



Cloud Computing, Artificial Intelligence and Distributed Ledger Technology Drive Revenue Opportunities, Present Resource Challenges for Banks - Broadridge Report

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LAKE SUCCESS, N.Y., Oct. 2, 2017 /PRNewswire/ -- A new report released by [Broadridge Financial Solutions, Inc.](#) (NYSE:BR) based on research by Greenwich Associates, examines the impact that cloud computing, artificial intelligence (AI), and distributed ledger technology will have in driving new revenue and cost savings opportunities for capital markets firms. While the opportunity to leverage these technologies to improve business is clear, these financial institutions are concerned that they don't have sufficient resources and expertise to realize the full potential of these disruptive capabilities.

The report "Pathways to Profit: Leveraging Next Generation Technology to Drive Profitable Growth" reveals the top priorities of capital markets firms and their biggest pain points. While new technology has the potential to drive opportunities for new sources of revenue and cost savings, financial institutions are challenged to invest and find the expertise to realize the full potential of disruptive capabilities. A partnership approach to mutualize non-differentiating functions and to accelerate innovation and adoption of new technology will put firms on a strong pathway to profit.

Such efforts include partnering with third-party software-as-a-service (SaaS) providers to take full advantage of cloud capabilities, utilizing the scale of fintech partners to effectively deploy AI, machine learning, and robotics, working with third parties who can bring deep distributed ledger technology experience to drive adoption, and collaborating with industry partners who can create new networks that bring value to all participants.

"While banks are poised to benefit from rising interest rates, stronger economic conditions, growing profits, and buoyant stock markets, leading firms are establishing partnerships with technology specialists to enhance their operational infrastructure and secure their future," said Tim Gokey, President and Chief Operating Officer of Broadridge. "These fintech providers offer an important resource to banks, providing knowledge in areas where these institutions are resource constrained and enabling them to focus on ways to augment their own unique business offerings."

The report surveyed key executives at 69 capital markets firms to learn more about their strategies to grow revenues while improving efficiency. Many of these firms are still struggling to achieve a return on equity that is higher than their cost of capital and are grappling with the costs and challenges of regulatory compliance and legacy systems nearly a decade after the financial crisis.

"Beyond the application of these new technologies, working with industry partners can drive new networks that bring value to all participants," said Charlie Marchesani, President of Global Technology and Operations (GTO) at Broadridge. "New examples include accelerating securities settlement for interested parties to new modes to trade illiquid fixed-income securities to opportunities to drive efficiencies for buy-side to sell side reconciliation, these advances are taking shape and have the potential to create significant benefits."

Other key insights from the report include:

- AI, machine learning and robotics will have a tangible impact on the industry within three years, and early adopters are already making investments in this area.
- Capital markets firms are adopting cloud technology at a different pace, depending on their respective business needs and the size and complexity of each firm.
- Better understanding and leveraging of internal customer data for capital markets firms will significantly improve marketing and sales opportunities as well as the client experience

To download the report or learn more click [here](#).

About Broadridge

Broadridge Financial Solutions, Inc. (NYSE:BR) a global fintech leader with more than \$4 billion in annual revenue, provides investor communications and technology-driven solutions for broker-dealers, banks, mutual funds and corporate issuers globally. Broadridge's investor communications, securities processing and managed services solutions help clients reduce their capital investments in operations infrastructure, allowing them to increase their focus on core business activities. With over 50 years of experience, Broadridge's infrastructure underpins proxy voting services for over 90 percent of public companies and mutual funds in North America, and processes more than \$5 trillion in fixed income and equity trades per day. Broadridge employs approximately 10,000 full-time associates in 16 countries.

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