

<b>Module Fin-M-13 Digitization Finance and FinTechs</b>	6 ECTS / 180 h Seminar attendance time: ≈90 h Study for yourself in seminar: ≈90 h
(since SS 2024) Responsible for the module: Prof. Dr. Andreas Oehler	
<p><b>Content:</b></p> <p>Digitization finance and FinTechs (Financial Technology companies) are two closely related concepts that are transforming the financial industry by leveraging technology to provide innovative financial services and solutions.</p> <p>Digitization Finance, also known as digital finance or digitalization of finance, refers to the process of incorporating digital technologies into traditional financial services and operations. This involves using digital tools, platforms, and processes to streamline financial activities, enhance customer experiences, and improve overall efficiency.</p> <p>(to be continued next page)</p>	
<p><b>Learning Objectives/Competencies:</b></p> <p>Students will be able to understand in depth the interrelationships of Digitization Finance and FinTechs in the context of overarching economic and financial systems. The application of economic, in particular financial, facts will be conceived in addition to lectures by the lecturer and possible guest lectures, in particular by the participants in an individually prepared portfolio and subsequent presentation by each participant in the group. The presentation will be held in groups, based on an individually prepared portfolio (same subject matter) by each participant. The focus will be on Digitization Finance and FinTechs including the latest scientific as well as practice-oriented findings also in the capital market context.</p> <p>Starting with introductory steps that clarify both theoretical and practical contexts, the students' ability to act and make decisions is strengthened. This includes the promotion of self-competence, social competence including communication and, if necessary, role competence as well as methodological competence. In addition, basic interdisciplinary competencies are developed, especially in the analysis of empirical results and in cause-effect relationships in finance.</p>	
<p><b>Other information:</b></p> <p><a href="http://www.uni-bamberg.de/bwl-finanz">http://www.uni-bamberg.de/bwl-finanz</a></p> <p>The number of participants is limited. If, due to capacity restrictions, it may be necessary to make a selection in accordance with the Statutes for the Determination of Criteria for the Admission of Students to Courses of Bachelor's and Master's Degree Programs with Limited Admission Capacity, a decision on admission will be made after the registration deadline.</p> <p>Please also note that registration is not the same as admission to the course or registration for the module examination.</p>	
<b>Admission requirement for taking the module:</b> none	
<b>Recommended previous knowledge:</b> none	<b>Special passing requirements:</b> none

**Content (continued):**

The key components of digitization finance include:

- Digital Payments: The adoption of digital payment methods such as mobile wallets, contactless payments, and online banking to facilitate convenient and secure transactions.
- Digital Banking: Offering banking services through online and mobile platforms, enabling customers to perform various banking activities remotely.
- Digital Lending: Utilizing technology to streamline the loan origination process, credit scoring, and loan disbursement, making lending more accessible and efficient.
- Robo-Advisors: Automated investment platforms that use algorithms to provide financial advice and manage investment portfolios.
- Blockchain and Distributed Ledger Technology: Implementing decentralized and secure systems for recording transactions and managing financial assets.

Digitization finance aims to enhance financial inclusion, improve customer experiences, reduce operational costs, and increase the speed and accuracy of financial services.

FinTechs (Financial Technology companies) are companies that leverage technology to create innovative financial products, services, and business models. They disrupt traditional financial services by providing more efficient, customer-centric, and accessible alternatives. FinTech companies often focus on specific areas within the financial sector and can operate across various domains, including payments, lending, wealth management, insurance, and regulatory technology (RegTech).

Examples of FinTech solutions include:

- Peer-to-peer (P2P) lending platforms that connect borrowers directly with lenders, bypassing traditional banks.
- Mobile payment apps that facilitate seamless and cashless transactions.
- Robo-advisors that offer automated investment advice and portfolio management.
- Insurtech platforms that provide on-demand insurance coverage or personalized insurance plans.
- Blockchain-based platforms for secure and transparent cross-border remittances.

FinTechs are agile, tech-driven, and often customer-focused, aiming to address pain points in traditional financial services and provide innovative solutions to meet the evolving needs of consumers and businesses.

The synergy between digitization finance and FinTechs is significant, as many FinTechs play a crucial role in driving the digitization of finance. They develop and deploy technology solutions that enable traditional financial institutions to digitize their services and processes. Additionally, traditional financial institutions may partner with FinTechs or acquire them to access cutting-edge technology and expand their digital offerings.

The combination of digitization finance and FinTech innovation is reshaping the financial landscape, leading to more inclusive, efficient, and customer-centric financial services. However, it also poses challenges related to data security, regulatory compliance, and the need for continuous adaptation to rapidly evolving technological advancements.

<b>Frequency:</b> WS, annual	<b>Recommended semester:</b> 1	<b>Module duration:</b> 1 Semester
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<b>Lectures/Courses/Modules</b>	
<p><b>Digitization Finance and FinTechs</b>  <b>Teaching formats:</b> Advanced seminar  <b>Teaching language:</b> English  <b>Frequency:</b> WS, annual</p> <hr/> <p><b>Recommended Literature:</b></p> <ul style="list-style-type: none"> <li>• Back, C., Morana, S., Spann, M., 2023, When do robo-advisors make us better investors? The impact of social design elements on investor behavior, <i>Journal of Behavioral and Experimental Economics</i> 103.</li> <li>• D'Acunto, F., Prabhala, N., Rossi, A., 2019, The Promises and Pitfalls of Robo-Advising, <i>Review of Financial Studies</i> 32(5),1983-2020.</li> <li>• Horn, M., Oehler, A., 2020, Automated Portfolio Rebalancing: Automatic Erosion of Investment Performance?, <i>Journal of Asset Management</i> 21(6), 489-505.</li> <li>• Horn, M., Oehler, A., Wendt, S., 2020, FinTech for Consumers and Retail Investors: Opportunities and Risks of Digital Payment and Investment Services, in: Walker, T. et al. (ed.), <i>Ecological, Societal, and Technological Risks and the Financial Sector</i>, Palgrave Macmillan, 309-328.</li> <li>• Horn, M., Wendt, S., 2021, Bitcoin &amp; Co: Kryptowährungen für alle?, in: Kenning, P., Oehler, A., Reisch, L. (Hrsg.), <i>Verbraucherwissenschaften</i>, 2. überarbeitete und erweiterte Auflage, Springer, Wiesbaden, 395-410.</li> <li>• Oehler, A., 2014, Testen der Tester?: Grundsätze ordnungsgemäßen Testens!, <i>Generally Accepted Testing Principles</i>; in: <i>Wirtschaftsdienst</i> 94, Heft 6, 444-447.</li> <li>• Oehler, A., 2015, Alles digital? Innovative Geschäftsmodelle im digitalen Zahlungsverkehr und Verbraucherpolitik; <i>Wirtschaftsdienst</i>, 817-821.</li> <li>• Oehler, A., 2015, Digitale Welt und Finanzen. Zahlungsdienste und Finanzberatung unter einer Digitalen Agenda, <i>Veröffentlichungen des Sachverständigenrats für Verbraucherfragen</i>, Berlin.</li> <li>• Oehler, A., 2016, Chancen der selbstbestimmten Datennutzung?!; <i>Wirtschaftsdienst</i> 96, November, 830-832.</li> <li>• Oehler, A., 2016, Digitale Finanzberatung braucht standardisierte Produktinformationen, <i>Der Neue Finanzberater</i> 1, 15.</li> <li>• Oehler, A., 2016, Digitale Welt und Finanzen. Ergebnisse und Handlungsempfehlungen. <i>Veröffentlichungen des Sachverständigenrats für Verbraucherfragen</i>, Berlin.</li> <li>• Oehler, A., 2016, Digitale Welt und Finanzen. Formen des Crowdfunding: Handlungsbedarf für die Verbraucherpolitik? <i>Veröffentlichungen des Sachverständigenrats für Verbraucherfragen</i>, Berlin.</li> <li>• Oehler, A., 2017, Grundsätze ordnungsgemäßer Bewertung durch Scoring; <i>Wirtschaftsdienst</i> 97, Oktober, 748-751.</li> <li>• Oehler, A., 2018, Infos für den Schwarm: Werden Crowdfunding-Kleinanleger mit VIBs gut informiert? Eine empirische Untersuchung, im Auftrag des MLR Ministerium für Ländlichen Raum und Verbraucherschutz (MLR) Baden Württemberg, Stuttgart.</li> <li>• Oehler, A., 2020, Crowdfunding, <i>WiSt Wirtschaftswissenschaftliches Studium</i> 49, 4-10.</li> <li>• Oehler, A., 2021, Algorithmen und Scoring: Verfolgte Verbraucher?, in: Kenning, P., Oehler, A., Reisch, L. (Hrsg.), <i>Verbraucherwissenschaften</i>, 2. überarbeitete und erweiterte Auflage, Springer, Wiesbaden, 365-382.</li> </ul> <p>(to be continued next page)</p>	<p><b>Semester hours per week: 3</b></p>

<b>Lectures/Courses/Modules</b>	
<p><b>Digitization Finance and FinTechs</b>  <b>Teaching formats:</b> Advanced seminar  <b>Teaching language:</b> English  <b>Frequency:</b> WS, annual</p>	<p><b>Semester hours per week: 3</b></p>
<p><b>Recommended Literature (continued):</b></p> <ul style="list-style-type: none"> <li>• Oehler, A., 2021, Crowdfunding: Schwarmverbraucher?, in: Kenning, P., Oehler, A., Reisch, L. (Hrsg.), Verbraucherwissenschaften, 2. überarbeitete und erweiterte Auflage, Springer, Wiesbaden, 383-394.</li> <li>• Oehler, A., 2021, Der technologische Wandel: Herausforderungen in der Digitalen Welt, in: Kenning, P., Oehler, A., Reisch, L. (Hrsg.), Verbraucherwissenschaften, 2. überarbeitete und erweiterte Auflage, Springer, Wiesbaden, 33-46.</li> <li>• Oehler, A., 2021, Der vermessene und verkaufte Verbraucher?, in: Kenning, P., Oehler, A., Reisch, L. (Hrsg.), Verbraucherwissenschaften, 2. überarbeitete und erweiterte Auflage, Springer, Wiesbaden, 355-364.</li> <li>• Oehler, A., 2021, Treiber und Widerstände bei der Online-Beratung zur Altersvorsorge, Studie für das DIA Deutsches Institut für Altersvorsorge, Frankfurt.</li> <li>• Oehler, A., Horn, M., 2021, Robo-Advisors – die besseren Vermögensverwalter? Vor- und Nachteile der Automatisierung von Finanzdienstleistungen, uni.vers Forschung 2021: Mensch und Maschine, Bamberger Beiträge zur Digitalisierung, 44-47.</li> <li>• Oehler, A., Horn, M., 2023, Does ChatGPT Provide Better Advice than Robo-Advisors?, Working Paper, Bamberg.</li> <li>• Oehler, A., Horn, M., Wendt, S., 2016, Benefits from social trading? Empirical evidence for certificates on wikifolios; 30th Annual Meeting of The Academy of Financial Services, October 20-21, 2016; Research in Behavioral Finance Conference 2016, September 15-16; International Review of Financial Analysis 46, 202-210.</li> <li>• Oehler, A., Horn, M., Wendt, S., 2016, Digitale Zahlungsdienste: Chinese Walls 2.0 oder Trennung?, DIVSI Magazin, Oktober 2016, 23-25.</li> <li>• Oehler, A., Horn, M., Wendt, S., 2016, Nicht-professionelle Investoren in der digitalen Welt; Wirtschaftsdienst 96, September, 640-644.</li> <li>• Oehler, A., Horn, M., Wendt, S., 2016, Was taugt die Finanzberatung durch Robo-Advisors wirklich?, Der Neue Finanzberater 2016, 2, 28-29.</li> <li>• Oehler, A., Horn, M., Wendt, S., 2017, Nicht-professionelle Investoren entdecken die digitale Welt; bankmagazin 66, Januar, 26-29.</li> <li>• Oehler, A., Horn, M., Wendt, S., 2018, Mehr als „nur“ Crowdfunding: Wie die Digitalisierung Prozesse der Mittelstandsfinanzierung verändert, Corporate Finance 9, Heft 1-2, 3-7.</li> <li>• Oehler, A., Horn, M., Wendt, S., 2018, Neue Geschäftsmodelle durch Digitalisierung? Eine Analyse aktueller Entwicklungen bei Finanzdienstleistungen; in: Keuper, F. et al. (Hrsg.), Disruption and Transformation Management, Springer, Wiesbaden, 325-341.</li> <li>• Oehler, A., Horn, M., Wendt, S., 2020, Social Trading und Digital Investments, in: Herberger, T. A. (Hrsg.), Die Digitalisierung und die Digitale Transformation der Finanzwirtschaft, Tectum/Nomos, Baden-Baden, 41-72.</li> </ul> <p>(to be continued next page)</p>	

**Recommended Literature (continued):**

- Oehler, A., Horn, M., Wendt, S., 2022, Investor Characteristics and Their Impact on the Decision to Use a Robo-Advisor, *Journal of Financial Services Research* 62(1), 91-125.
- Oehler, A., Schneider, J., 2022, Gambling with Lottery Stocks?, *Journal of Asset Management* 23(6), 477-503.
- Oehler, A., Schneider, J., 2022, Social Trading: Do Signal Providers Trigger Gambling?, *Review of Managerial Science* 17(4), 1269-1331.
- Oehler, A., Wendt, S., 2018, Trust and Financial Services: The Impact of Increasing Digitalisation and the Financial Crisis; in: Sigurjonsson, T.O, Schwarzkopf, D.L., Bryant, M. (eds.), *The Return of Trust?*, Emerald, Bingley, 195-211.
- Rossi, A., Utkus, S. (2020), Who Benefits from Robo-advising? Evidence from Machine Learning, SSRN 3552671.
- Schneider, J., Oehler, A., 2021, Competition for Visibility: When do (FX) Signal Providers employ Lotteries? *International Review of Financial Analysis* 78, 101892.
- Weber, M., Candia, B., Coibion, O., Gorodnichenko, Y., 2023, Do You even Crypto, Bro? Cryptocurrencies in Household Finance, NBER Working Paper No 31284.
- Wendt, S., Horn, M., 2021, Token & mehr: Initial Coin Offerings für digitalisierte Verbraucherinnen und Verbraucher?, in: Kenning, P., Oehler, A., Reisch, L. (Hrsg.), *Verbraucherwissenschaften, 2. überarbeitete und erweiterte Auflage*, Springer, Wiesbaden, 411-422.

**Examination**

Individually prepared portfolio and subsequent presentation by each participant.

**Description:**

The presentation and the portfolio are two components of the same examination, the subject matter is the same and both components are related to each other. Therefore, the examination consists of an individually prepared portfolio and subsequent presentation by each participant in the group. The portfolio has a minimum length of 4 but a maximum length of 5 DIN-A-4 pages, not including the list of references (literature) and the title page. The presentation must not exceed 45 minutes and must not be shorter than 10 minutes. The submission deadlines for (a) the first draft of the portfolio, (b) the presentation slides, and (c) the final draft of the portfolio are usually (a) ten days, (b) 3 weeks, and (c) 7 weeks after the start of the seminar. The exact dates will be announced at the beginning of the seminar. The first draft, the presentation slides, and the final draft must be handed in by E-Mail and formatted as a pdf file. The "Notes on Scientific Work" of the Chair of Finance are to be observed for both examination components (presentation and portfolio).