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From the Editor

Along with the key topic of financial technology (FinTech), the information technology (IT) and business models used for financial services have become topics of unprecedented interest. Although people are familiar with financial IT in terms of bank automated teller machines (ATMs) and making payments at branches and over the Internet, news articles about system consolidations taking place as a result of bank mergers are not something that particularly excite the interest of ordinary consumers.

Recently, however, the emergence of highly convenient financial services provided by FinTech startups over smartphones and tablets has driven a major shift in consumer awareness of financial services, while existing financial institutions are also drawing in interested players, giving rise to a never-before-experienced level of activity in the field of service innovation. Underpinning all this, progress is also being made on environmental improvements like deregulation and standardization by governments and agencies.

Advances in digital technology, meanwhile, are driving what is called Industrie 4.0, prompting innovation and competition on a global scale in a variety of fields. It is anticipated that this will develop into a major transformation that will encompass all areas of society, a phenomenon that has been dubbed “Society 5.0.”

Hitachi has a track record of developing high-quality platform products and mission-critical information systems for its financial institution customers inside and outside Japan, and supplying them with a wide variety of solutions and other IT services. Recognizing the trends represented by FinTech and digitalization, Hitachi has also launched new initiatives in “digital financial innovation.”

This issue of *Hitachi Review* describes, (1) what forms financial innovations driven by advanced digital technology will take, (2) measures for using digital technology to boost financial business efficiency and collaborative creation with customers in order to produce these innovations, and (3) the type of platforms that will underpin digital financial innovation. The focus in these articles is not so much on presenting case studies or describing already established technologies, but rather on presenting possibilities for what sorts of things Hitachi should create by leveraging its technology and know-how, and its extensive links with customers, in the form of digital financial innovations.

I look forward to receiving the opinions from readers of this issue of *Hitachi Review*, and I hope that we can all work together toward achieving “digital financial innovation.”

Editorial Coordinator,
“Digital-driven Financial Innovation
—FinTech & Beyond—” Issue

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