternatives— but the “co-opetition” model has proven to be a lucrative one for both parties, with banks and credit unions also becoming key investors in fintechs. For example, platform-led models and diverse supply-chain finance ecosystems are more likely to be multibank compared to the current, typically single bank-led models. Multi-bank models allow wider solution penetration across various corridors and customer segments and, by definition, create some solution standardization. Embedded fintech solutions and open APIs help financial services and fintech organizations alike to work together to deliver more robust solutions that empower end users in the digital commerce world.

Georgia Example: Businesses that offer consumers the financial tools to help manage their budgets and make daily payments for expenses will have an inside track on gaining repeat visits in-store and online. Atlanta-based InComm does just this. With over 500,000 retail distribution InComm enables retailers and brands to create a seamless commerce experience. Included in their service portfolio are fraud support, returns management, card production and distribution, and digital promotions.

Georgia Example: to help bank marketers identify opportunities and reach targeted audiences with relevant marketing messages, Cardlytics is an advertising platform in a bank’s

Bringing Cryptocurrency to the Masses

While the dramatic price swings in cryptocurrencies like Bitcoin and dogecoin attract the headlines, Georgia’s fintechs in the digital currency arena focus on creating infrastructure enabling crypto to function as a viable means of economic exchange for everyday consumers—a necessity for these currencies to fulfill their long-term promise.

Founded in 2011, Atlanta-based BitPay develops tools to enable merchants to accept Bitcoin and consumers to spend it, via both physical cards and digital wallets. BitPay has expanded its scope to also include support for ethereum, dogecoin and several stablecoins. Through its Ledgible platform, Atlanta-based Verady provides cryptocurrency accounting and financial reporting software for businesses, individuals and tax professionals. Given the growing IRS focus on crypto transactions and its treatment of virtual asset sales as capital gains, the expanding use of digital coins as both an investment and a form of payment creates the need for tax advice across many groups.

BitPay now supports the buying and selling of three different cryptocurrencies and enables multiple wallets.

Bakkt, a standalone unit of the Intercontinental Exchange (operators of the NYSE), began operations in 2018 with a vision of bringing trust and transparency to digital assets by working with both consumers and merchants. After completing a pilot including over 500,000 users, the firm formally launched its Bakkt App, a digital wallet featuring partnerships including Starbucks and Best Buy.
digital channel. Using purchased data, the company can see where and when customers buy both online and in-store. Cardlytics has over 168 million bank customers on its platform.

- Georgia Example: NCR helps banks and credit unions go digital with a full range of hardware and software solutions. Collaborating strategically with banks, NCR provides both consumers and business banking applications as well as data analytics tools, account opening and administrative solutions. More than 600 financial institutions use NCR Digital Banking Solutions.

With a focus on collaboration and partnerships, Fintechs will work hard to embed their technologies into larger financial solutions, which will in turn open new markets up and down the global corridors of business. Open banking and standardized APIs can equip users with a wide range of integrated capabilities that streamline supply chains, enable SMEs to succeed, improve the underbanked and gig workers’ financial stature, and to reach deeper into the solutions of partnership members.

Continued Innovation, Continued Growth

The Georgia fintech ecosystem we see today is the result of fintech pioneers who envisioned a financial services world that enabled users to handle a wide range of their financial tasks with ease through innovative technologies. Through the power of automation and digitization, consumers can now complete their financial transactions more quickly, more securely, and more efficiently. Today’s global financial networks are extraordinary in terms of the volume and speed at which they work, and very importantly have enabled billions of people to continue their daily lives through a devastating pandemic. While medical scientists developed remarkably efficient vaccines in short order, fintech companies’ technologies helped people conduct the commerce that is so important to their lives. TAG believes the 200-plus fintech companies in Georgia’s ecosystem are very well positioned to meet and exceed the demands of the post-pandemic global economy. The increasingly rapid adoption of these innovations demonstrates our fintech community’s impressive horsepower in driving positive change. We believe the future is very bright for an ecosystem that is truly driven by innovation and proven by performance.

Greenwood - a leader in the Affinity Banking Model

A major recent banking innovation has been the emergence of a series of digital startups (of which Chime and SoFi are among the best known) tailoring services to a specific market segment, usually without a traditional branch network. In most cases these entities are not actually banks—instead, they partner with banks for their back-office services, freeing them to focus on a best-of-breed feature set targeting a specific demographic and delivered with messaging designed to resonate with that group. The emergence of APIs has enabled these startups to combine existing fintech offerings and rapidly bring their product to market.

Among the highest profile entrants to this space is Greenwood, an Atlanta startup focused on driving financial inclusion for the Black and Latinx communities. Founded by Ambassador and former Atlanta Mayor Andrew Young, rapper/community activist “Killer” Mike Render and media entrepreneur Ryan Glover, Greenwood raised $40 million in Series A capital in early 2021 with local firms Truist Ventures and TTV Capital among its investors.

Greenwood has already built a waiting list of over 600,000 customers for its services.
About The Technology Association of Georgia (TAG)

TAG’s mission is to Connect, Promote, Influence and Educate Georgia’s technology ecosystem to advance the innovation economy. Through those four foundational strategies TAG serves the technology community, helping to support, grow and ignite tech leaders, companies and the overall Georgia economy. TAG serves more than 31,000 members statewide through regional chapters in Metro Atlanta, Augusta, Columbus, Macon/Middle Georgia, and Savannah. TAG hosts more than 150 events each year and serves as an umbrella organization for 20+ professional societies. TAG provides networking and educational programs, celebrates Georgia’s technology leaders and companies, and advocates for legislative action that enhances the state’s economic climate for technology.

Additionally, the TAG Education Collaborative (TAG-Ed) focuses on helping science, technology, engineering and math (STEM) education initiatives thrive. For more information visit the TAG website at www.tagonline.org.

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American Transaction Processors Coalition (ATPC)

ATPC was created to protect, promote, and preserve the interests of the critical payments processing industry (with founding roots in Georgia’s “Transaction Alley”) through proactive public relations and government affairs activities.

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