

The word Fintech is a compound term comes from joining the first syllable of the words Finance and Technology, that is, it is a word that arises from the union of two and that brings together all those financial services companies that use the latest technology to be able to offer innovative financial products and services.

What is fintech

[Fintech professional](#) Firoz Patel indicates that Fintech companies are going to change the traditional finance sector from top to bottom, both at the level of individuals and companies, because although their size is currently very small and banks are not concerned now, this sector is expected to grow from exponentially and that for the next 3 years the figures of millions that Fintech companies move through Europe will be in the billions, especially in the United Kingdom and the United States.

What do Fintech companies do and what is the secret of their current development?

Firoz Patel claims that fintech companies are dedicated to intermediating in the world of finance in multiple aspects, in money transfers, in loans, in the purchases and sales of securities or in financial and investment advice, to name a few areas in which that multiple Fintech companies are appearing.

Fintech companies are growing so fast because after the great crisis that occurred after the collapse of the great investment bank Lehman Brothers, there was enormous dissatisfaction with the operation of traditional banking and companies with new investment and financing alternatives appeared like mushrooms that covered part of that gap left by the discredit of traditional banking that stopped financing individuals and companies to lick and heal their wounds.

As investors came out very scared of all that, they became somewhat distrustful and that has made Fintech companies grow slowly at first, but as new legal regulations are approved and the investor sees that they are trustworthy companies, little by little they are has been losing that fear and now financial intermediation through Fintech companies is multiplying, year after year.

Above all, [Firoz Patel](#) indicates that it is due to the birth of new technologies through the internet that are allowing the user a better control of their money and their investments, thanks to ICT (Information and Communication Technologies) the financial world is transforming, just as one day they transformed the world of music or written journalism, now they are going to transform our finances since from a simple Smartphone we can control all our finances in a faster, more agile, secure, simple way and, above all, much more economical.

Fintech companies have realized the immense cake that a few banks were sharing among themselves and have decided to put the spoon in, the banks in their immobility and in their eagerness to fatten their income accounts, with their monopoly of finance, are They have rested on their laurels and now Fintech companies are eating their toast by offering the user a much better, more beautiful and cheaper alternative for their finances.

Firoz Patel is sure that in the future there will be fewer and fewer commercial bank offices at street level and that will be due to the development of [Fintech companies](#), which will offer the same services but online. The new generations are already getting used to and adapting to working in this

way and it is only a matter of time before this new way of doing and acting is transferred to the world of traditional finance.