

## **Innovation challenge: New business models at the Liechtensteinische Landesbank (LLB)**

### **General Information:**

The Liechtensteinische Landesbank AG (LLB) was founded in 1861 and is the most traditional financial institution in the Principality of Liechtenstein. With over 150 year of experience, the LLB has expanded its business to Austria, Switzerland and Liechtenstein, enjoying its privileged position of its simultaneous access to the EEA (European Economic Area) and to the Swiss market.

The LLB Group has a focused, client-oriented business model and a diversified income structure with three strong market divisions: Retail & Corporate Banking, Private Banking, and Institutional Clients.

With its StepUp2020 strategy, conceived in 2016, the LLB Group is pursuing sustainable profitable growth through 2020. The focus has been on the four core elements of growth, profitability, innovation, and excellence.

The state of Liechtenstein is the main shareholder and owns 17.7 million of the 30.8 million LLB shares (57.5 % of the share capital). The Principality of Liechtenstein is one of only twelve countries worldwide with a AAA rating.

### **Background to the case study:**

As a central part of the StepUp2020 strategy, the LLB Group has promoted the creation and development of new business ideas in order to expand its horizons and hence, live up to its goal of becoming an innovator for the region. It is in this way that we launched LiPay in 2019, A QR Code based instant payment system, which completely bypasses the existing multi-party logic (acquirer, issuer, payment schemes) and thereby disrupts transaction costs in payment transactions.

With more ideas constantly flowing in, a committee formed of top managers from our different divisions, gathers every 6 weeks to be presented with business models developed by our innovation department.

As part of this year's case study, the LLB is challenging groups of students to develop new innovative business models for the bank. The most successful groups will have a chance to present their ideas at the next Innovation-Gate meeting and defend their assumptions and ideas in a real-world scenario. Should an idea be successful, the LLB group would be interested in offering internship positions for the winners to accompany the further development and possible implementation of their idea.

Are you ready for the challenge?