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Best white-label technology provider: Saxo Bank

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Saxo Bank's well-established white-label technology service regained its crown this year, with demand for the resilient and reliable offering continuing to grow as companies strove to push costs down.

A decade ago, most firms would have regarded using third-party technology as unnecessary, but lessons learnt from ambitious yet subsequently disappointing in-house builds and a squeeze on resources has turned the trend around.

"Ten years ago or more, the financial services industry's external providers were seen as costly – either in direct cost, time to market or integration complexity. The overwhelming response was to build internally," says Matteo Cassina, global head of sales, products and platforms at Saxo Bank.

"Today, we see the reverse. Banks, brokers and private banks are outsourcing to providers that can maintain and enhance specialised technology, at a fraction of the price to constantly upgrade and maintain their network of proprietary platforms."

There are many reasons for this shift in behaviour. Large, global retail banks are looking to buy rather than build as pressure on costs means investment in proprietary technology



Matteo Cassina

is no longer a viable option.

Private banks and wealth managers are embracing technology as a way of engaging with and retaining clients, while regional banks are turning to Saxo as the growing wealth of emerging markets in particular means a new generation of clients want to access global markets.

The variety of reasons why companies choose white-label is making technology evolve towards an open API model, with clients now demanding seamless integration of

the services offered – commercial banking, for example – from the need to simply create an execution interface.

"Our focus is to ensure our white-label clients continue to benefit from the innovation that we, as an online-trading platform, deliver to our own clients," says Cassina.

"Saxo has been making strategic investments to enhance our white-label offering, including new instruments and mobile applications. These developments allow financial institutions to effectively service their clients by using Saxo's trading platforms, trading infrastructure and broad suite of back-office services," he adds.

The ultimate test of a white-label platform is helping clients to retain and grow client relationships, says Cassina. This is especially true in a fragmented market such as FX, where trading strategies are only as good as the aggregation tools the clients can access.

"Our model is to listen to clients, but also anticipate how their own business models are changing – this is how we respond to their needs. The open API is one example of that," he adds. ■

Alessandro Almone