

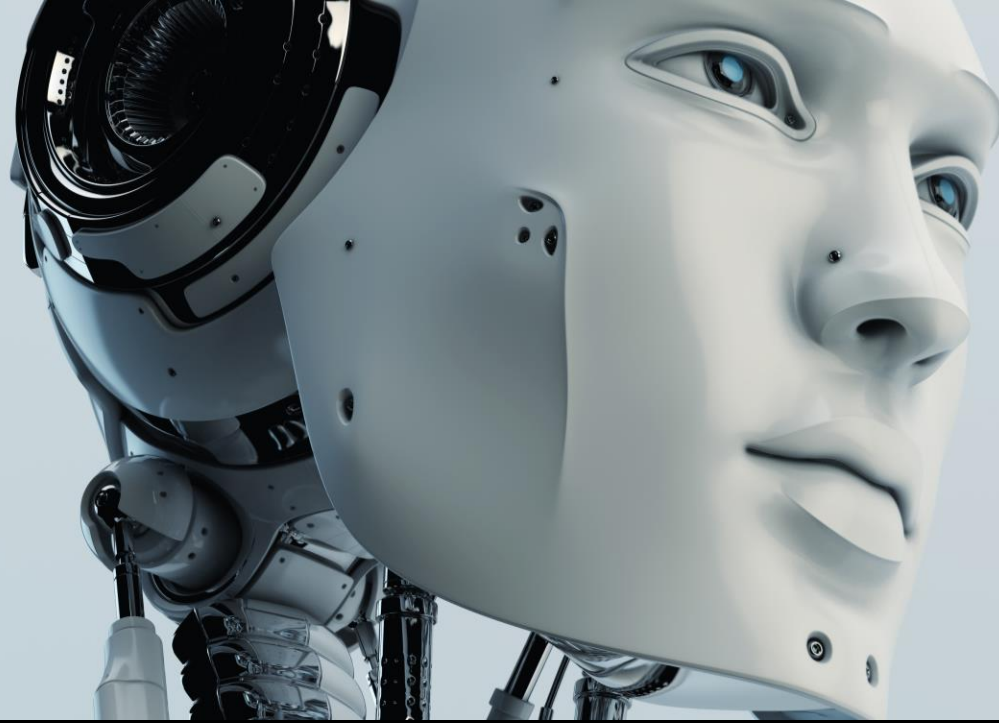


# SAP BANKING SUMMIT

**Fintech and Start Ups, competencia o un nuevo modelo de negocio fundamentado en la colaboración**

*Davor Ebling - IS Banking Head SAP*






# FSI Business Development and Innovation

Davor Ebling  
Global Head of Ecosystem, Partnerships & Innovation  
September 8, 2017

CUSTOMER



A nighttime photograph of a city skyline, featuring the Taipei 101 skyscraper as the central focus. The building is brightly lit with green and white lights, standing out against a dark, cloudy sky. The surrounding city is filled with numerous smaller buildings, their lights creating a dense, glowing urban landscape. The overall atmosphere is one of a bustling, modern metropolis at night.

**76% of the world's  
transaction revenue  
touches an SAP system.**

The SAP logo, consisting of the letters 'SAP' in white, bold, sans-serif font, set against a blue, trapezoidal background that tapers to the right.

**SAP**



More than **14,100** banks in  
150 countries are innovating  
with SAP solutions.





More than **840** Latin American banks are innovating with SAP solutions.





Our Latin American banking customers  
manage more than  
**US\$1.7 trillion** in assets.

# Beyond Business As Usual

## Market-led Disruptions Are Inevitable

- Since 2000, 52% of the companies in the Fortune 500 have either gone bankrupt, been acquired, ceased to exist, or dropped off the list.
- From 1955 to 2014, only 12% still remain on the list.

## Remember these?

Kodak, Nokia, Compaq, TWA, Enron

<https://www.aei.org/publication/fortune-500-firms-in-1955-vs-2015-only-12-remain-thanks-to-the-creative-destruction-that-fuels-economic-growth>  
<http://www.investopedia.com/articles/investing/102115/5-fortune-500-companies-no-longer-exist.asp>

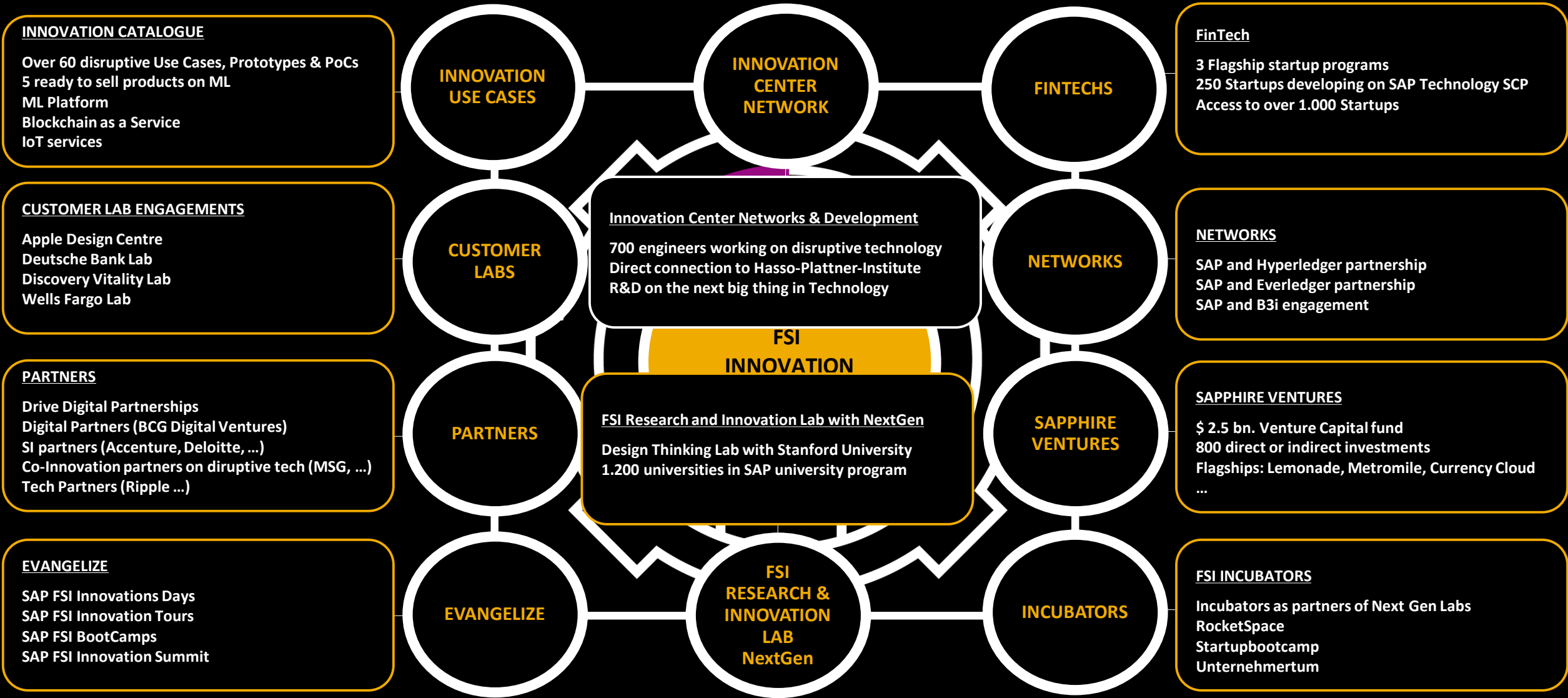


# Bringing startup innovation to the enterprise

- ❑ Drive and scale disruptive technologies to build **FSI specific solutions** (Machine Learning / AI, IoT, Blockchain, API)
- ❑ Build an **innovation ecosystem** internally & externally with **customers, strategic partners, FinTechs**, etc to drive adoption of SAP's disruptive technologies
- ❑ Engage with SAP's **regions** and **customers** to roll out innovative solutions



# SAP FSI Innovation Ecosystem



# SAP Startup and FinTech ecosystem

## Startup ecosystem across all funding stages and technologies



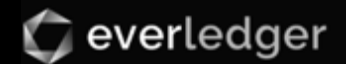
- iO Studio builds businesses globally to tackle the biggest issues in enterprise
- iO Fund invests in and supports early stage startups that will create value to SAP customers



- A global program to help promising startups in the Big Data, predictive and real-time analytics space
- Develop new applications on SAP HANA/ SAP Cloud Platform
- Accelerate market traction – 350,000 enterprise customers



- Invests in leading tech companies globally
- ~ \$2.4B under management
- 700+ startups in direct or indirect portfolio
- 40 IPO and M&A exists since 2011
- Enterprise DNA





# SAP Startup Focus

## A global program to help promising startups:

- In the Big Data, predictive and real-time analytics space  
(Machine learning, AI, data security, IoT, mobile, AR/VR)
- Develop new applications on SAP HANA/SAP Cloud
- Accelerate market traction – 350,000 + enterprise customers

## For the field you get:

- Innovative solutions that are validated to run on and with our platforms with our 260+ Partners
- Agile partners ready to help you differentiate in the market
- A GTM team to work with the field and our Start up Focus Partners to help you win business

### Technology

Immediate access to HANA platform

### Resources

Technical experts and marketing & sales enablement support

### Customers

Access to our global customer base to sell market-ready solutions

### Money

Opportunity to pitch to the venture community - no cost, no fees, no equity

### Community

Of entrepreneurs, partners, investors & industry thought leaders

<http://startups.sap.com/>

# Building An Innovation Ecosystem

## One Startup At A Time

**5,200**

Startups engaged with our program

**850**

Startups developing on SAP technology

**250**

Validated solutions available to SAP customers

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**175**

Customer deals done to date

**Top 5**

Validated Solutions:  
USA (36%), India (17%),  
Germany (9%), Australia  
(4%), Brazil (4%)

**2012**

When the program started



# What Are Startup Building?



Process mining  
(e.g. Celonis)



AI Bots  
(e.g. BoodsKapper)



Sense-and-respond cycles  
(e.g. SemanticVisions)



Machine Learning  
(e.g. Quantiply)



Healthcare  
(e.g. ConvergenceCT)



Wearables  
(e.g. Itizzimo)



Analytics  
(e.g. Meteo Protect)



Augmented Reality  
(e.g. Blippar)

# Sapphire Ventures invests in leading tech companies across the globe



**\$2.4B**

under  
management  
as of Nov 2016



**700+**

Startups in our  
direct and  
indirect  
portfolio



**40+**

IPOs & M&A  
exits  
since January 2011



**#5 VC**

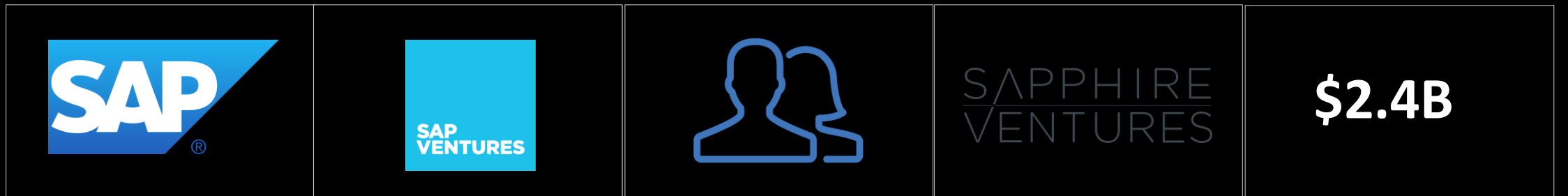
Based on top 100 tech  
exits 2012-2016\*

\* <https://www.cbinsights.com/blog/top-venture-capitalists-largest-tech-exits>



# Sapphire Ventures evolution

spun out of SAP in 2011 and maintain a deep relationship



1996

**Founded SAP Ventures, the corporate venture arm of global enterprise technology leader**

2011

**Spun out of SAP to become independent VC focused on mature, growth-stage startups**

2012

**Established Fund Investment Team to create strong tie to early-stage startup and VC ecosystem**

2014

**Changed name to Sapphire Ventures; Established Market Development function**

2016

**Received \$1 billion in capital commitments from SAP, bringing total AUM to \$2.4 billion**

# Examples of Sapphire portfolio companies relevant to Banking



- Improving cross-border payments via an API platform



- Bringing transparency to financial trading and stock exchanges



- Device-based security systems for online financial transactions



- E-signature and digital commerce solutions for the financial industry



- Algorithms for online business lending



- Automating reporting and research for financial institutions



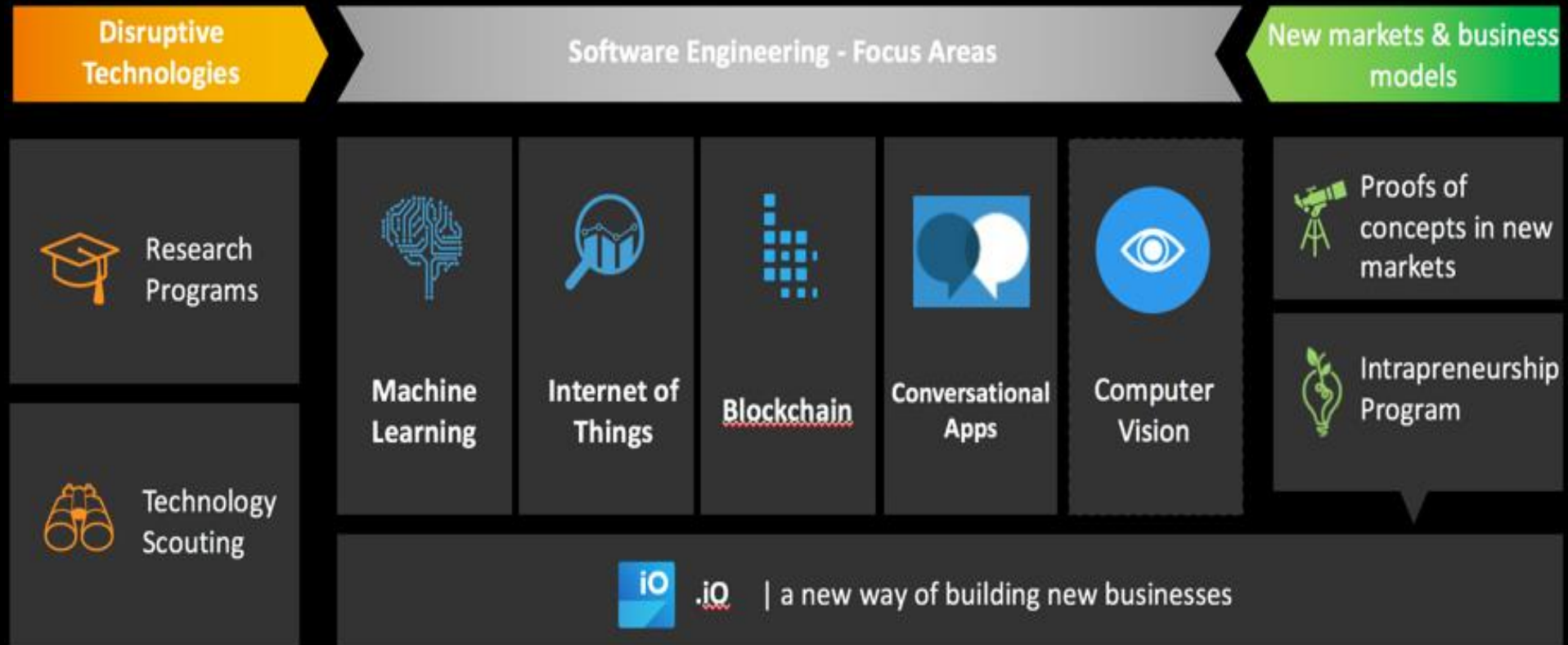
Please Note: (1) The portfolio companies identified above do not necessarily represent all of the investments made or recommended by Sapphire Ventures, and were not selected based on the return on Sapphire Ventures' investment in them. It should not be assumed that the specific investments identified and discussed herein were or will be profitable. Not all investments made by Sapphire Ventures will be profitable or will equal the performance of the companies identified above. (2) \* = Fund Investment / indirect portfolio company



# SAP Innovation Center Network

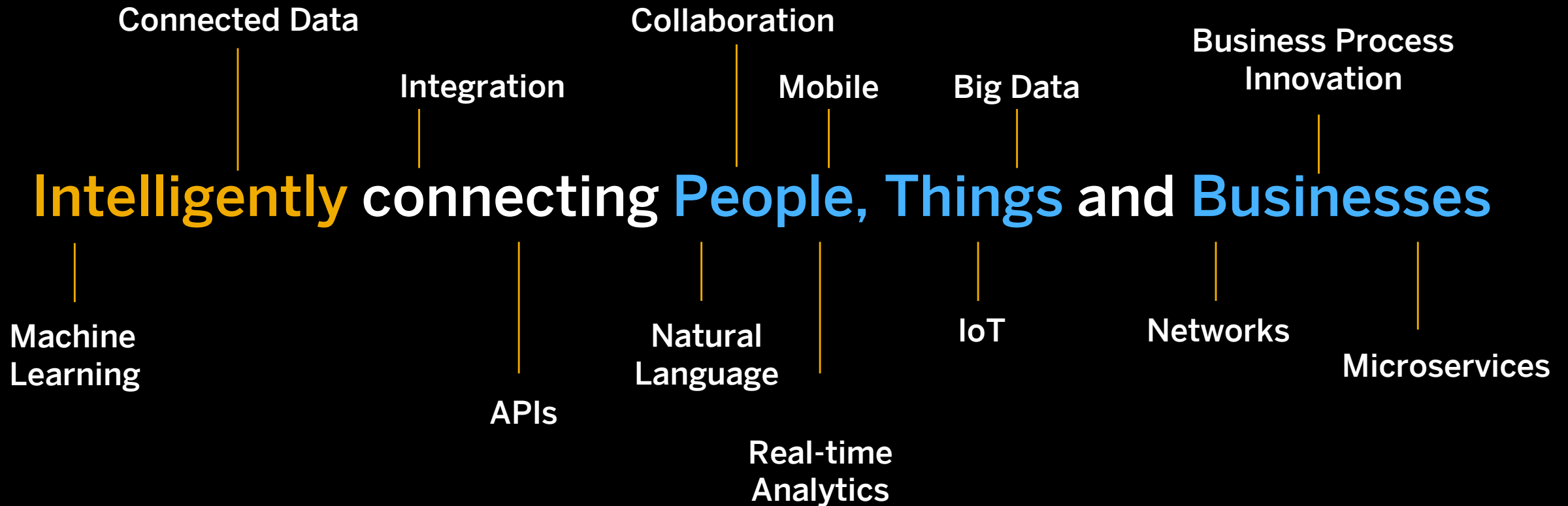


- Creates new growth businesses for SAP by **pioneering new markets** and **disruptive technologies**
- Scales innovation and works with customers from the Discovery, Design and Delivery of the projects
- Connects teams around the globe located on four continents



# Digitization

Every company to become a software-driven company by



# SAP Leonardo Innovation Services

## Quickly Move from Brainstorming to Blueprint

### Solution Ideation & Vision

Global Leonardo  
centers for Design  
Thinking and  
innovation



### Rapid Prototyping

Bring innovative  
ideas to life,  
Iterate and refine



### Business Case Development

Create, test &  
refine business  
case for ROI and  
strategic value



### Technology Blueprint

Create a  
Technology  
Roadmap, identify  
dependencies &  
remediate risks





# SAP Leonardo



## Innovate

With new capabilities such as **Machine Learning, Big Data, Analytics, IoT on the SAP Cloud Platform**



## Integrate

**Modular capabilities** that are easy to buy, deploy and consume. Open and extensible with rich API's.



## Scale

Easily connect innovation with existing and future **SAP and 3<sup>rd</sup> party** technologies, data, and systems across core and digital business

# SAP Customer Retention

Build customer loyalty through proactive retention



SAP Customer Retention identifies leading indicators based on transactional interactions to anticipate customer behavior, such as product cancellations or renewals



Automatically classifies and finds patterns



Detects at-risk customers



Provides understanding of root causes and timely predictions to act

# SAP Customer Retention

Build customer loyalty through proactive retention



John wants to know why a large number of customers recently left the bank.

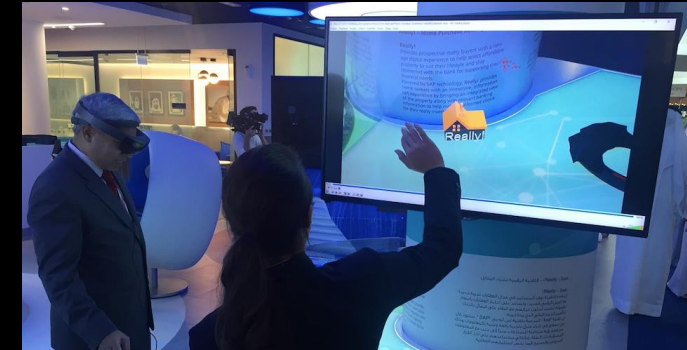


# ENBD Branch of the Future

## Video Branch of the Future

- ❑ Emirates NBD was chosen by Dubai government to articulate a vision of what banking might look like in the future
- ❑ Emirates NBD launched a futuristic banking branch in Dubai, UAE
- ❑ Branch showcasing innovations from SAP, MasterCard, Visa, Softbank, and others
- ❑ The digital banking zone comes with spectacular LED imagery, 'avatars' and state-of-the-art automated self-service machines, AR, etc.
- ❑ SAP developed AR Home Purchasing App
- ❑ The work was done by SAP COIL team in collaboration with Banking IBU

**SAP** Co-Innovation Lab



# ENBD Branch of the Future

SAP Co-Innovation Lab



# How does Really! Work?



Home Purchase Reimagined  
SAP Co-Innovation Lab



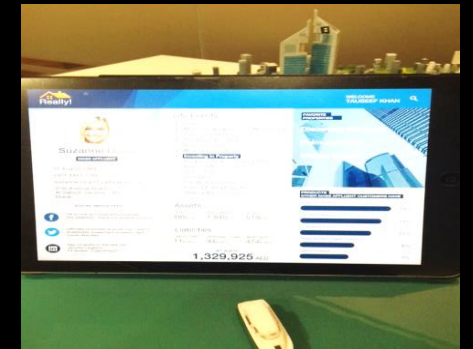
START



- Download Really! Application on detecting smart sign.
- AR View identifies property details on pointing to property using **Makani** number.
- Nearby properties on map visible.
- Financial information-loan details available.
- Favorite the property.
- Request for a bank appointment



- Property and customer data sent to **SAP Hana Cloud Platform (HCP)** database.
- Building plans transformed into 3D **virtually** visible model data.



- Bank receives favourite properties and meeting request
- Confirms **immersive** experience appointment



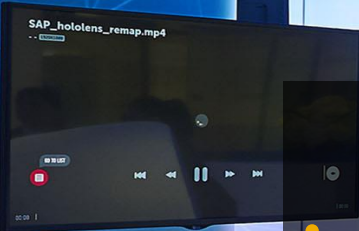
- Bank reviews houses with the loan prospect
- Finalizes a house for loan application
- **Loan process** triggered & Home purchase complete.







SAP  
SAP Co-Innovation



## BUSINESS BENEFITS

- Highly automated loan origination process
- Integration with core banking
- Drives loyalty, engagement and customer satisfaction
- Provides another home loan origination channel / touchpoint
- Differentiation – Drives competitive advantage
- Accelerates the adoption of digitally disruptive approaches





# Why engage with us?

## SAP is not only a technology platform provider, but an innovation ecosystem

**#1**

Only digital Megavendor combining cloud end to end enterprise software with disruptive technology

**25**

Deep industry expertise in 25 industries is differentiator and relevant in blurring industry times

**2**

2 speed architecture approach for FSI leveraging the SAP Cloud Platform

**250**

Startups developing on SAP HANA technology

**> 60**

Startups & FinTechs relevant for the Financial Services Industry

**\$ 2.4 B**

Assets in 800 Ventures amongst the top 5 VC firms

**60**

AI/Machine Learning use cases / 5 Products

**8**

FSI Blockchain cases

**1**

Technology platform bringing it all together and proven design thinking capabilities



# Thank You

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