



# Operators and GAFA now part of the FinTech ecosystem

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By successfully diversifying into mobile financial services, Orange is breaking down the boundaries between banking and telecoms and transforming usages.

Financial technology companies – “FinTechs” for short – have been booming since 2014. Predominantly startups with names like Afrimarket, Bolden, KissKissBankBank, Prêt d’Union and Prosper Market Place, they are leveraging digital innovation to reinvent and improve finance and banking services, making them better and more accessible, easier to use and less costly for businesses and individuals.

## A disruptive operational, economic and technological model

Since FinTechs don’t do over-the-counter services, they upset the traditional banking business model by showing people that they don’t need to go to a bank. Today 80% of bank account holders manage their banking via their smartphone. FinTechs are attacking banks at several points on their value chain. Accessible only via dedicated online platforms or mobile apps, their disruptive innovations include participative corporate funding (crowdfunding), peer-to-peer loans, payments and money transfers, account and savings management and even virtual currencies. These upstarts are determined to shake up the financial services industry.

## A legitimate hunting ground for Orange

Following the example of GAFA’s FinTech solutions – Google Wallet, ApplePay, Facebook money transfer, Amazon Lending, Paypal – Orange affirmed its successful

## Two questions for Thierry Millet Mobile and NFC Financial Services Manager, Orange Group



### Can Orange Money leverage the Group’s diversification into mobile banking?

**T. M.** Fifteen million people in thirteen African countries already use Orange Money to make mobile money transfers and payments. It meets a real need in the many regions where banks are rare but cellphone penetration is high. Riding the wave of this success, we have enriched our range of services with new offers,

including some for people with bank accounts. One such service enables international money transfer between Senegal, Ivory Coast, Mali and Burkina Faso. Others support e-commerce, TV subscription and insurance. We are also working on micro-credit solutions. Africa, which has affirmed its appetency for practical financial services, provides an excellent test bench for ideas ultimately destined for Europe, even if the markets and competitive environments are different.

### What advantages does Orange Group have to successfully diversify?

**T. M.** Orange has a strong brand image embodying important values such as security and reliability. It serves 200 million mobile customers around the world and has solid distribution networks across all its territories. And finally, its proven expertise in mobile applications makes it a very credible player as testified by the success of the Orange Finance mobile bank launched in Poland in partnership with Mbank, which has already seduced 200,000 customers.

diversification into mobile financial services in 2008 with its Orange Money launch in Africa then in Europe. And it launched the Orange Cash electronic wallet and contactless payment system in Spain in partnership with MasterCard and in France with Visa. Since January, Orange is in exclusive negotiations with Groupama to develop for France,

Spain and Belgium a radically innovative bank service called Orange Bank inspired by the Orange Finance mobile bank in Poland.

Operators and GAFA have very large customer bases and solid expertise in digital CRM, making them highly credible providers of compelling financial services within the FinTech ecosystem.