

# [The future of finance](https://assignbuster.com/the-future-of-finance/)

Technoligy does not wait for anybody who is not willing to keep up. In the last twenty years we have all witnessed how the new technoligy world is disrupting some of our biggist industrys. Such as music with apple itunes, to ordering a taxi now with uber and wanting to stay in a new place just check out whats the cheapist airbnb.

Finace is goning through its own revolution. This is the change within the financial industry accelerated forward by the technoligy world. Before we look at a couple of these platfoms and tech that are changing this industry. Lets start with the how one of oldist and masivly powerful industys is being shock up.

Things where changing with in the banking world, but with the finacial crash of 2008 this realy fueled the fire of evolution in this industry. The banks were busy dealing with how to navigate through the chaous it caused its self. So the idea of controled inovation at this time came in as very distant priority. This opened the doors for the new initive technoligy to take a look inside and seen what it can change.

The change comes in different froms with the likes of peer to peer lending, cryiptocurrency and crowdfunding just to name a few and that are helping the change .

Lets start with Peer to Peer Lending. How this works, lets asume you need a loan, but however the bank is not willing to lend you money. At the opposite end of the spectrum there are people who have money and want to gain iterest from investing it. Peer to Peer lending basically acts as a bridge between the person who wants a loan and the person who wants to lend. Some big platforms in this area are living club or prosper

Cryptocurrency. When we buy something, the payment is usually processed by a bank or credit card company. Companies often take a cut of the transaction. But then cryptocurrency was born. When you send someone a payment this money goes directly to them removing the Middleman. . Cost of making payments are lower. Transactions faster especially cross countries. Even people around the globe who don’t have bank accounts can use this game changing system.

Crowdfunding is a way of financing your business or idea through donations of money from the public. This is commonly done through crowdfunding platforms. Generally you post your idea on a website with a description of your project, if people want to support you they can donate money to help you achieve your goal. You can offer incentives and rewards based on amount they donate. This systems allows the every day person to invest in ideas an business they have an interest in, cutting out the middleman to help build finance for new ideas.