

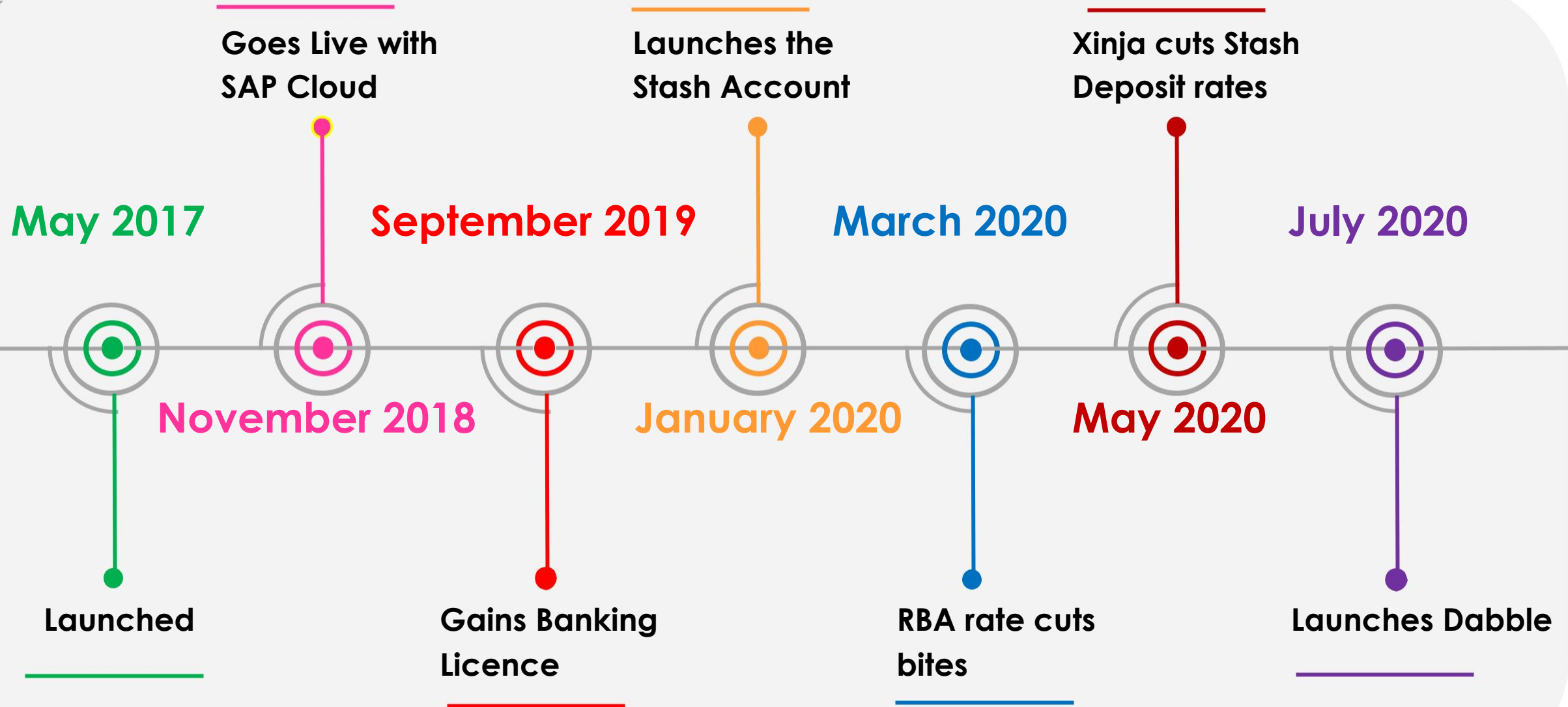


INFO6012 IT STRATEGY & VALUE

Shubham Srivastava

500299300

Xinja Timeline



Current Situation of Xinja

Stash Accounts	Launched in January 2020
Customers	25000 customers and 45000 accounts
RBA Guidelines	Interest rate reduced to 0.75%
Xinja's Interest rate	Interest Rate being paid earlier was 2.25%
Xinja's drop in rate	Interest rate later reduced to 1.8%
Dubai WIG Investment	Bank completely relied on \$433 million but only got \$160 million
Dabble Launched	Launched Dabble for customers to invest in US stocks

Competitive Forces

Bargaining Power of Suppliers

- Bank completely relied on Dubai based investment after the rate cut.

Threats of New Entrants

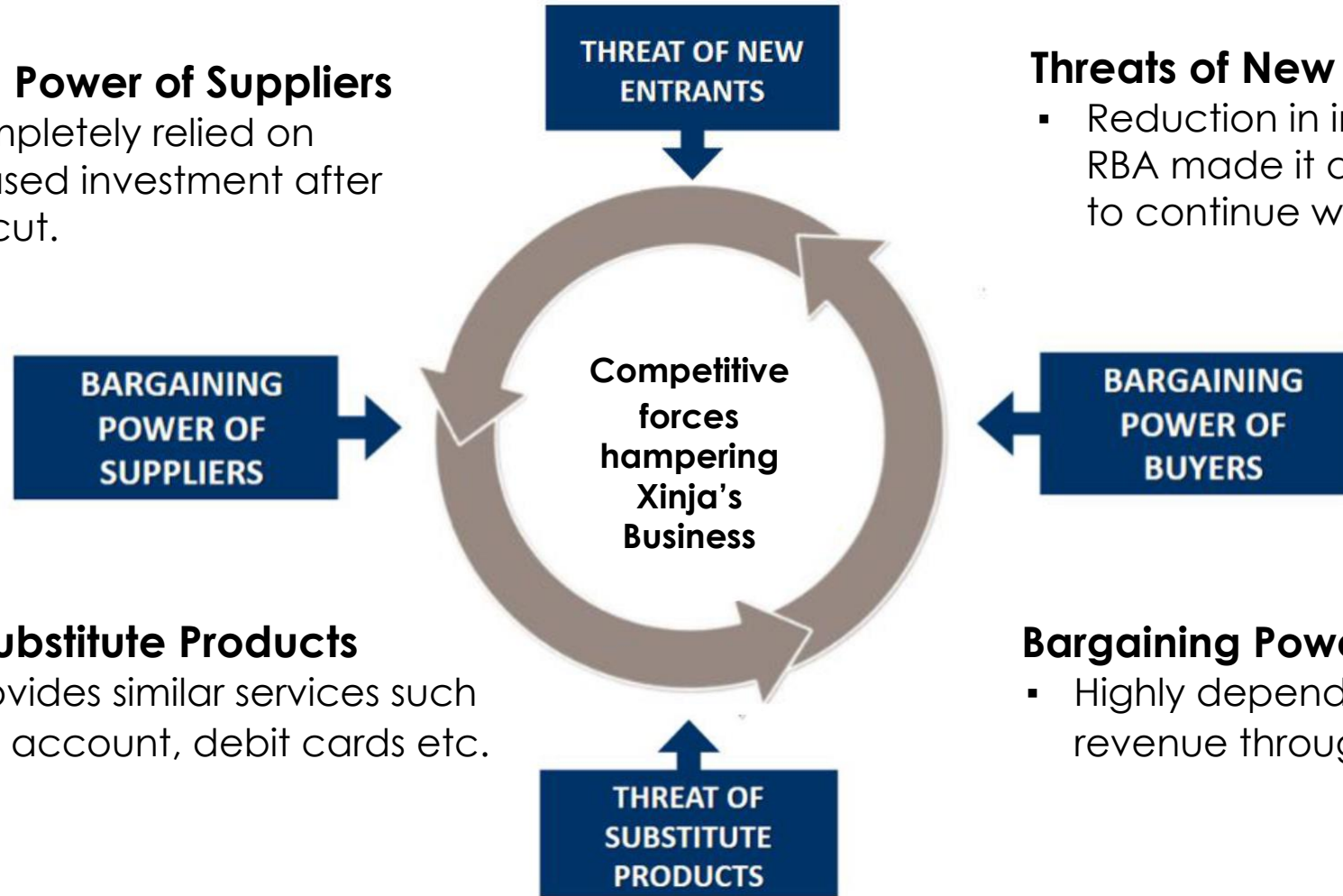
- Reduction in interest rate by the RBA made it difficult for the bank to continue with same rate.

Threat of Substitute Products

- 86400 provides similar services such as saving account, debit cards etc.

Bargaining Power of Buyers

- Highly dependant on customers for revenue through Stash Accounts



SWOT Analysis

S

Strengths

- Xinja received a \$160m investment from WI group which was the highest ever Australian start-up investment.
- Xinja opened Series D for investors and raised 40%.

WO

Weaknesses

- Xinja had become a haemorrhaging capital and was paying more \$7m in interest without revenue
- Xinja had to cut down interest rate to 1.8% after RBA reduced the rate to 0.75%

Opportunities

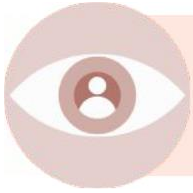
- Dabble, a trading platform that allows users to invest in US stocks can help in generating revenue
- Open source API management platform from Kong can advance product

T

Threats

- Competitors such as 86400 provides similar services

Strategy 1 : Stability Strategy



Profit Strategy



Important to stabilise its economic status and regain lost profits

Domestic Outsourcing: Deployment of Xinja's IT Maintenance Staff at another financial organisation

Opportunity to focus on core processes such as core banking and app development

Allows Xinja to reduce direct costs of staff employment

Apprehensive staff may defect to the insourcing organisation, resulting in competition

Risk of miscommunication between companies over contract obligations

Discussions over outsourced staff, and duration need to be taken to avoid rivalries

Strategy 2 : Horizontal Growth Strategy

Horizontal Growth Strategy

Using Blockchain

Main Motive

To Provide security to the transactions made by its customers

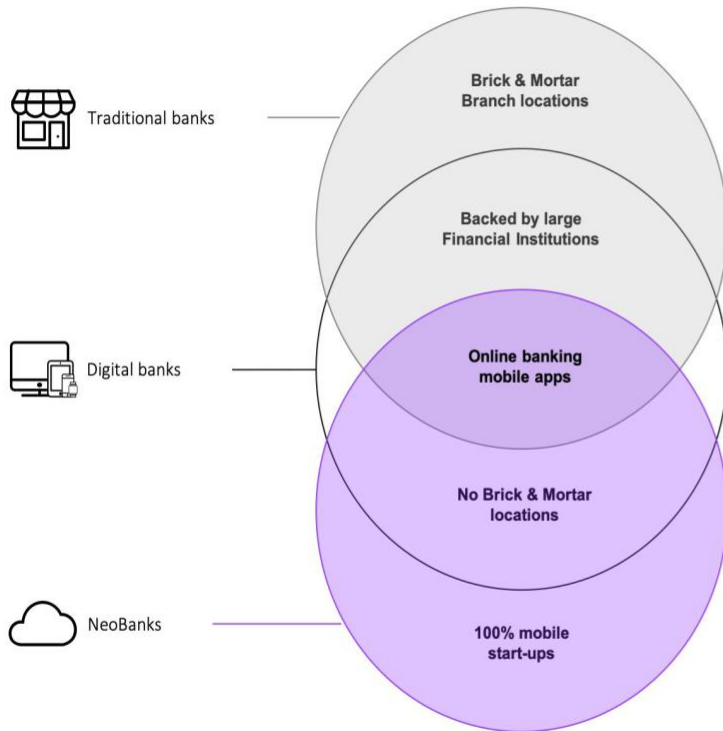
Opportunities

Will save by removing third party fees and mankind ledger system in real time

Banks and Finance Departments implementing Blockchain

HSBC, Visa, Barclays (UK's second largest bank)

Strategy 3 : Concentric Diversification Strategy



Concentric Diversification Strategy By tying up with one of the big four incumbents Commonwealth Bank of Australia, Westpac Banking Corporation, National Australia Bank or New Zealand Banking Group

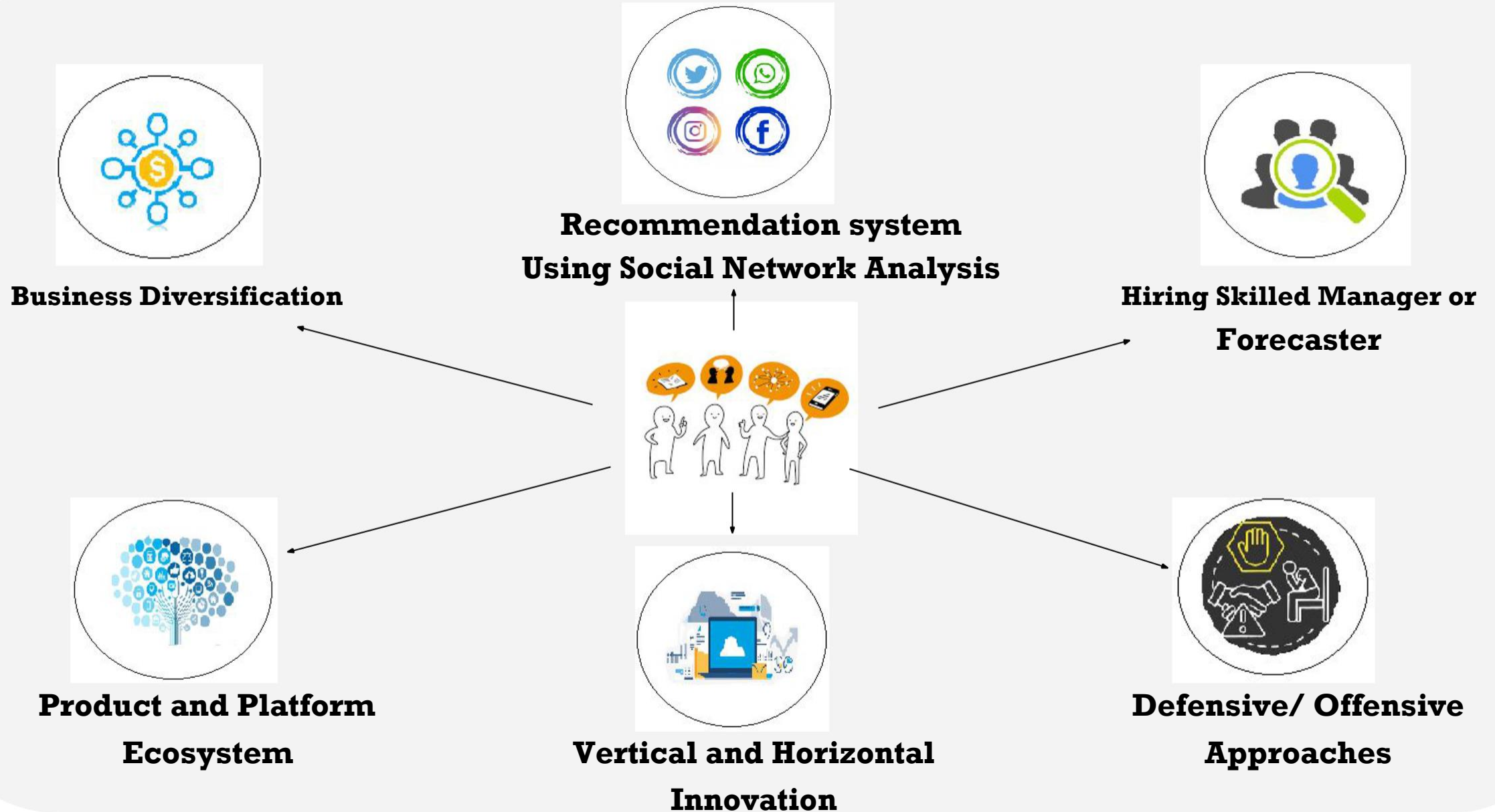


Bank will provide: Customers trust and funding



Benefits: Xinja can concentrate on building up new features that traditional banks do not provide like removing overdraft fees paid by the customers annually to the big banks. Minimum amount requirements in customers accounts. Can give additional benefits by incorporating premium services to customers by using AI and ML.

Recommendations for Xinja



Exploring Horizontal & Vertical Innovation

- Adoption of IoT and Blockchain

Data Defensive/ Offensive Approaches

- Managing legal, financial, IT concerns for customer-focused business

Hiring Skilled Employees

- Focus should be on Mission and Vision of Xinja



Platform Ecosystem

- Developing New Product Categories

Diversification of Business

- Integration with Blockchain

Social Network Analysis

- Recommendation System using User's Behaviour



Xinja's horizontal innovation is to help new **intermediaries compete against incumbents by lowering entry barriers**

Ecosystem provides the way or **methods to leverage the technology** or business activities/assets of linked firms which will also encourage the organization for horizontal and vertical innovation.

Social Media Platform will help to gain the market dominance

Diversification will **increase their market share**, add a new market business and strengthen their position in the market.

Better leaders will utilise the better tools & technique to prediction and he will

How?

- Investing in different sectors like Insurance, Cryptocurrencies.
- Join ventures and collaboration with other organizations.
- Using concentric & conglomerate strategies for diversification.
- Advertisement using different social media platform using recommender system.
- Implying policies and procedures for employees to follow best practices.
- Using Integrated systems for predictions for better results.



**THANK YOU
FOR
LISTENING**

**ANY
QUESTIONS?**

