

Sarp Demiray on Why Big Tech Hasn't Replaced Banks in Finance Yet

In his recent article, Sarp Demiray, CEO of EMBank, explores why Big Tech hasn't become the primary choice for banking.

VILNIUS, LITHUANIA, March 18, 2025 /EINPresswire.com/ -- Despite early predictions that tech giants would reshape the financial landscape, traditional banks still dominate core banking services. [In his recent article](#), Sarp Demiray, CEO of [European Merchant Bank \(EMBank\)](#), explores why Big Tech hasn't become the primary choice for banking and whether artificial intelligence (AI) will change the game.



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Big Tech's Foray into Finance

Big Tech's entry into financial services started in the early 2010s, integrating payment solutions into their ecosystems. However, their focus has remained narrow—mainly on payments. Unlike banks, they haven't moved aggressively into lending, wealth management, or deposit-taking, which remain the core of financial services.

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*Sarp Demiray, CEO of
European Merchant Bank
(EMBank)*

Why Big Tech Hasn't Taken Over Banking

According to Demiray, several factors have slowed Big Tech's financial ambitions:

A Closed Ecosystem Approach – Tech firms primarily build

financial services within their ecosystems. While this enhances customer convenience, it limits their reach beyond their existing user base.

Regulatory Barriers – The financial industry is highly regulated, and Big Tech, accustomed to a more unrestrained digital landscape, has found it difficult to navigate strict compliance rules.

Competition from Fintechs – Fintech startups have disrupted finance faster than Big Tech could and have filled the gaps where Big Tech was expected to expand.

Consumer Trust in Banks – While tech companies excel in user experience, trust in banking still lies with traditional institutions.

Banks Are Fighting Back – Traditional banks haven't remained stagnant. They have increased investment in AI, cybersecurity, and digital platforms to match Big Tech's user-friendly experiences.

Will AI Change the Game?

Demiray argues that AI won't make Big Tech the new banks—but it will make them indispensable to the financial sector. Instead of competing with banks, Big Tech is positioning itself as the infrastructure provider for AI across industries.

"For Big Tech, AI is a horizontal technology—one that cuts across industries rather than being confined to a single vertical," Demiray writes. Rather than trying to replace banks, tech giants are ensuring that banks, fintechs, and insurers rely on their AI models, tools, and cloud services.

The Verdict

Big Tech's disruption of finance has been more evolutionary than revolutionary. While their payment services have reshaped consumer habits, they haven't replaced banks—and likely won't. Instead, banks will continue to lead in financial products while depending on AI-driven tools developed by tech giants.

For now, the answer to Demiray's question—"Why is Big Tech not my bank yet?"—remains clear: banking is far more than payments, and traditional financial institutions, despite their flaws, still hold the strongest position in the industry.

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