

# The Enabler of eCommerce Is ePayments

**pa**  
philip andreae  
and associates



Early adopters of IT Services

The Natural Purveyor of Trust

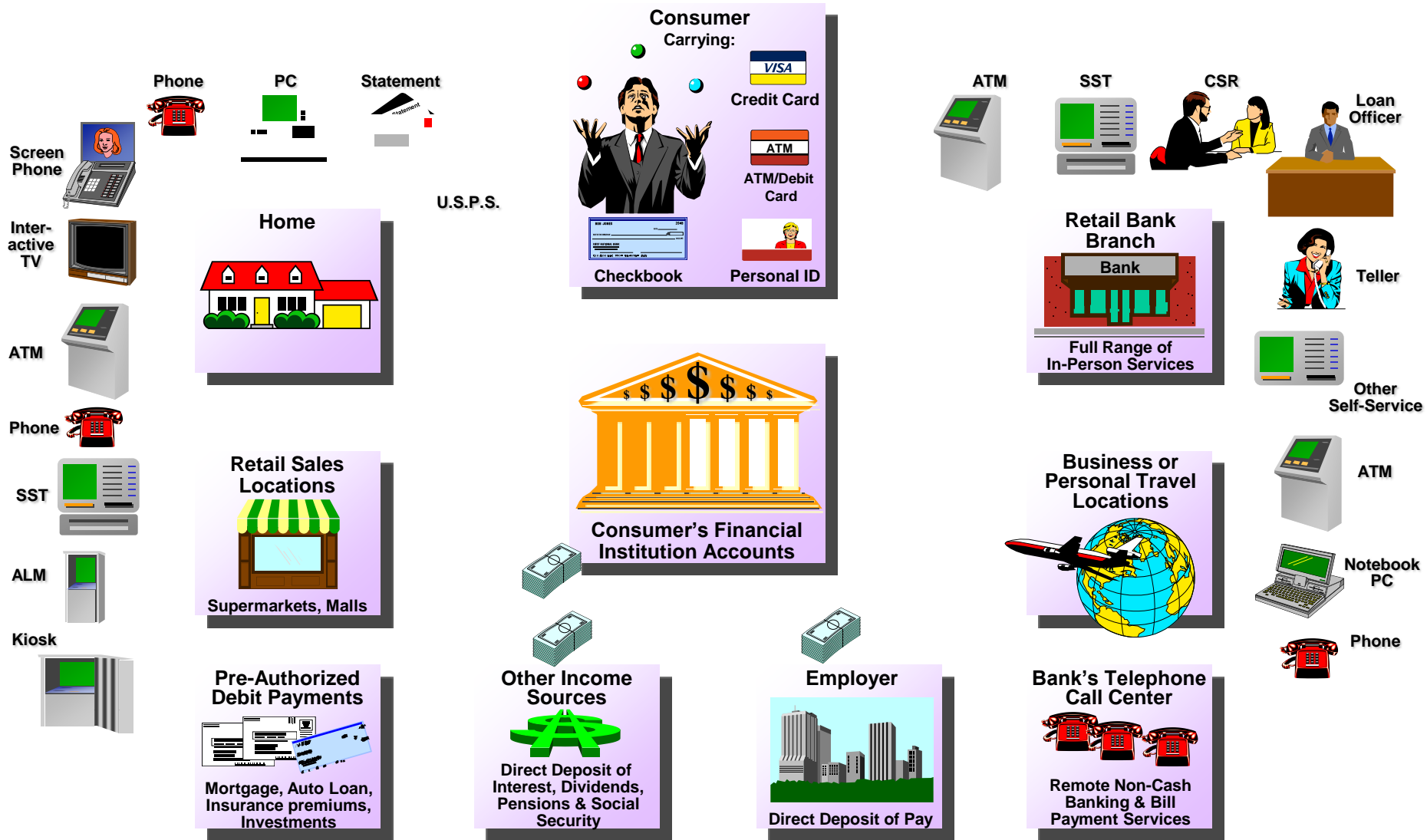
Rightfully Pragmatic & Risk adverse

Regulated



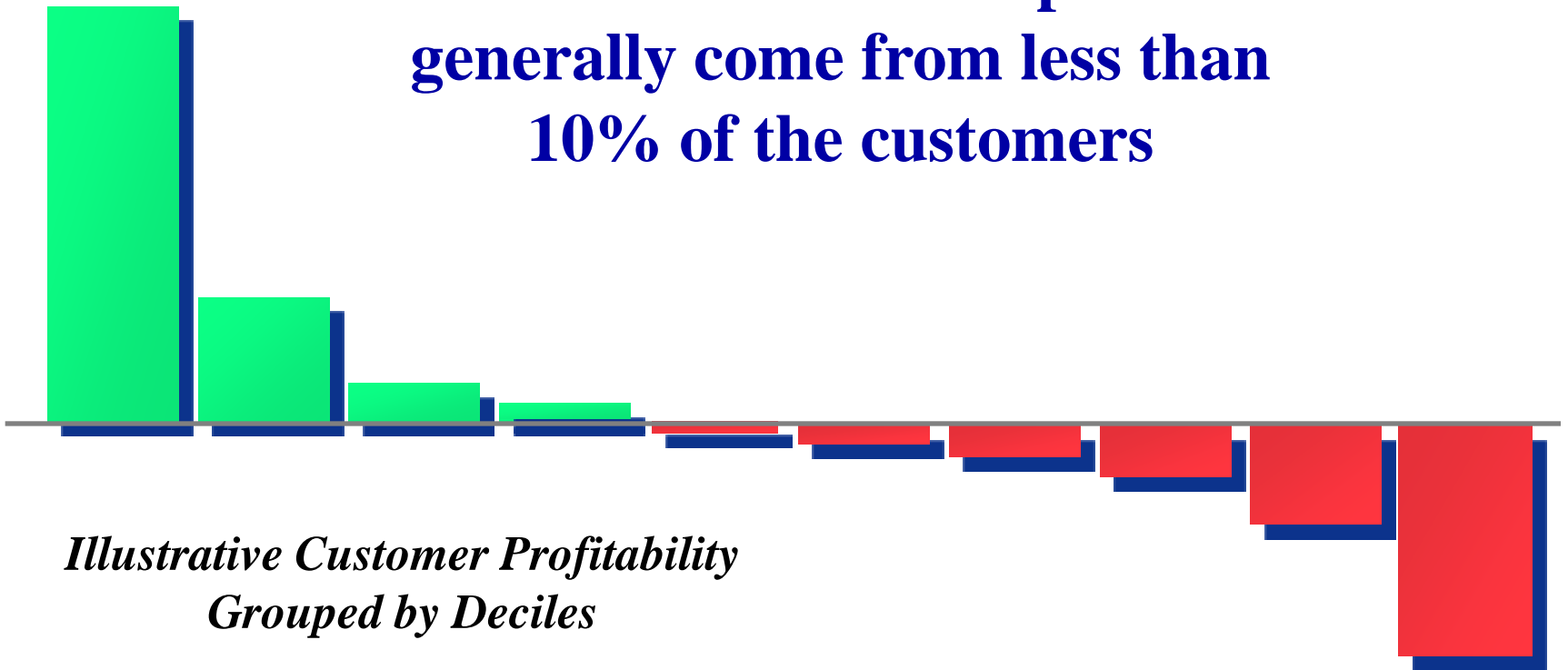
# Emerging Technologies Must be Considered with Care

## The World of Technology Serving Financial Service Is Complex



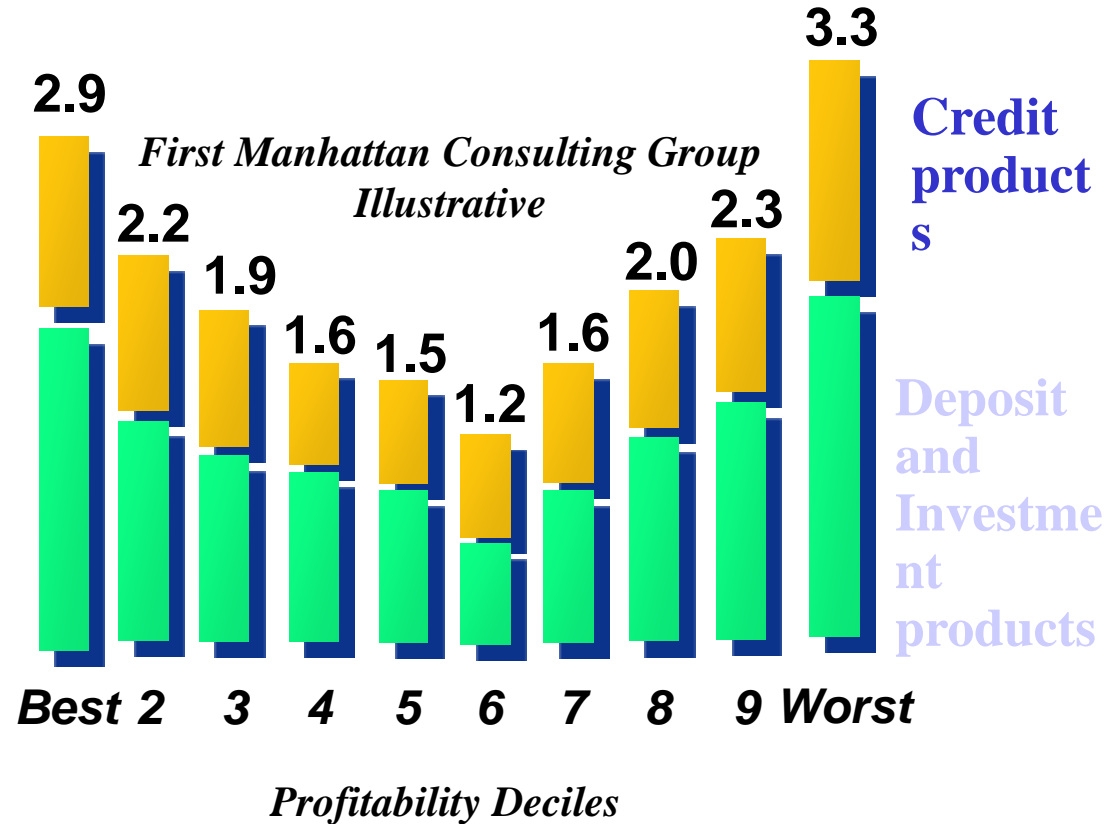
# The Range of Profitability is Wide

**More than 100% of profits  
generally come from less than  
10% of the customers**



# Complex Modeling is Required

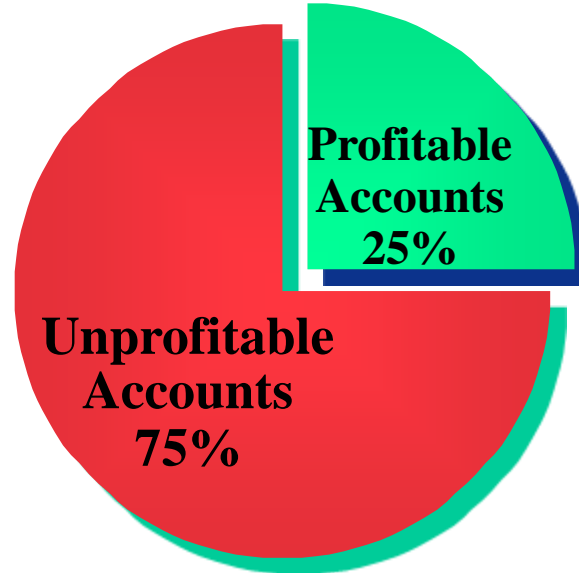
## Cross-sell Ratios Are Misleading



*HH cross-sell ratio ranked by HH profit decile*

# Complex Modeling is Required

## New Accounts Are Unprofitable



*First Manhattan Consulting Group  
Illustrative*

- **1945 - 1970 The Period of Invention**
- **1970 - 1995 The Period of Learning**
- **1995 - 2020 The Period of Exploitation**

**In the 1990's computers become essential components of the office environment and key components of organization revenue**

**The Toy was Now a Tool**

pa

# Relatively Few Technologies Have Created New Landscapes

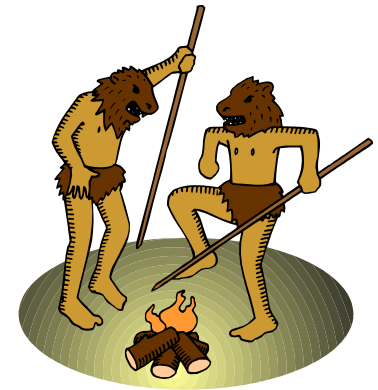
**Shift in Customer Behavior**

**Creating New Demand**

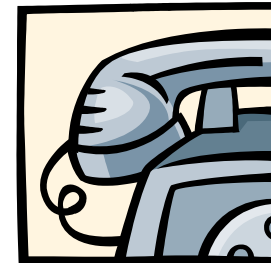


**Lowering Cost Disproportionately**

**Eliminate / Displace Value**



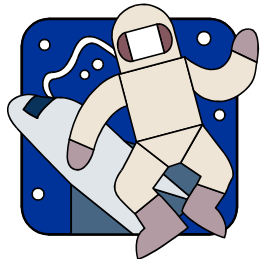
**Creating Infrastructure**





pa

# The Disparity of Culture in the Emerging Global Village





# We Live In Interesting Times

- Our Generation's Role
- Change Begets Warnings
- Our Reaction Dictates Success or Failure
- Stakes are Higher than ever Before

Quotes From Ray Lane 1997 CEO Oracle



# CEO's Faced with “Forest / Trees” Conundrum

Understanding Emerging Technologies is Important

Understanding the Meaning of Your Brand is  
Critical

No One is Sure of the Impact, Cost, Acceptance or  
Timing

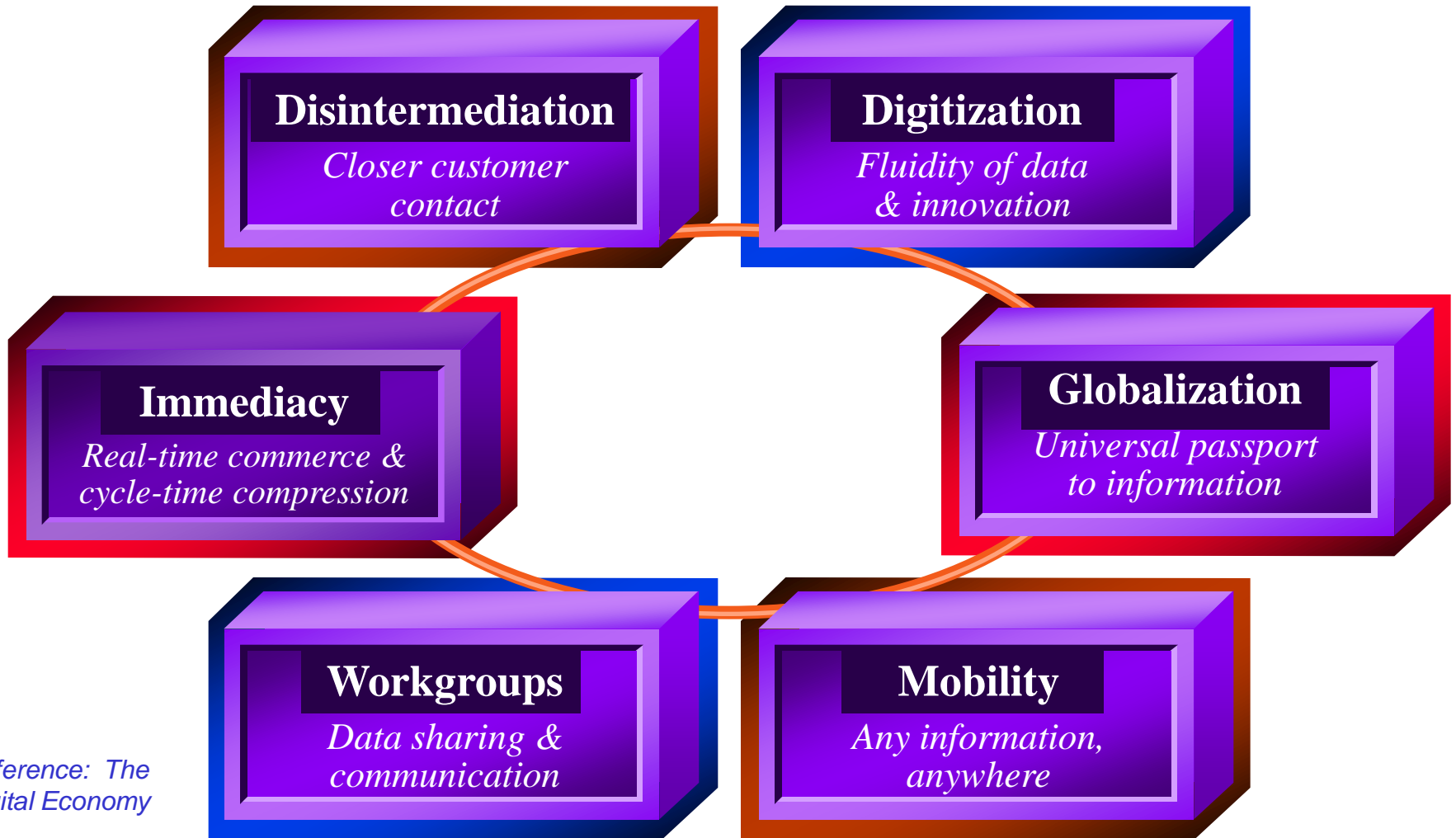
Is Security as Innovation not a Barrier?

eCommerce Demands a Transformation of  
Infrastructure and Distribution Channels

...The World lost its way with electronic purses

Now its time for utility and a focus on fundamentals

# The Internet Environment



Reference: *The Digital Economy*