

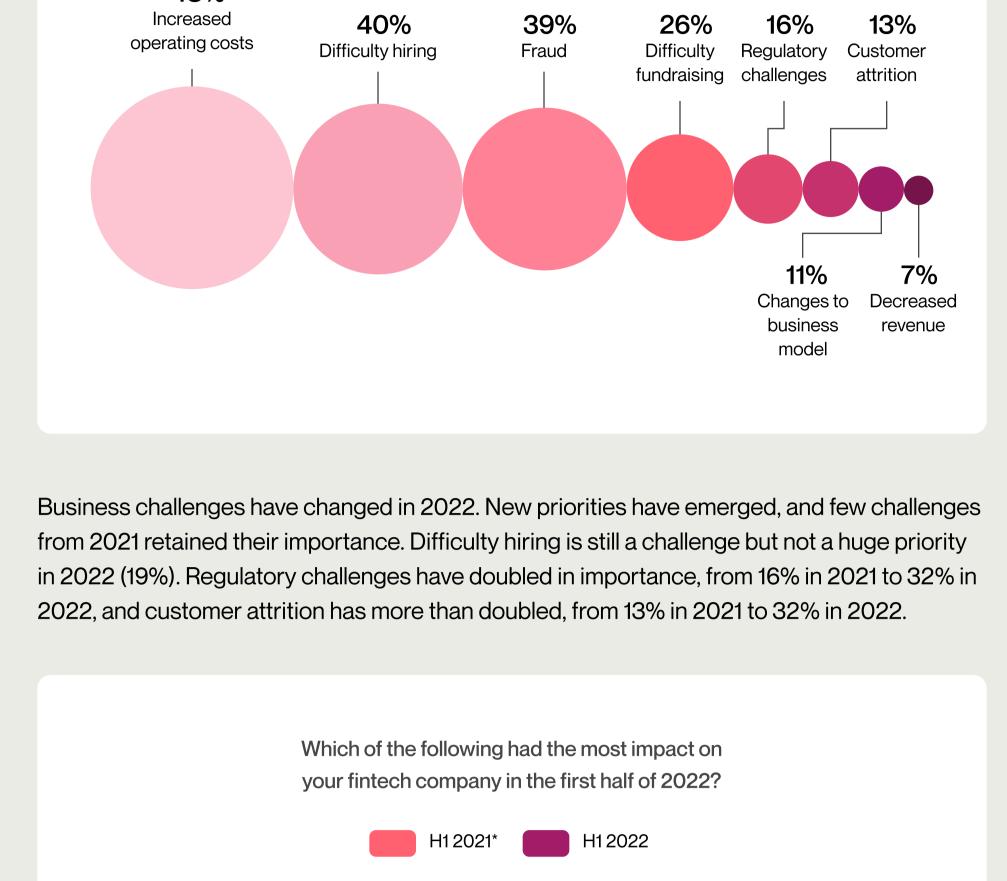
Increased operating costs (48%), difficulty hiring (40%), and fraud (39%) were the top business challenges for fintech in 2021.

A changing environment means new priorities and challenges for

fintech companies in 2022

Which of the following had the most impact on your fintech company in 2021?

48%



32% 32% 25%

Regulatory challenges

(100% increase)

26%

Difficulty fundraising

(8% decrease)

Decreased revenue

(14% increase)

7%

8%

24%

Customer attrition

(146% increase)

24%

Increased operating costs

(50% decrease)

Changes to

business model

(9% decrease)

49% Product

development

their headcount.

0-10% increase

34%

Yes

their next round to happen within the next 12 months.

When do you expect your next

funding round? (n = 34)

Why are you not

(n = 66)

raising new funds?

61%

We don't need

new funds

35%

**Profitability** 

30%

Developing

partnerships

29%

Meeting compliance

requirements

24%

Growth

13%

Hiring

11% Fraud prevention

10%

11%

48%

39%

Fraud

(36% decrease)

19%

Difficulty hiring

1%

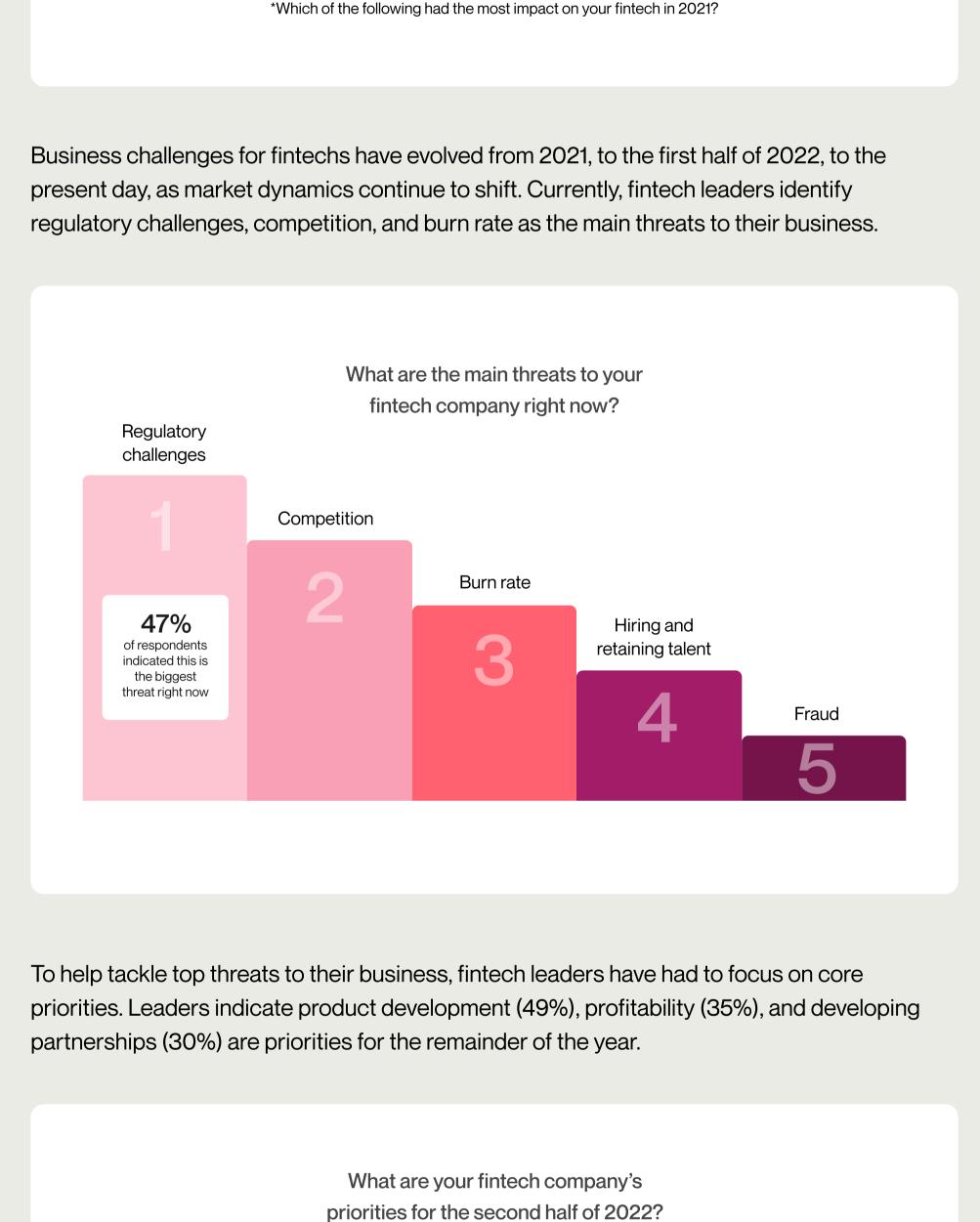
None of

the above

(53% decrease)

0%

40%



How do you expect your headcount to change in H2 2022? (n = 100)

14%

38%

21%

8%

16%

11-25% increase

26-50%

increase

More than

50% increase

13%

Unsure

We are not

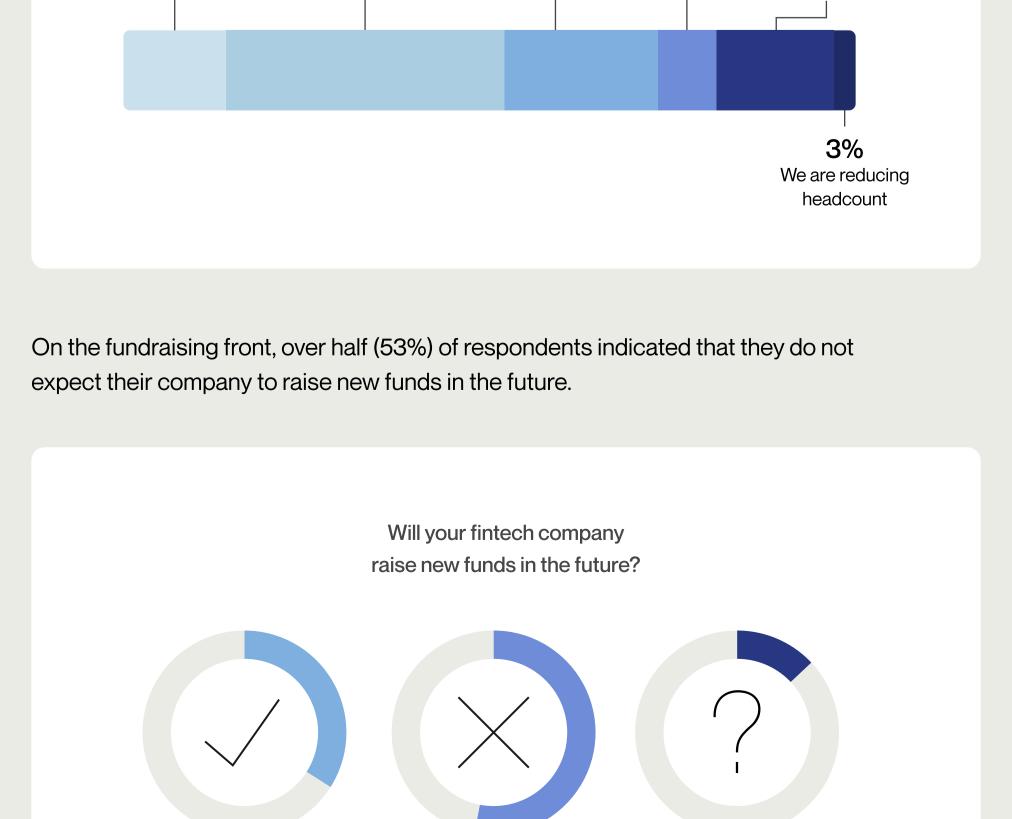
increasing headcount / keeping headcount the same

Despite a recent surge in layoffs, private fintech companies are more optimistic about the

second half of 2022. Only 3% of private fintech companies expect to reduce headcount —

and a majority actually expect to grow headcount by 11-50% in the second half of 2022

Leaders expect their headcount to increase by 11-25%. Only 3% say they are reducing



53%

No

Of those who do expect to eventually raise new funds, fewer than 1 in 5 leaders expect

0%

37+ mo.

**32%** 25-36 mo.

**50%** 13-24 mo.

**12%** 6-12 mo.

< 6 mo.

22%

public

1%

16%

acquired

**0%** Other

We are being

We're planning to go

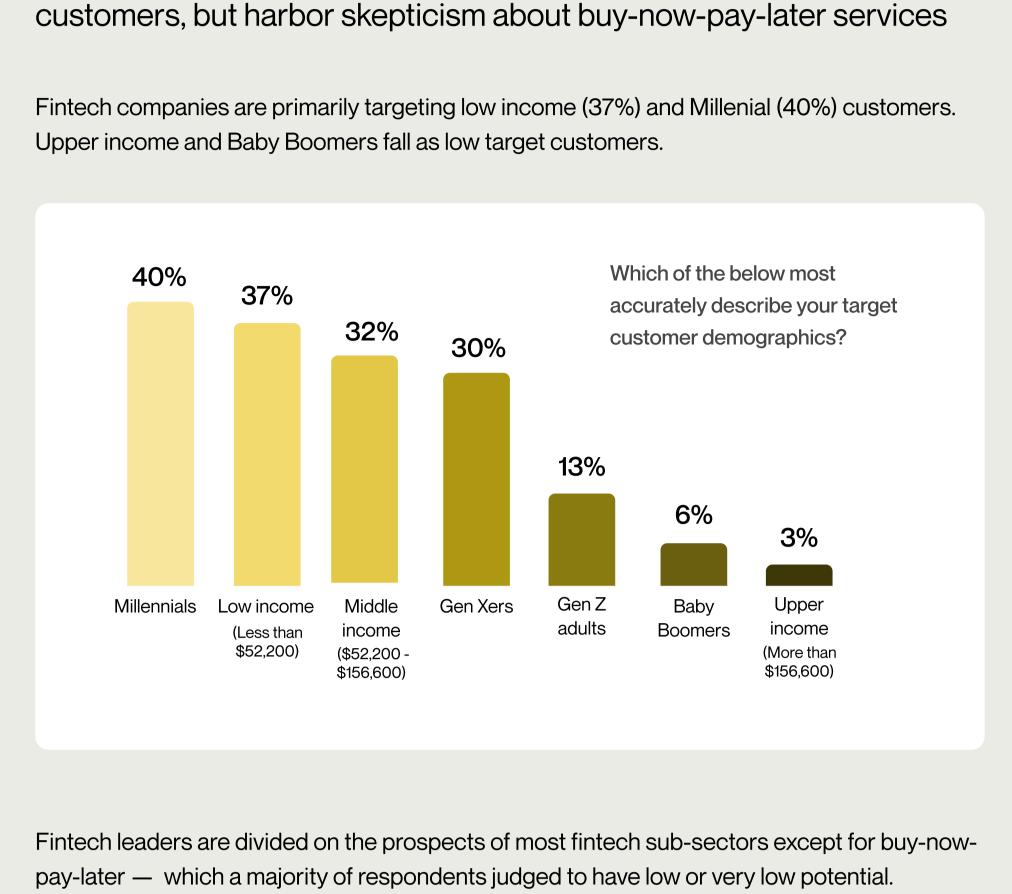
No investor interest

6%

As for those who do not expect to raise new funds, many fintech leaders are confident in

their current runway. The majority (61%) stated they are not in need of new funding.

Fintech leaders see opportunity in Millennial and low-income



What do you believe is the market potential

of each of the following sectors?

Neutral

35%

55%

30%

28%

42%

High

Very High

15%

6%4%

4%

8%

13%

10%

5%

8%

23%

14%

5%

Much more optimistic

Unaffected

More optimistic

20%

29%

29%

28%

28%

19%

Very low

35%

22%

28%

25%

27%

31%

BNPL (Buy Now, Pay Later)

Fintech Infrastructure

4%

5%

5%

1%

6%

Blockchain

9%

42%

16%

Much less

optimistic

Less optimistic

Insurtech

Digital wallets

Cryptocurrency

Embedded finance

19%

Low

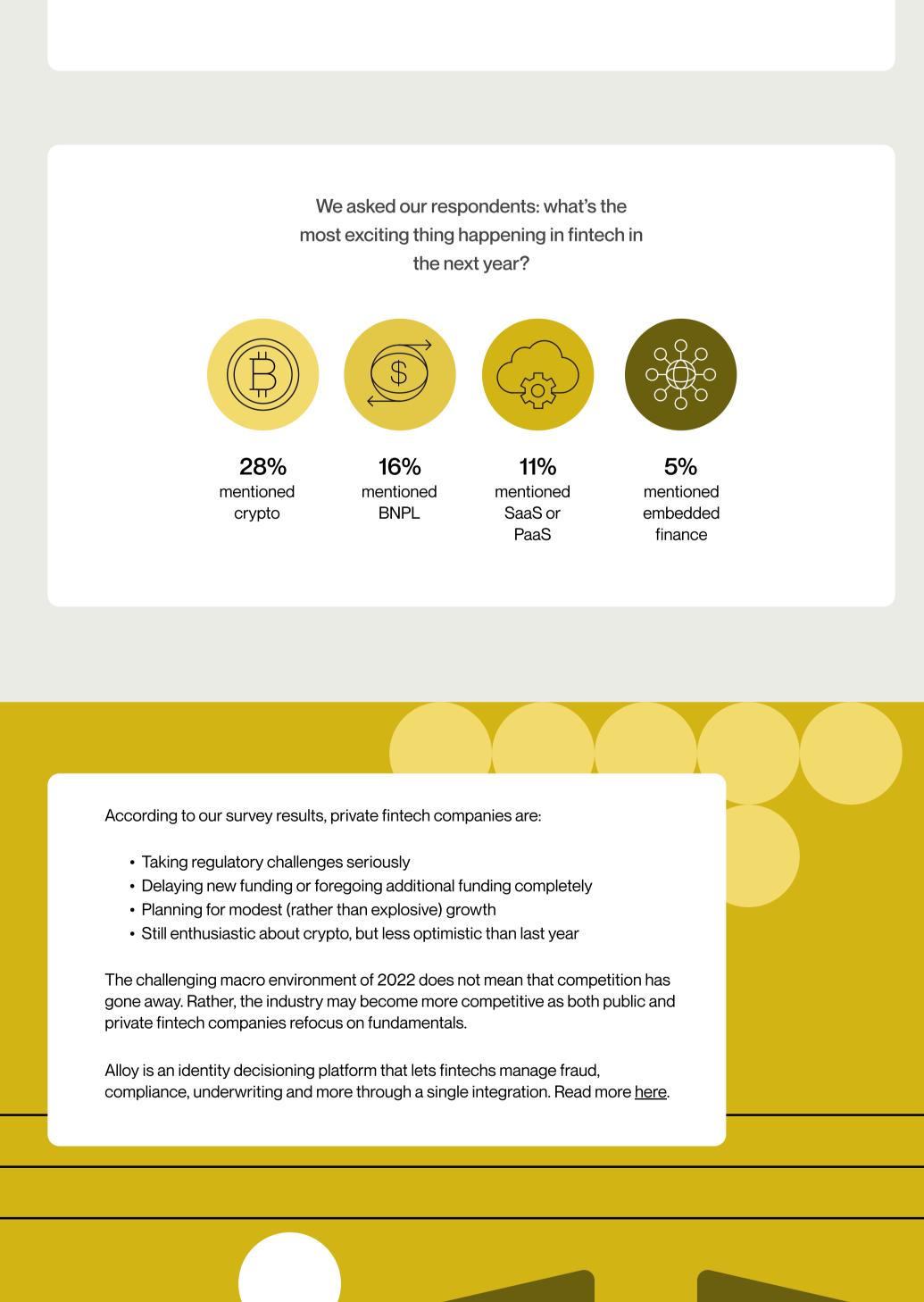
While the audience was split on the outlook for crypto, 58% of respondents said they're less optimistic about crypto than they were last year.

How has your outlook on cryptocurrencies

changed in 2022 as compared to 2021?

34%

33%



Respondent Breakdown

Location

North America

Title

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10,001+ Director employees 40% VΡ 5,001 - 10,000 8% employees 31% <1,000 employees 1,001 - 5,000 C-Suite 62% Manager employees 29%

Company Size

Gartner

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Source: Gartner Peer Insights, Fintech in 2022 survey