



# FinTalk

The Weekly Newsletter  
By Bank of Baroda



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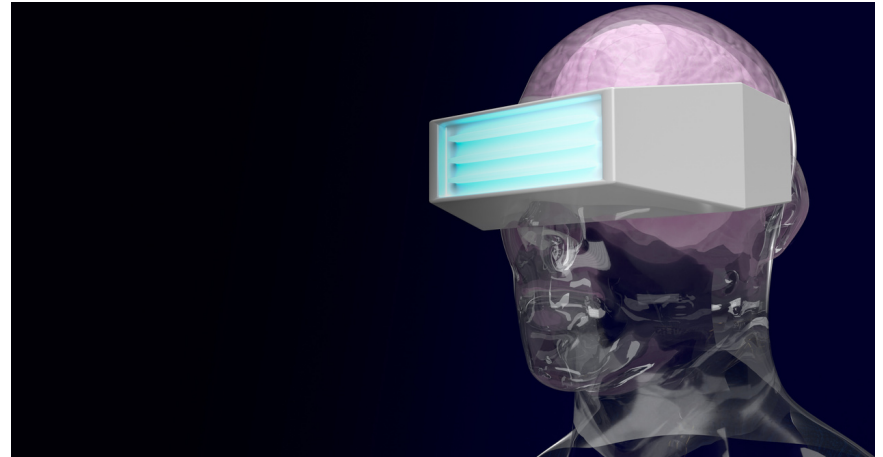
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## Banking in Metaverse

For the uninitiated, Metaverse is fundamentally a virtual, 3D space for people to interact with one another and with businesses. There are various definitions floating in the market and as per Statista, the metaverse is a virtual space that allows digital representations of people, avatars, to interact with each other in a variety of settings, using virtual reality (VR) headsets, augmented reality (AR) glasses, smartphone apps, or other devices.

The global Metaverse revenue opportunity could approach \$800 billion in 2024 vs. about \$500 billion in 2020, based on Bloomberg's analysis and Newzoo, IDC, PWC, Statista and Two Circles data. The Metaverse idea has been touted to have immense potential as it could be applied to just about anything.

Talking about the banking sector, Korean banks have been the first to explore the opportunities that Metaverse

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has to offer with Korean banks such as Hana and Woori having launched their branches in the metaverse setting.

For enhanced customer engagement, KB Kookmin Bank has created KB Financial Town on metaverse platform Gather. The town consists of Financial and Business centre, Telecommuting centre and a playground. The first part has been prepared as a virtual branch where the customers can move with their avatars and talk to their banking advisers through video chat that will automatically start as soon as they stand in front of the latter. The bank also plans to use the virtual branch for educating young people on finance as well as training their employees.

Although this may sound like something that is still future-looking, but Financial Institutions are increasing gearing up for the virtual world. Last October, Bank of America has launched virtual reality (VR) training

in nearly 4,800 financial centers across USA.

This will allow approximately 50,000 employees to practice a range of routine to complex tasks and simulate client interactions through a virtual environment. In metaverse, digital banks will be in the right position to begin facilitating transactions in the environment. For example, the digital Bank viz. Mercobank, based in UK, has begun putting strategies to develop virtual environments for enabling its customers to access banking services online and manage financial transactions in the metaverse, “similar to real life.”

We believe that while traditional financial institutions may not be the primary players in the Metaverse, the technology will gradually gain popularity. When it does, finance will be a significant part of its operations and how it generates value, both for individuals and organizations.

## Our Home grown StartUp Stories: Saral Designs, Mumbai



Our StartUp customer, Saral designs is into manufacturing of menstrual hygiene products which is run by Ms. Suhani Mohan, an IIT Alumni. She wishes to provide a holistic solution to bring a systemic change in the women’s health sector by providing access to high quality and affordable menstrual hygiene products using machine technology, innovative distribution and design.

Her team wants to make a difference in the lives of women who don't utilise hygienic menstrual products by addressing the issues of awareness, access, and price. Due to limited infrastructure in impoverished nations, either distribution expenses make voluminous products like pads and diapers 60 percent more expensive, or current companies do not cater to remote areas. There is an immense potential of local production which reduces the distribution costs, thereby making sanitary pads affordable and creates local livelihood opportunities.

# 4 MAIN TYPES OF BLOCKCHAIN



## PUBLIC BLOCKCHAIN

This blockchain is 'for the people, by the people, and of the people.' Anyone having access to the internet can become an authorized node by signing in to the blockchain platform.



## PRIVATE BLOCKCHAIN

Unlike public blockchains, there is a person who is in charge here and looks after important things like read/write and to whom access must be given to read.



## CONSORTIUM BLOCKCHAIN

It is a semi-decentralized type of blockchain where a blockchain network is managed by more than one organization.



## HYBRID BLOCKCHAIN

A hybrid blockchain works by generating the hashed data blocks using the private blockchain network. This is then followed by storing the data in the public blockchain without compromising data privacy.



[www.blockchain-council.org](http://www.blockchain-council.org)

## Fintech firm Legalpay launches healthcare focused fund

Fintech startup LegalPay has launched an interim finance healthcare-focused fund for retail investors where they can participate by investing a minimum Rs.10,000 per opportunity in asset-backed legal and debt financing asset classes through fractional ownership.

Interim Finance is short-term super-secure financing that allows an insolvent company to remain operational while undergoing the Corporate Insolvency Resolution Process (CIRP). LegalPay targets mid-market companies, including MSMEs, undergoing insolvencies, requiring Rs10 lakh - Rs5 crore. It competes with restructuring firms such as Edelweiss, KKR, Eight capital.



Source – Economic Times



## THE RISE OF OPEN BANKING: HOW BIG DATA IS CHANGING FINTECH

The emergence of open banking is changing the way individuals manage and engage with their money. Financial service companies may deliver more personalized services for their consumers with open banking by evaluating data from a variety of sources.

Open Banking is designed to encourage bank competition. It will stimulate improved services for customers by opening up data. Various parts of the world, however, take different approaches to this.

Open Banking attempts to stimulate innovation in some areas, such as Australia, by codifying information assets with bank clients, thereby making institutions data' custodians.' Open Banking in Europe aims to "open up the usual banking industry and create more competition between incumbent banks, neo-banks, and fintech startups that use consumer data," according to David Andrzejek, DataStax's Growth Strategy.

[Source – Analytics Insight](#)

## Paris-based VC firm help European startups cross into Africa



Partech Shaker, the innovation division of the Paris-based VC firm Partech, has launched an accelerator program christened 'Chapter54' to help European startups launch in African markets. The accelerator will take-in 10 technology startups annually over the next four years for the 'Chapter54' program, which will last up to eight months. Application for the inaugural cohort will open next month, and successful startups will begin the acceleration journey in April 2022.

'Chapter54' will be funded to a tune of \$5.7 million (EUR 5 million) by the KfW Development Bank on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ).

[Source – Tech Crunch](#)



## Zingtree turns complex customer service processes into clear action plans

Customer service is making and breaking companies over the past two years as shopping moved online and consumers wanted more out of the traditional service companies were offering. Zingtree provides interactive contact center software that guides agents to the next best action so that they can cater to even the most discerning customer.

Zingtree was founded in 2014 to make business information actionable for teams so that agents could quickly make decisions during complex service calls. Users leverage no-code “decision trees” to create detailed agent scripts, guide customers to solve their own issues and manage their internal processes at scale. As a result, agents are able to improve their average handling time, resolution and consumer satisfaction.

[Source – TechCrunch](#)

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