

FinTech as Innovative Technology in Banking Services Process

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Abstract

A phenomenon of FinTech has been in Indonesia since early of 1990s, but in the last 3 years, has grown up tremendously, but the players are different. There are 142 start-up companies work in FinTech sectors and very few of them has acknowledgement from Central Bank of Indonesia, as well as from Indonesia Financial Services Authority (OJK). Most of the work in “*payment system*” sector, very few are working on “*lending, deposit and capital raising*” sector. This paper will discuss about the phenomena and study the business model of “start-up company” to work on “*lending, deposit and capital raising*”. Many articles discuss about FinTech and business model has been widely spread, however, no articles discuss on business model of FinTech Start-up companies in Indonesia. FinTech phenomena has been widely accepted by Indonesian, and users comes from all generation. But the risk created by FinTech considers as medium to high rank, which make Indonesia Financial Services Authority (OJK) issued regulation number 77/POJK.01/2016 on Information Technology-Based Lending Services (LPMUBTI). Primary data will come from major Entrepreneur FinTech start-ups and users.

Keywords

FinTech, business model, start-up companies, OJK, Bank Indonesia (Central Bank)