



# Players and Products & Services in the Financial Sector

*Simplicity and Clarity*



## Table of Contents

- Introduction
- Retail Banking
- Commercial Banking
- Investment Banking
- Insurance
- Investment Services
- Foreign Exchange Services
- Other Financial Services

# Introduction

Digital Technologies and Artificial Intelligence continue to transform companies in all sectors and industries. As companies leverage them to extend their reach into new markets, geographies, and adjacent industry ecosystems, there is indeed a blurring of historical industry lines. Embedded finance/embedded insurance products, IoT-based products and services, open banking, open insurance, and new players in the global payments arena are becoming the new norm. Disruptions from within and outside industry ecosystems will continue in the foreseeable future, and a new set of winners and companies that are forced to fold their cards and exit will be prevalent. Big Tech (e.g. Amazon, Google, Microsoft, Meta) and Big Retail (e.g. Walmart, Amazon, Alibaba, Walgreens, Costco) will continue to play in multiple industries, and expand their reach even more.

Knowledge of sectors and industry ecosystems, and the players within them is more important today for both the professionals, and the younger generation who are still pursuing their university degrees and starting out their careers. In fact, the more successful the company that they are working in is, the more likely it will operate in multiple industry ecosystems, as well as, face disruption and direct competition from new players.

This document provides a condensed summary of the Financial Sector's players and the typical products and services they provide. It shouldn't be a surprise that in the financial sector most of the experienced professionals have only worked in one specific industry or business within the sector. While depth of knowledge in one industry is still important, in today's world it's no longer sufficient. Opportunities for growth lie in the adjacent ecosystems, and through strategic partnerships and alliances - especially with respect to embedded insurance, embedded payments, and other forms of embedded finance.



# Retail Banking: Consumer Banking Products & Services

- Transactional accounts
  - Checking accounts (aka Demand Deposit Accounts, or Current Accounts)
  - Savings accounts
- Cards
  - Debit cards
  - ATM cards
  - Credit cards
- Traveler's cheques
- Mortgages
- Home equity loans
- Personal loans
- Certificates of deposit/Term deposits
- Specialized Banking
  - Sweep accounts
  - Money market accounts
  - Individual Retirement Accounts (IRA)
- Branch and ATM Services

## Retail Banking Sub-segments:

- Community development bank – focused on underserved markets or populations
- Private banks –focused on managing the assets of high-net-worth individuals
- Offshore banks are banks –focuses on operating in low taxation and regulation locations
- Savings banks focused on savings deposits
- Postal savings banks –focused on national postal systems



# Commercial Banking Products and Services

- Deposit accounts
- Commercial loans and overdrafts
- Transaction accounts
  - Checking accounts (aka Demand Deposit Accounts, or Current Accounts)
  - Savings accounts
- Cash management
- Treasury management
- Private equity financing
- Bank drafts and Bank cheques Issuance
- Payments Processing
  - Wire/Telegraphic transfer
  - EFTPOS
  - internet banking
  - Other Payment methods
- Utility or Adjunct Services
  - Safe deposit boxes
  - Money Transfers
  - Traveler's cheques
  - Bill Payments (phone bills, gas bills, water bills, etc.)
  - Business or Corporate Credit cards and Debit cards
- Branch and ATM Services



# Investment Banking Services

- Underwriting debt and equity - for the private and public sector to raise capital
- Mergers and acquisitions - Work to underwrite, advise, and structure companies on mergers or takeovers
- Structured finance - Develop intricate (typically derivative) products for high-net worth individuals and institutions with more specialized and intricate financial needs
- Restructuring - Assist in financially reorganizing companies
- Investment management - Management of assets (e.g., real estate) to meet specified clients' investment goals
- Securities research - Services to assist their traders, clients and maintain a public stance on specific securities and industries
- Broker Services - Buy and sell securities on behalf of their clients
- Prime Brokerage - An exclusive type of bundled broker service specifically meant to service the needs of hedge funds
- Private banking - Private banks provide banking services exclusively to high-net-worth individuals.



# Insurance Products and Services

- Insurance brokerage
- Insurance underwriting
  - Property and Casualty (P&C)
  - Life and Annuities (L&A)
  - Health and Benefits (H&B)
- Financing & Insurance Services offered at asset dealerships.
- Reinsurance
- Insurance and Reinsurance Types
  - Life Insurance
  - Pensions and Retirement
  - Annuities
  - Property Insurance
    - Aviation insurance
    - Boiler insurance
    - Builder's risk insurance
    - Crop insurance
    - Earthquake
    - Fidelity bond (aka anti fraud insurance)
    - Hurricane and Flood insurance
    - Home insurance
    - Landlord insurance
    - Auto Insurance
    - Gap Insurance (Home, Auto, etc.)
    - Marine insurance and marine cargo
    - Renters' insurance
    - Supplemental natural disaster insurance
    - Surety bond insurance
    - Terrorism insurance
    - Volcano insurance
    - Windstorm insurance
- Insurance and Reinsurance Types (continued)
  - Casualty Insurance
    - Public Liability Insurance
    - Directors and Officers Liability Insurance
    - Errors and Omissions Insurance
    - Prize Indemnity Insurance
    - Professional Liability and Medical Malpractice Insurance
  - Health Insurance
    - Medical
    - Dental
    - Vision
    - Long Term Care
    - Critical Illness
  - Income Protection Insurance
    - Disability Insurance
    - Disability Overhead Insurance
    - Total Permanent Disability Insurance
    - Workers' Compensation
  - Travel Insurance
  - Cyber Insurance
  - Credit Insurance (Mortgage, Trade Credit, Collateral Protection)
  - Specialty Insurance (Art & Precious Works, Bloodstock, Hazardous Materials, Nuclear Plants, Others)
  - Business Interruption Insurance
  - Defense Base Act Insurance
  - Expatriate Insurance
  - Legal Expenses Insurance
  - Pet Insurance
  - Title Insurance
  - Tax Insurance
  - Tuition Insurance
  - Interest Rate Insurance
  - Others



# Investment Services

- **Collective investment fund** – A fund that acts as a vehicle for pooling investment money from investors so that the fund manager(s) can reinvest it into a variety of securities based upon their common investment objectives.
- **Investment Advisory Offices** – Run by registered investment advisors who provide financial planning advice to clients, and facilitate the actual investments of their money into various securities.
- **Hedge fund management** – Hedge funds often employ the services of "prime brokerage" divisions at major investment banks to execute their trades.
- **Private Equity Firms** – Private equity funds are typically closed-end funds, which usually take controlling equity stakes in businesses that are either private or taken private once acquired. Private equity funds are often used in leveraged buyouts to acquire the firms in which they invest.
- **Venture Capital Firms** – Private equity capital typically provided by professional, outside investors to new, high-growth-potential companies in the interest of taking the company to an IPO or trade sale of the business.
- **Family Office** – Investment and wealth management firm that handles a wealthy family or small group of wealthy individuals with financial plans tailored to their needs.
- **Custody Services** – Services that provide the safe-keeping and processing of the world's securities trades.



# Foreign Exchange Services

Foreign Exchange (FX) services are provided by many banks and specialists foreign exchange brokers around the world. Foreign exchange services include:

- **Currency exchange** – where clients can purchase and sell foreign currency banknotes.
- **Wire transfer** – where clients can send funds to international banks abroad.
- **Remittance** – where clients that are migrant workers send money back to their home country.



# Other Financial Services

- **Angel Investment Networks** – A group of angel investors can create their own network to be the financial foundation for future companies.
- **Credit Card Networks** – Companies that serve as the bridge between the retailers and the banks who issue the bank cards. The four major credit card networks are: Mastercard, Visa Inc., American Express and Discover Financial.
- **Conglomerates** – A financial services company that is active in more than one sector of the financial services market (life insurance, general insurance, health insurance, asset management, retail banking, wholesale banking, investment banking).
- **Debt Resolution Services** – To assist individuals that have too much debt, and cannot pay them without assistance. These individual do not wish to file bankruptcy and are looking for assistance with how to structure their debts and enable them to steadily pay what is owed. y off their debts owed.
- **Financial Market Utilities** – Organizations that operate stock exchanges, clearing houses, derivative and commodity exchanges and payment systems.
- **Payment Recovery** – Services to assist in recovering money inadvertently paid to vendors by businesses (e.g. accidental duplicate payment of an invoice or failure to return a deposit).



# Thank You!

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