

The future of finance



Technology does not wait for anybody who is not willing to keep up. In the last twenty years we have all witnessed how the new technology world is disrupting some of our biggest industries. Such as music with Apple iTunes, to ordering a taxi now with Uber and wanting to stay in a new place just check out what's the cheapest Airbnb.

Finance is going through its own revolution. This is the change within the financial industry accelerated forward by the technology world. Before we look at a couple of these platforms and tech that are changing this industry. Let's start with the how one of the oldest and most powerful industries is being shaken up.

Things were changing within the banking world, but with the financial crash of 2008 this really fueled the fire of evolution in this industry. The banks were busy dealing with how to navigate through the chaos it caused itself. So the idea of controlled innovation at this time came in as a very distant priority. This opened the doors for the new innovative technology to take a look inside and see what it can change.

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

Let's start with Peer-to-Peer Lending. How this works, let's assume 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 interest 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.