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Identify the stimulants of banks in forming a strategic alliance with Fintechs

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Abstract

Today, banks are on the path of digital transformation to create a good experience for customers. In the meantime, Fintech companies have good knowledge of creating technological financial services, and banks need this distinctive fintech competency to succeed in digital banking. Based on this, banks form a strategic alliance with Fintech. One of the issues that play an important role in the formation and success of the strategic alliance between the bank and Fintech is the motivation of both parties to form the alliance. Accordingly, the present study was conducted with the aim of identifying the stimulants of banks in forming a strategic alliance with Fintech. The method used in this study is team analysis and the statistical population of this study includes 11 experts of the Refahe-Kargaran Bank who have been purposefully selected and interviewed semi-structured. In this study, the stimulants of banks in forming a strategic alliance with Fintech were identified in the form of 5 main themes and 9 sub-themes. These five themes are outsourcing technology services, leading digital innovation, organizational process agility, gaining competitive advantage and customers. Based on the research findings, banks have different incentives to form a strategic alliance with Fintechs, and examining and paying attention to these incentives has a great impact on the success and effectiveness of alliances.

Keywords: Strategic Alliance, Fintech, Strategic Alliance Stimulants
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1 Introduction

The advent of Fintechs has gained considerable attention in the financial services industry. Fintechs are usually startups and companies, with the help of new technologies and using the Internet, perform all services and issues related to financial areas, while maintaining security and quality of services, with greater speed and transparency and lower costs. In other words, FinTech includes a new range of companies that are changing the usual methods of payment, money transfer, lending and investing [31]. According to experts, technologies related to financial services enable start-ups to disrupt the banking sector, while today this has led to the coexistence of start-ups and banks, and in the long run, the alliance of banks and Fintechs [1]. The benefits provided by Fintech in terms of customer experience and the benefits of banks are mainly reflected in compliance with regulatory standards [30]. As a result,

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Fintechs present an image that represents innovation and exploration, while banks represent continuity and seniority [9]. These aspects are mutually unique and experts believe that this leads to intense competition and the coexistence of banks and startups can be beneficial [40]. For example, in the beer industry, the increase in the number of small beer producers has increased the beer market and created new business opportunities and customer groups. So many big companies have revised their product portfolio or are actively approaching micro-watersheds. Similar developments are being revealed in the banking industry, where continuous digitalization requires innovation [5]. Digital innovation involves business processes, products, or services and models that have been activated by digital technologies [18]. The emergence of Fintechs has accelerated due to these developments [44]. Fintechs include small, agile startups that use new digital technologies to deliver specific forms of financial services. Fintechs have undertaken some of the tasks previously reserved for current banks [16]. For the relatively conservative banking sector, alignment with Fintechs requires opening the traditional closed organizational boundaries for new digital market participants and, more importantly, new business models. From Fintech's point of view, alliances with banks may help to target their digital products or services to the banks's large customer base [44]. In addition, banks can support fintech technology and help them cross regulatory boundaries. Also, some Fintechs can not enter the market without the resources of cooperator banks [3]. Thus, the alliance between banks and Fintechs is working, even if the motivation of both parties to start such partnerships is not yet well understood. The existing literature has considered "partnership selection as an exogenous factor" [36]. [7] Since the banking industry is relatively conservative and alliances with start-ups are relatively new, the issue of fintech-bank alliances is highly relevant in both practice and science. Recent studies provides suggestions for classifying the fintech industry [44] and explains the emergence of the global fintech market [44]. However, the stimulants of both banks and Fintechs to cooperate hasn't been analyzed enough so far, and a review of research shows that the issue of identifying and understanding the stimulants of alliances between banks and Fintechs has been less addressed. [28] also mentioned the lacks of further research on the stimulants of banks to establish the formation of a strategic alliance. Accordingly, the purpose of this study is to identify the stimulants of banks in forming a strategic alliance with Fintech. The results of this study can play an important role in the effectiveness of the process of forming a strategic alliance between banks and Fintechs.

2 Research background

2.1 strategic alliance

There is no single definition of the concept of strategic alliance, and different experts have provided different definitions of the concept of strategic alliance, but with similar content. A strategic alliance is defined as a voluntary alliance between independent firms that involves the exchange or development of technology, products or services, and the sharing of marketing resources [41]. Strategic alliances are inter-institutional or corporate alliance agreements that are created with the goal of achieving the strategic goals of the partners.These alliances, which are part of inter-organizational alliance strategies, involve the aggregation of skills and resources through alliance partners to achieve one or more goals related to the strategic goals of partner companies [13]. A strategic alliance is a voluntary, long-term contractual relationship between two or more independent organizations designed to create or share resources to achieve the organizational and reciprocal goals of the alliance's organizations. According to this definition, four important concepts can be derived: First, that alliance is a tool for organizations to achieve the desired goals and create and maintain a competitive advantage;Alliance management is considered as a strategic practice for organizations; Second, an alliance consists of two or more organizations that, in separate organizations, voluntarily enter into an alliance agreement. Accordingly, the alliance makes the organizations flexible in achieving the goals, and since the management of the alliance is not hierarchical, it is considered a relatively unstable organizational agreement; Third, due to the change of vital resources, the member organizations of the union to achieve their organizational and mutual goals, the dependence of organizations on each other increases. Fourth, strategic alliances are transitional entities that member organizations can dissolve at any time, and the threat of premature dissolution requires systematic management [19].

3 Motives for forming a strategic alliance

It is generally assumed that the motivation for forming alliances is based on the logic that the perceived value or benefit of an alliance outweighs its costs [21]. The benefits that one partner can offer to another include "skills, competencies, capabilities and knowledge", but these benefits can only be fully achieved if the partners are carefully selected and the stimulants of both parties are well established. Be understood [39]. Studies of the motives for forming alliances are generally divided into two groups: The first group are studies that use a theoretical perspective to describe motives. The second group are studies that introduce a number of stimulants through various studies to identify the stimulants of organizations to join and form an alliance [14]. In the following, these two groups of studies will be described.

Theoretical perspectives: Various researchers have provided stimulants for the formation of strategic alliances using theoretical perspectives: including the theory of exchange cost economics [34], the theory of resource dependence [51], resource-based perspective [13], institutional theory [12] and network theory [26] which will be described below. Exchange cost economics is one of the oldest theories in understanding alliances. The main argument of transaction cost theory is that all the economic costs of a company can be divided into production costs and transaction costs. When a company is trying to decide whether to contract or produce on its own, market price is not the only aspect that needs to be considered. The transaction cost may be more important in deciding whether to build or purchase a product or service. Therefore, companies try to reduce the total transaction and production costs. Resource dependency theory claims that an environment has specific resources that are limited and valuable. Since it is very unlikely that a company will have all the resources it needs, it will try to reduce its reliance on other companies or increase the dependence of other companies on itself in order to strengthen its strategic position in the industry. Thus, alliances are a good tool to achieve these goals. The resource-based perspective of the company has also been widely used to study alliances and their stimulants [13, 23]. While resource dependency theory focuses on external resources for survival and expansion, the resource-based view sees alliances as a means of accessing a partner's resources. Thus, it maximizes its resource base [37]. The knowledge-based perspective emphasizes the importance of the partners' learning skills and the tacit knowledge resulting from those skills [15]. It is well known that among all the assets that make a company successful, its skills and capabilities are an important and integral part [27]. This is because many of these skills are causally vague and path-dependent, giving their parent company a sustained competitive advantage. An alliance between two companies is a means to use each other's skills for mutual benefit. Thus, an alliance is potentially a way for a company to use and possibly learn skills from a partner company that may not be available in the open market [15]. Institutional theorists have emphasized the importance of legitimacy as an incentive to form alliances [12]. Legitimacy is defined as "the generalized perception or assumption that the exercise of a desirable or appropriate entity in some socially constructed systems is based on norms, values, beliefs, and definitions" [53]. Strategic alliances allow a company to rely on its affiliation with a more reputable and relatively well-known company, thereby increasing its legitimacy [29]. Regarding the network view, [26] argues that economic actions by a central company, including entering into a partnership, are influenced by the social network in which a company is embedded. conforming the nature of an alliance where there is a great deal of uncertainty due to a number of factors, including the intent and ability of the partners, a central company network provides access to certain information about a potential partner. Based on this information and experience, if a central company identifies another company in its network for a suitable alliance, there is a strong incentive to join an alliance.

Alliance stimulants based on different theoretical perspectives are presented in Table 1

Table 1: Alliance stimulants based on different theoretical perspectives

theory	**Alliance stimulus**	**researchers**
Kogut [34]	Avoid restrictions on the amount of purchases and Opportunity	Exchange cost economics
Glaister and Buckley [24]	Lack of self-sufficiency leads to dependencies and vertical alliances	Dependence on resources
Das and Teng [13] and Tsang [54]	Resource Exchange - Access to complementary or complementary resources	Resource-based
Hamel [27] Van Gils and Zwart [22]	Inter-organizational learning	Knowledge based
Dacin et al. [12]	Legitimacy	Institutional
Chetty and Holm [10] Gulati [26]	Proportions and social embedding, social exchange	Network
Source : researchers		

Stimulants of Alliance in Other Research:

As mentioned at the beginning of this section, in addition to using theoretical perspectives to understand and explain the motivation of alliances, there are various literatures that focus on other types of stimulants to better explain why companies join alliances. According to [42], alliances are formed to improve the competitive position of allied partnerships. [23], for example, identifies sixteen different incentives in a sample of British joint ventures with Western European partners, including "entering a new market, entering markets faster, facilitating domestic development, competing with common competitors , earning save in scale, market positioning, complementary technology exchange, product diversification, focus on higher-margin businesses, quick return on investment, expand risk of large projects, sharing R&D costs, reduce competition, produce in low-cost locations, the exchange of patents and compliance with foreign government policies". The wide range of stimulants shows that alliances become one of the basic features of corporate organizational structure and competitive advantage increasingly depends not only on the internal capabilities of the company, but also on the types of alliances and the scope of its relations with other companies [43]. The growing importance of alliances is also affecting the financial services industry. One of the effective factors is digital innovation, which leads to increasing customer expectations. Customers request financial services 24 hours a day and with the greatest ease. In addition, digital technologies make it possible to provide financial services in any specific location. Digital technologies create significant potential savings in bank costs by reducing traditional infrastructure and streamlining the workforce. New technologies also facilitate the creation of new services and access to new sources of revenue. However, banks often lack the flexibility and knowledge necessary to rapidly develop digital innovation, which gives Fintechs a competitive advantage and enables them to enter the market [8]

4 Empirical background of the research

Regarding the subject of the present study, little research has been done in the country. [35] in a study entitled "Study of technology transfer as an incentive to enter an international strategic technological alliance in the oil industry", extracted concepts and categories affecting technology transfer as an incentive to enter into alliances and concluded They found that the four categories of technology acquisition, adaptation to change, technology development process management, and technology application are the stimulants for entering into an international strategic technological alliance in the oil industry. The results of research conducted abroad are summarized in Table 2.

Table 2:

researchers	**description**	**Research results: stimulant for forming a strategic alliance**
Bengtsson and Kock [2] Bouncken and Kraus [4] Raza-Ullah et al [46]	Access to new markets or new market segments usually involves costs and risks. Therefore, there are companies that choose a strategic alliance with competitors but integrated in the market they want to access.	Access to new markets or
	Access to more resources, which could potentially fill gaps in allied organizations.	Access to resources
	Promote the exchange of resources and knowledge in various fields.	Knowledge sharing
Radu [45]	Combine complementary knowledge and resources to develop new products or new market standards.	Development of new products and new market standards
Gnyawali and Park [25]	In the current context of increasing digitalization, new technologies have enhanced the strategic alliances between competitors.	Integration and development of new technologies
Ritala [48] Ritala and Hurmelinna Laukkanen [49] Rusko [50]	Potential increase in competitive advantage, within the market area in which the organizations involved in the alliance operate.	Improve the organization's position and competitive advantage
Cygler et al [11]	In different markets, both current and new entrants may face different risks, and by forming a strategic alliance with each other, they may ultimately reduce those risks.	Risk reduction
Gast et al [20] Gnyawali and Park [25]	Strategic alliances between organizations can be due to the desire of both parties to develop innovations in the market area in which they operate.	Tendency to develop innovation
Holotiuk et al [28]	New digital technologies are an incentive for financial institutions to team up with new technology companies to fill specific gaps in their technology and digital capabilities.	Digitalization and digital innovation
Jenkins [30]	Scale savings are one of the motivations of Fintechs to unite with banks.	Save to scale
Holotiuk et al [28] Walley [55]	It has been mentioned as a common motivation of banks and Fintechs. The "customer" factor is realized in the desire of the bank and Fintech to respond to new customer demands and create value.	Customers
Source : researchers		

5 research methodology

In this research, a qualitative method of thematic analysis has been used to achieve the research goal. The purpose of thematic analysis is to identify themes, ie patterns in important or interesting data, the researcher's attention and use these themes to answer research questions or say something about a problem (2017). Theme analysis is a way to identify, analyze and report patterns in qualitative data. This method is a process for analyzing textual data and converts scattered and diverse data into rich and detailed data [6]. In the present study, the six-step framework of [6] has been followed (Table 1).

Table 3: [6] Six-step framework

description	**stage**
1) Familiarity with data	record data (if necessary; be oral), read and re-read, record basic ideas
2) Create basic codes (Extraction of concepts)	Encoding the desired data features on a regular basis throughout the data set and, finally, matching and sorting the data with each of the codes
3) Search for themes	Match the codes to the potential themes and collect all the data related to each of the potential themes
4) Review and review themes	Investigate potential themes and themes with extracted code (step two) and data set (step one) and finally, create an analytical network of themes
5) Define and name themes	Continuous analysis to refine the features of each "theme", comprehensive quote expression, clear definitions and names for each theme
6) Final recording and analysis (Report preparation)	Last chance for analysis, selection of clear and obvious samples, final analysis of analytical extraction related to research and literature questions and compilation of a report of analysis

The statistical population in this research includes the officials of the Refahe-Kargaran Bank in the fields related to research, who are among the industry experts and have executive records in relation to the subject of research, and are called knowledgeable experts. The choice of semi-structured interview was due to the fact that in this method, in addition to the possibility of exchange of views, the discussion on the subject can be guided in achieving the objectives of the research. Also, during the interview process, it is possible to observe the feelings and beliefs of the interviewee about the research topic. The determination of experts and unifiers in this study was done using judgmental sampling, with the guidance of experts. Completion of the sample continued until the theoretical saturation of the collected data was concluded; Because the attention to the subject under study in this study has an exploratory aspect and not confirmatory and its purpose is to achieve internal validity and generalization of analysis. Accordingly, after the interview with the 11th person, no new code was extracted and the interview process with the 11th person was terminated.

The process of receiving feedback from respondents was used to assess the validity of the theme analysis (research validity). By giving the respondents the results of their analysis and asking them to comment on the degree of consistency between the interpretations made and the respondent's experiences, this gives the respondents the opportunity to be more serious and stronger. Comment on the issues raised [32]. Also, in order to gain the reliability of the research findings (research reliability), the interview protocol included the method of starting the interview, entering the discussion and the course of questions, and during the interviews, guided the researcher in the interview to avoid scattering and fluctuations in the interviews. On the other hand, by identifying the main axes of the interview and the researcher being free to ask questions in each axis, the validity of the research is maintained. The independence of the researcher from the subject of the research and the elimination of unnecessary prejudices and presuppositions is the most important element of reliability in qualitative research [17]. In this regard, with continuous awareness, the researcher tried to increase the reliability of research data to eliminate biases. Also in this study, using angulation in the tool, it was possible to comparatively review the data obtained from different sources, which leads to improved data reliability [32]. Accordingly, the opinions of eleven managers and experts in the banking industry will increase the validity of this research. Here we avoid the coding theory that has been used.

Data can be seen as a variable :

$$X : U \to X \quad \text{where } x \in X$$

Appears with probability $P[X = x]$. Data are encoded by strings (words) over an alphabet $\sum$. A code is a function

$$C : X \to \sum$$

$C(x)$ is the code word associated with x. Length of the code word is written as

$$L(C(x)).$$

Expected length of a code is

$$l(C) = \sum_{x \in X} l\big(C(x)\big)\mathbb{P}[X = x].$$

The concatenation of code words

$$C(x_1, \ldots, x_k) = C(x_1)C(x_2)\ldots C(x_k).$$

The code word of the empty string is the empty string itself:

$$C(\epsilon) = \epsilon$$

6 Analysis of findings

Table 4 shows the characteristics of the interviewees. Completion of the sample continued until the theoretical saturation of the collected data was concluded. In this research, two methods of desk study and field study were used to study the subject: 1) desk study: In this method, the following sources were used to collect data: a) Data in books, articles, scientific journals and dissertations related to research Past on the subject. B) Statistics and official documents including reports, analyzes, tables. 2) Field study: In the field study, due to the nature of the subject, the interview is used in a semi-structured way to collect data.

Table 4: characteristics of the interviewees

Serie	**Organizational rank**	**Academic degree**
1	Deputy CEO for Comprehensive Banking	PhD in Economics
2	Deputy CEO for Information Technology	Master of Information Technology
3	IT Support and Security Manager	Master of Information Technology
4	Head of Information Technology Development Department	Master of Information Technology
5	Process and Project Supervision Manager	PhD in Public Management
6	Head of Organization and Process Management	PhD in Financial Management
7	Head of New Banking Innovation Center	PhD in Information Technology
8	Head of Dedicated Banking Department	PhD in Human Resource Management
9	Head of Infrastructure and Data Security	Master of Software
10	Director of Modern Banking	Master of Information Technology
11	Head of Software Production Department	Master of Information Technology

After conducting semi-structured in-depth interviews with the interviewees, the initial concepts or codes in the interviews that were directly related to the research topic were extracted. After performing the six-step process of [6] theme analysis, finally, 5 main themes in the form of 9 sub-themes were obtained (Table 5). These themes are in fact the stimulants of the banks to form a strategic alliance with Fintech, which were obtained in the interviews. In the following, the resulting themes are described.

7 Outsourcing New Technological Services

This theme includes sub-themes of cost reduction, shortage of manpower required and focus on key activities. According to the interviewees, the cost of creating technological services for banks is high, and therefore banks avoid wasting their resources and tend to reduce costs through these activities by Fintechs. For example, the 8p interviewee stated: "Because of the weakness of banks in the field of information technology, the cost of creating technological services by banks is very high for them and it is more economical for Fintechs to do so." Also, banks are not able to perform such activities due to the lack of specialized human resources in the field of information technology, and considering that the main activity of banks is to provide banking services and not to create technological banking services, they prefer not to spend a lot of resources and want to increase their human capital. In the field of information technology to create these services do not have and leave it to Fintech companies. For example, the 5p interviewee stated that "banks do not have the necessary manpower to do this and they do not need to recruit IT personnel because the main job of the bank is not to produce technological services. Bank One "It is not an information technology company and its job is to provide banking services to customers." According to the topics mentioned in the interviews, it can be concluded that one of the main stimulants of banks in forming a strategic alliance with Fintech is outsourcing.

Table 5: theme analysis

Main Theme	Initial code	Sub-theme
1- Outsourcing new technological services	High cost of creating technological services by the bank	Reduce costs
	Insufficient employment of IT specialists	Lack of required human capital
	The mission of the bank is to provide banking services and the creation of technological services is not one of the main activities of banks.	Focus on key activities
2- Leading in digital innovation	Banks desire to progress in digital banking	Providing new technological banking services
3- Agility of organizational processes	The need to create a bank alliance with Fintech, due to the high complexity of the banking structure, which causes the agility of the organization.	Lack of agility of banks
4- Gaining a competitive advantage	Having modern banking services is one of the necessary tools to increase market share and profitability.	The competitive power of the bank with other banks
5- Customers	By creating and presenting value propositions with the latest financial technologies, customer expectations are met and their satisfaction is achieved.	Manage customer expectations
	Creating a good experience for the customer in receiving digital banking services	Improve the customer experience
	With the increase in the effectiveness of technological services, the share of banks in customer exchanges increases and earns commission income.	Increase the share of customer's wallet

8 Leading the way in digital innovation

From the main point of view of the interviewees, today one of the main strategies of banks is to lead the way in providing new technological banking services (such as mobile banking, internet banking, store terminals, online payment gateways). On the other hand, competition between banks for innovative services is increasing. Therefore, in order to realize this strategy, banks need to cooperate with Fintech so that they can always be in the forefront of providing innovative services by using up-to-date knowledge. For example, the 2p interviewee stated: “Today, banks are very competitive in providing new banking services, and due to the limited knowledge they have in the field of information technology, they are forced to cooperate and unite with Fintech.” ”In the banking industry, innovation in new services, especially digital banking, has become important. So senior executives are paying close attention to it and in strategic planning,” the 6p interviewee said.

9 Organizational Process Agility

According to the interviewees, organizational process agility is one of the issues facing banks today. The organizational structure of banks is very broad and long and has a lot of complexity, and this complexity has faced them with problems called inefficiency. This complexity in the organizational structure has caused banks to lack the necessary agility in performing activities such as creating and improving technological services. For this reason, banks are turning to alliances with Fintechs to address this issue. For example, the 11p interviewee stated that “the structure of banks prevents them from carrying out sensitive activities such as creating up-to-date services in the field of digital banking, and without the help of Fintechs, the bank would not be able to do this alone.” Or the 4p interviewee stated that “the agility of Fintechs is so great that banks have to ally with Fintechs in order not to lag behind the speed of modern services, because the issue of agility of banks faces many obstacles and until the result is achieved. “The relationship with agility takes a long time.”

10 Gaining a competitive advantage

Among the issues raised by the interviewees, gaining a competitive advantage has been mentioned as one of the stimulants for uniting banks with Fintechs. In their view, banks need a competitive advantage to grow and increase their market share, and innovative services are one of the most important and effective competitive advantages in the banking industry, which increases the market share and profitability of banks. For example, the 1p interviewee states: “We need strong Fintechs because they can enable the bank to provide valuable technological services to its customers by providing appropriate services to the bank, and these valuable technological services are the source of gaining an advantage.” “It should be competitive for the bank.”

11 Customers

Among the stimulants announced by the interviewees, the customer factor was the most important and emphasized. Managing customer expectations, improving the customer experience and increasing the share of the customer's wallet are some of the sub-themes that were achieved in relation to the customer theme. With the increasing development of digital technologies, the focus on the customer and his needs has increased and digital banking services can meet the needs of the customer much better and easier than traditional banking services. Traditional banking has a fixed line and lines, while the digitalization of services requires more flexibility and agility in processes. Alliance of banks with Fintech and taking advantage of technological advances in creating valuable digital banking services, will effectively manage customer expectations, improve the customer experience and increase the share of the customer's wallet. For example, the 7p interviewee stated that "customers are the most important dimension of any business, and meeting their needs and expectations by using up-to-date technology services plays an important role in creating a pleasant customer experience." Or the 10p interviewee stated that "the bank should be able to increase its share of digital services in customer exchanges by creating a variety of digital banking services, thereby increasing its share of the customer's wallet and, ultimately, its fee income."

Conclusion

Today, due to the need of banks to create technological products with up-to-date knowledge and the need of Fintech companies to the banks' access to customers, the issue of strategic alliance between banks and Fintech is considered more and more and is considered as one of the main and important strategies of banks. Therefore, it is very important to study the issues related to the union of banks and Fintechs. One of the issues for forming a successful strategic alliance for banks and Fintechs is to properly study and understand the motives for forming this alliance. Because the right understanding of incentives can lead to the selection of the right ally for the banks and, in a way, form the basis of a successful alliance. The aim of this study was to identify the stimulants of banks in forming a strategic alliance with Fintech. The results of in-depth semi-structured interviews with banking experts showed that banks have different incentives to form a strategic alliance with Fintech. One of the stimulants of banks to unite with FinTech is to outsource new technological services. Banks are interested in benefiting from rapid innovation, without necessarily participating in its development. They consider their main mission in providing banking services to customers and consider the creation of technological services as a sub-activity and therefore do not want to create new technological services and prefer outsourcing. Banks do not have the required human capital and creating these services costs banks a lot. Accordingly, in order to reduce their costs, they outsource the creation of new technological services. Other banks' motivation for unification is to lead the way in digital innovation. Today, due to the fact that banks have entered the path of digital transformation, they have a great reputation for creating and providing new technological services. For this reason, they care about partnering with Fintech companies that can help the bank provide these services. Other incentives identified were the banks' lack of agility. Creating technological services requires teamwork and dynamic activities, while banks, due to their wide and long organizational structure and high complexity, suffer from excessive bureaucracy and slow down the process of creating these services. That is why banks are turning to forming alliances with Fintechs in order to achieve their goals of providing new banking services to customers. Due to the digitalization of many banking services, banks will lose their customer base if they lag behind the digital transformation path and will eventually reduce their market share. Therefore, for its survival and growth, it needs to gain a competitive advantage in providing new technological banking services, and this is considered as one of the stimulants for banks to strategically ally with Fintech. The "clients" factor was a stimulant that was addressed in most interviews. Banks need to form this alliance to attract, retain and develop their customers. They need to meet and manage their customers' expectations, create a good experience for their customers in receiving digital banking services so that they can increase their share of the customer's wallet and achieve higher payroll and profitability.

Due to the lack of access of researchers to managers of other banks, the data of the present study were collected from the managers of the Refahe Kargaran Bank, so caution should be exercised in generalizing the results of this study and researchers are advised Undertake with other banks as well. In this research, the stimulants of banks in forming a strategic alliance with Fintechs have been considered. In future research, it is suggested to identify and examine the motives of Fintechs in forming a strategic alliance with banks. Researching the stimulants of both banks and Fintechs in alliance with each other will have a significant impact on the success of the strategic alliance of banks and Fintechs.

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