Lama Alabdalaal - Researching Recent FinTech Case Studies

**Case Study 1: AML**

This case study addresses the implementation of innovative technology known as RegTech. By using big data, machine learning, Al, and advanced algorithms /cognitive analytics seeking to enhance regulatory processes in term of identification and verification requirements of customer, transaction monitoring, and Anti-money Laundering and Counter-Financing of terrorism (AML/CFT) compliance obligations in a broad way. As Machine learning aare beneficial for discovering anomalies and outliers identifying and removing duplicate information to develop data quality and analysis. The application of machine learning and artificial intelligence may carry out traditional functions with greater accuracy, efficiency, and speed. [1] Moreover, Saudi Arabia is one of the countries that make effort toward anti-money laundering and financing of terrorism through Sanction Scanner software solutions developed by FATF (Financial Action Task Force) regulations, making regular risk assessments of companies including FinTech startups to prevent money laundering risk activities. [2]

**Case Study 2: Financial Inclusion**

It highlights the impact of digital transformation of the financial services field. It’s a field that for a long time kept inaccessible for a group pf people in each nation community. As the FinTech space, which is technology applied to the financial service, offered multi -innovative solutions to create a community with a fair access to financial services. In the first, e-money and e-wallets such as AliPay, GooglePay, and ApplyPay. This solution delivered through a mobile phone which usually provided by a non-bank firm and could be linked to a standard bank account on which the associated payment and remittance is held. [3] Additionally, the Kingdom of Saudi Arabia is planning a strategic outline for advancing the financial inclusion policies using FinTech solutions. STC pay is one of well-known e-payment application introduced in Saudi Arabia, which provide access by the financial excluded group of consumers to make daily financial transaction.

**Case Study 3: Democratization**

This case study points out the argument of unfair access of investment management opportunities perpetuates wealth inequality. As the US has developed an automated wealth managers known as robo advisor which is a programed machine with moderate to minimal human intervention by providing investment goals, building a personalized risk profile, portfolio allocation, and managing this portfolio on a periodic basis. Betterment is an automated investment app that democratizing wealth management to all households. [4] According to Arab News.com, a Saudi Financial company named derayah launches the first robo advisory service in Saudi Arabia called Derayah Smart in order to apply an effective, accessible and automated online platform to provide institutional-level quality to retail investors.

**Case Study 4: Disintermediation**

It demonstrates that cause of increasing the acceptance of new mediums and technologies by people led to the idea of developing peer-to-peer electronic platforms for delivering financial services without involving any intermediaries. LendingClub is one of the known peer-to-peer lenders in the United State, which grant money to individuals or small businesses via online platforms by matching anonymous lenders with borrowers. As it offered speed and transparency of transactions. [5] Furthermore, Saudi Arabia had published Lendo which is a P2P lending platform to resolve the financial needs of SMEs. Indeed, Lendo provide it support to settle the gap between limited financial options for SMEs and limited short-term investment opportunities for investors. [6]

**Case Study 5: Crowdfunding**

The case highlights the creation of an innovative method to raise capital by collecting efforts of a large pool of people that willing to invest their many to help entrepreneurs establish their idea or business through online platform such social media or what known as crowdfunding platforms. Kickstarter is one of the global crowdfunding platforms, which everyone can access it through the web or their mobile app, it focuses on providing funds for creativity and merchandising. Additionally, Saudi Arabia is one of the countries, which is emerging the crowdfunding space. It represented Manafa as the first successful online crowdfunding platforms, due to satisfying the maximum limit for all proposed investments. However, no one of the SMEs funded through Manafa has distributed any dividends until now. [7]