Banking for Telcos

Servicing hundreds of millions new customers by signing just one contract.

Planck.

Disruptive Changes

The walls between sectors are fading away.
Both technology and economics are to blame for this.

The now seperate functions telecom, banking, energy and retail will merge.
Who will win is not determined yet, but that a resuffle will take place is eminent.
Not a specific sector will win. Those who understand the developments will win.

Full vertical business models are becoming too expensive due marketing costs.
Telecom, banking, energy and retail are heading for a total resuffle.
Clusters of customer volumes that will be served with multi-functions will emerge.

Functions will retract to horizontal tech units that will serve these huge volumes.
Functions/Technology will slide gradually into ‘powered by’ type of brands.

How ?

- Offering telecom operators a complete new and additional set of revenue flows out of payment and finance: making them 5Play (their desire).

- By this connecting payment/finance services to big/voluminous third party consumer volumes. So 1) direct large volume (which is needed to corner the market before others step in) and 2) not burden of marketing costs (which squeezes any new dotcom to dead).

- Telcos really need new revenue streams ASAP as most of their current revenues will be gone/vanished within 3 years (before 2020). We charge the customer 2 times external cost price and we deliver the telcos 50% of that margin. So no small beer for them, but an equal/fair share/division.

- Giving both telcos and people the opportunity to bypass the cost-burdened risk-loaded old banks. People are not that fond of banks anymore since 2008: their imago can be topped easily. People want more from their banks: their aged IT can be out performed easily.

What will be delivered ?

- full fledge bank account
- payment card
- IBAN number
- bank app environment
- bank web environment
- investment portfolio (user on switchboard) (bonds/stocks/gold/digitalcoins/etc)
- financing portfolio (user on switchboard) (equipment/car/house/business/college/etc)

Viva la Revolution

- The IT based service possibilities of accounts are beyond huge. A simple example: instant notifications on any use/change. But the use of IT goes much more further: people can make if they want completely their own cashing/savings account capital use mix (state bonds, gold, etc) just as if they wish (making deposits active in a zero interest environment while still under protection of the state saving guarantee programs). People can choose any own label or third party finance product too.

- The impact of these advanced 'user on switchboard' IT based services are HUGE: they deliver total/strong disruptive financial democratization: people get back the steering wheel of their deposits and savings use. Any medium will publish/air/display as much on this as they have done on Uber etc: this is about ‘uberization’ of the payment/finance realm.

Additional Debtor Services

- Telcos can additional instant outsource their debtor handling totally (inclusive risk assessment and risk insurance).
- This is done in a way that the debtors are moving off-balance in a way even the new tightened accountancy rules (that ruined this benefit for leasing) allow that to do.
- P&L impact: Placing debtors off-balance has huge positive operational plus P&L impact on telcos: less staff, less costs, less benefits, less buildings, less trouble, etc.
- Balance impact: Placing debtors off-balance has huge positive balance sheet impact on telcos: smaller balance, less funding needed, higher equity ratio, lower debt ratio, better ratings, easier refinance funding, lower refinance funding costs, etc.

Additional Network Services

- Telcos can sell their network assets via us to the pension funds (who are longing for infrastructure investments in today's zero-interest realm)

- The spread on these transactions is huge as telcos are bound to make a much higher capital return than pension funds. The spread is due this simple fact even as big a 5 times the network value.

- For telcos placing networks off-balance has huge positive impact on their balance sheets: smaller balance, less funding needed, higher equity ratio, lower debt ratio, better ratings, easier refinance funding, lower refinance funding costs, etc.

Extending Telcos

- We will help telcos to go beyond connectivity even more via instant costomer content deals and instant customer productivity tools both for resell via blank label OTT models. Content: tv/video all via OTT. Productivity: a virtual computer for each telco customer, storage, extended video communication services, etc: all via OTT.

- We also will help telcos to explore the huge third party extra sector customer volumes that are waiting to be explored. As we roll out our payment models too to energy corporations and retail chains: we can offer these huge volumes also the connectivity products (both fixed line and mobile) of the telcos we serve with payment solutions.

Beyond Telcos ?

- We will do the same also to the energy companies, etc. Any huge third party customer volume ready to be explored/upgraded that way and therefore of interest to us.
- Every commercial, interest or ideological volume is ready to be explored this way.
- So retail chains, insurance brands, pension funds and even churches, unions, environmental groups and political parties: every huge third party market/consumer volume or otherwise relation volume is ready to be harvest by this model.

Sector Fusion In Progress

- As consumer commodities (connection, IT tech, energy, finance) goes all digital: sector borders are fading.
- There will be less full vertical market players. Customer volumes and product facilities will divorce into two ‘islands’. Or a company has the customers or a company has the technology. A drive towards horizontalization of business models in these now still vertical business models is unavoidable (as the isolated vertical business model can’t foot the bills anymore due revenue erosion).
- In each market or a telco, or a bank or a power company or a retail chain will emerge as dominant consumer volume player.
- These volumes are serviced by functional engines (telecom/connectivity, information technology, banking/payments and power/solar). Former vertical players that transform their performance units into blank label units and that way being able to serve extra sectoral huge market volumes too.
- This change will happen. It’s unavoidable and will be THE huge change in all those three ‘utility’ markets. Not technology, but the collapse of sector borders will be the main future shaping facet in those three utility sectors.

What is needed ?

- transaction supplier contract (done)
- european bank license
- open source banking environment

(the last two are instant acquired via buying them)

What we offer suppliers?

- At start we offer our suppliers 50% of our margin (which is 50% external cost price).

- We offer our initial supplier a multi year contract (in exchange of 2 year margin vacation for building volume).

How we will be funded?

- Our funding will come from the margin we make on the debtor and/or infra deals we make with the telcos and energycos.

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Questions?

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http://www.planck.org/downloads/Banking-for-Telcos.pdf

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