The world is how we shape it*

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Digital Banking Experience Report 2022

Consumer Perspectives

Sopra Steria in partnership with Ipsos

*Le monde est tel que nous le façonnons

Introduction

As the banking environment has dramatically changed in the past two years, banks need to adapt their offering to their customers' shift to digital channels and the demand for new products in an increasingly competitive environment.

This study finds that banks can address customers' demands by capitalising on two of their biggest assets, customers trust and their superior access to user data, to deliver enhanced user experience, an improved digital journey and a more diverse product offering. We have identified five specific areas of opportunity where banks can compete and generate new sources of revenue:

- Sustainable Finance
- Cyber Security
- Non-banking services
- Cybercurrencies
- Client relationships

With the Open Banking movement in the background, the way banks effectively participate in the broader ecosystem — and how well they select their partnerships — will determine their future success.

Scope of survey

The survey has been conducted in 14 countries, including 12,500 participants aged 18+ with a bank account

- 9 European countries

(France, UK, Germany, Spain, Italy, Sweden, Belgium, the Netherlands, Luxembourg)

- USA

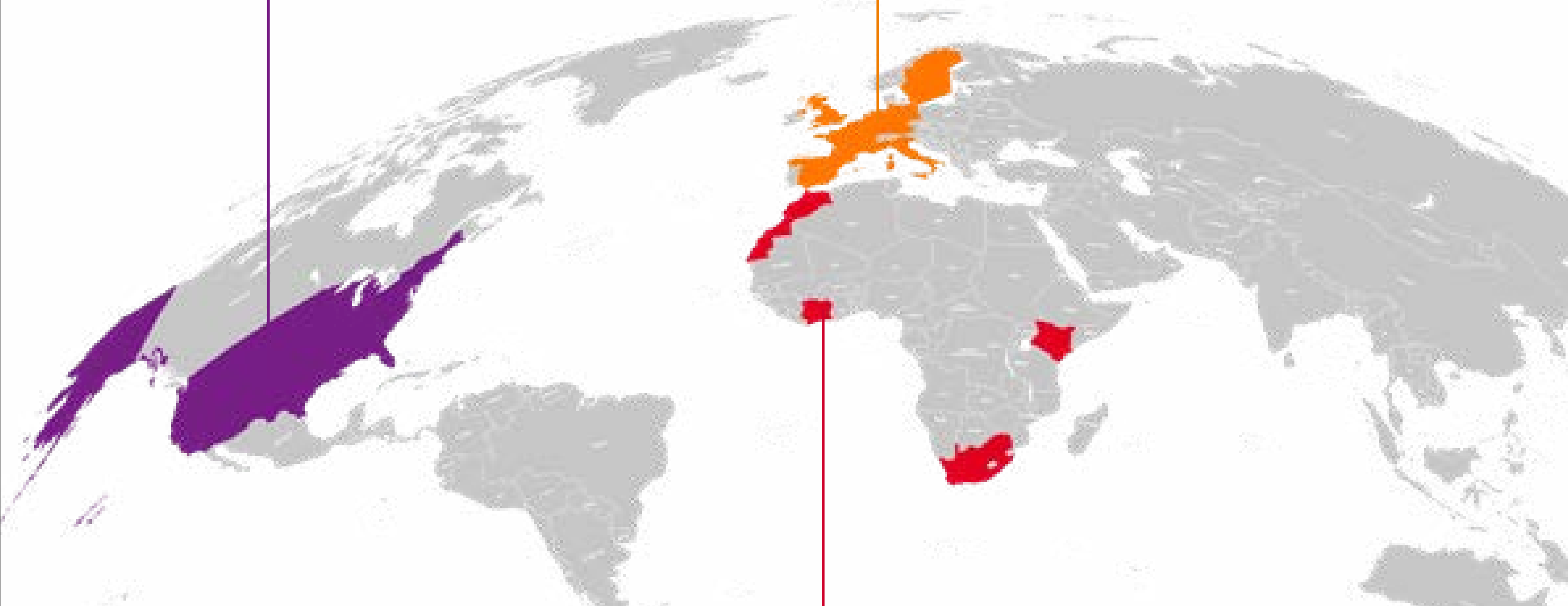
- 4 African countries

(Morocco, South Africa, Ivory Coast, Kenya)

Number of interviews

United States_ **1 000**

France_ **2 000**
United Kingdom_ **2 000**
Germany_ **2 000**
Spain_ **2 000**
Italy_ **500**
Sweden_ **500**
Belgium_ **500**
the Netherlands_ **500**
Luxembourg_ **300**



Morocco_ **300**
South Africa_ **300**
Ivory Coast_ **300**
Kenya_ **300**

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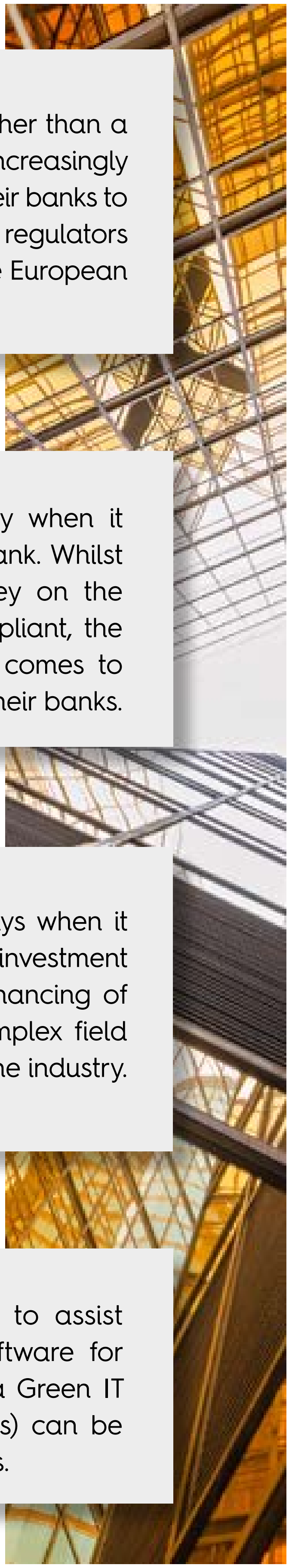
01

Sustainable Finance

A trend driven by both customer demands and regulations

Key findings



1. Sustainable Finance is here to stay: rather than a temporary fashion, end customers are increasingly buying into the approach and expect their banks to provide offers accordingly. Furthermore, regulators are pushing sustainable finance with the European Union being the forerunner.

2. Customers wish for more transparency when it comes to the ESG approach of their bank. Whilst many are ready to even leave money on the table if their investments are ESG compliant, the majority of them has doubts when it comes to the implementation of ESG policies by their banks.

3. ESG can be implemented in many ways when it comes to banking, either via a specific investment approach, internal measures or the financing of external initiatives. It is however a complex field with little to no framework common to the industry.

4. Technology provides important tools to assist banks in their ESG efforts, i.e. via software for investment assessments. Furthermore, a Green IT approach (i.e. sustainable data centres) can be implemented to support internal efforts.

The phenomenon driven by both customer demands and regulations

State of the market

Sustainable finance is at the forefront of considerations in the financial markets, both for customers and financial institutions. **On the regulatory side, the European Commission leads the way with a year-long reflexion on ESG regulations and more specifically the EU taxonomy, part of which came into action early 2022**. However, most part of the regulatory framework in sustainable finance is yet to be established through a step-by-step process, leaving financing institutions to adopt a preliminary self-defined approach.

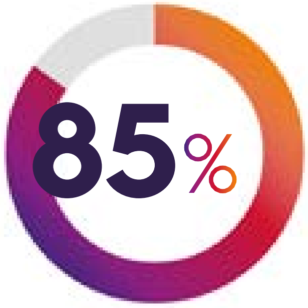
While the US has not issued a regulatory framework yet, talks started between the US and the EU to implement combined regulation. African regulators have not taken a position regarding ESG, however customer pressure is rising on all continents. Both institutional investors and end customers have growing expectations when it comes to ESG, ranging from the selection of specific investment categories to total transparency in existing portfolios and proactive communication about the topic. Young customers are especially interested when it comes to sustainability.

This puts financial institutions on the spot: they need to navigate an increasing demand for transparency and accountability, whilst not having of a common framework. Even the EU taxonomy is just in its infancy, merely covering CO2 emissions. For now, it is down to the financial institutions to proactively construct a valid and relevant ESG framework. Another challenge that financial institutions face today, is the lack of reliable data to evaluate ESG when it comes to investments. Once again, it is down to financial institutions to make sure they have access to that data to be able to provide ESG information to their clients accordingly.

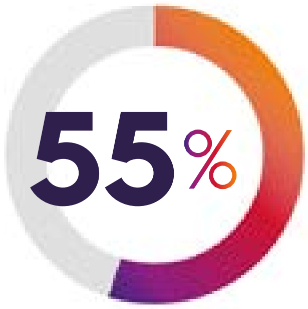
Who is Who – the target market

For 1 out of 4 people, ESG is a key criteria when choosing their investments. African customers are especially keen on an ESG approach when it comes to investments, with 66% - 85% considering it an important investment criteria. In any given country in Europe or the US, this opinion ranges between 53% - 63 %, still making it a priority for the majority of customers. Customers under 35 are particularly aware of ESG factors, regardless of geography.

52% of all customers declare that fighting climate change is an important criteria in choosing their bank, and for 19% it is essential. In Europe, especially Italy (59%) and Luxembourg (58%), customers are very focused on ESG, so too in the US, although this drops a litle to 48%. Overall, half of European and US customers state that this is a criteria for choosing their bank. In the four surveyed African countries, the proportion is even higher.



of Kenyans consider ESG to be an important investment criteria, compared to 53% of US citizens.



of all clients think that fighting climate change is more important than the profitability of their portfolio.

of all customers consider that ESG is sufficiently taken into consideration by their banks

How are banks perceived?

Customers can somewhat see the increasing effort of banks to implement an ESG approach. In all, 59% of customers consider that ESG is seriously taken into account by their banks. In Sweden (66%) and Luxembourg (67%), the level of trust is particularly high. In France, the trust level is rather on the low end with 47%.

While 57% of US customers are confident in their bank's ESG efforts, Kenyan customers are particularly at ease, with 75% believing in their banks to apply an ESG approach.

However, this tendency changes when it comes to the real transparency regarding ESG products and services. **Only 26% of all customers really believe that they can access truly ESG-compliant products, while 45% have doubts.** This tendency is true in most European countries and the US. African customers are significantly more reassured about the ESG quality of their banking products and services, and the majority of customers here have faith in their banks.

Overall, there is a visible discrepancy between the wish of customers for an ESG approach, even if it means a lower performing investment portfolio, and the trust they put into their banks to actually provide those products. The challenge for banks here is one of transparency and communication, where a clear vision and methodology of the applied ESG policy is communicated and verifiable by customers.

Takeaway for banks

Banks need to elaborate and clearly communicate their ESG policy: an increasing number of clients expect full access to this type of information.

Customers require transparency with both investment approaches and internal efforts. Technology can help provide this transparency by implementing effective assessment processes and software. Regarding internal efforts, banks can leverage how their employees can actively participate in promoting an ESG approach.

Banks have several options in implementing ESG strategies: a solid ESG policy, negative/positive screening, ESG sensitive investments, engagements and internal integration. Most of the aforementioned can be massively supported by IT.

Beyond investments - Green IT & IT for Green

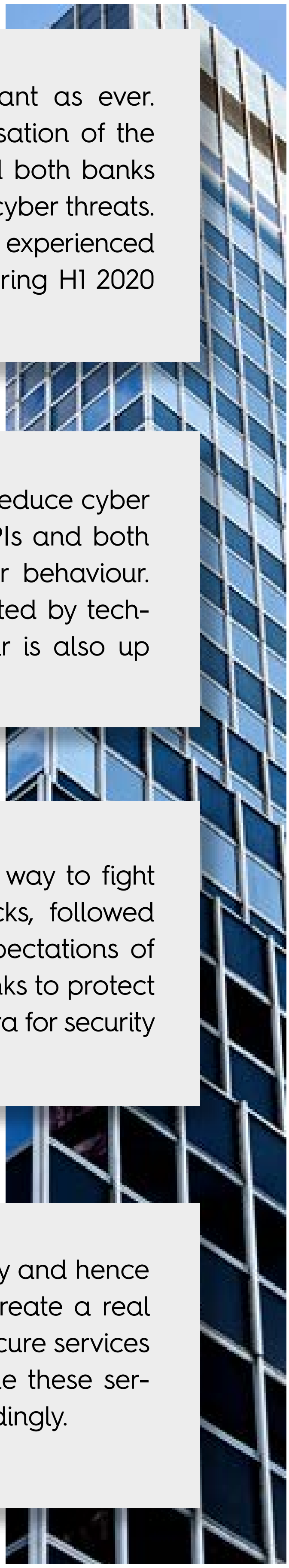
Banks are starting to investigate both Green IT and IT for Green. BNP Paribas, for example, has located its Corporate and Institutional Banking (CIB) data centre in Iceland to reduce CO2 emissions. Société Générale uses gamification to promote environmentally-friendly programming. CITI announced its sustainability goals in 2020, which include sustainable IT operations. However, there is little to no communication about IT for Green. Indeed, the ESG assessment software and IT services space is up and rising and banks are still investigating this space, especially as regulatory requirements are not yet set in stone for all parts of ESG.

02

Cyber Security

A potential for banks to ease customer fears and drive value

Key findings



1

Cyber Security is a topic as relevant as ever. Throughout the pandemic, the digitisation of the banking sector has accelerated and both banks and users are evermore exposed to cyber threats. Worldwide, banks and their customers experienced a 238% increase in cyber attacks during H1 2020 alone.

2

There are 3 main levers for banks to reduce cyber threats: end point security, secure APIs and both internal employee and external user behaviour. While all aspects are largely supported by technology, the third aspect in particular is also up to training and business processes.

3

Most customers agree that the best way to fight cyber crime is to reinforce ID checks, followed by stricter regulations. Customer expectations of banks are high since they expect banks to protect them but they are reluctant to pay extra for security services.

4

Customers are increasingly tech-savvy and hence aware of cyber threats. Banks can create a real competitive advantage by offering secure services and tools. Customers need and value these services and choose their banks accordingly.

The potential for banks to ease customer fears and drive value

State of the market

The banking world is becoming more and more digital: in-person interactions are decreasing, younger generations prefer to use their mobile phone for financial services rather than going to a branch or calling their banker. Customers, especially younger ones, expect seamless and cheap services that can only be provided with open banking.

All these factors, alongside numerous other reasons, lead to an ever increasing number of cyber criminals targeting both banks and customers. **Worldwide, banks and their customers experienced a 238% increase in cyber-attacks during H1 2020 alone, a trend that continues to increase.***

In Europe, the UK suffers the most from cyber crime with £27bn lost every year. 573 out of every 100 000 UK citizens are victims of cyber crime, second only to France with 497**. Similarly, 53m customers were affected by cyber crime in the US in H1 2022 alone***.

According to our study, **1 out of 4 clients has already faced a phishing attack, with 1 in 7 of these attacks successful.** In the US alone, 1 out of 3 customers has been a victim of phishing, the same is true for Luxembourg. In Germany and the Netherlands, this number is very low with respectively 10% and 17% of all customers. Overall, with the exception of the UK and France, these numbers are relatively low ranging between 10%-20%

While Ivory Coast had few customers who were victim to such attacks (12%), the numbers are higher for Morocco, South Africa and Kenya - between 23%-26%.

* according to Vmware

**https://techrobot.com/what-is-the-reality-of-real-world-and-cyber-crime-in-europe/

**https://www.statista.com/topics/2588/us-consumers-and-cyber-crime/#dossierKeyfigures

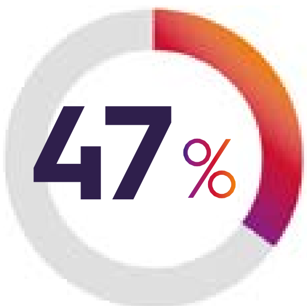
Beyond investments - Green IT & IT for Green

A little more than half of those targeted by cyber criminals are men, predominantly young (44% under 35 years old), and often having a hybrid approach to banking, using both in-person and online channels. Most of them are tech-savvy, actively using high-tech equipment and advanced online tools.

Despite the prevalence of these attacks, 79% are convinced that digitisation has overall contributed to making financial transactions safer.

of US customers are convinced that a trusted third-party that transmits their data can protect them from cyber crime.

of African customers want reinforced identity checks.



of cyber crime victims also invested in crypto currency.

How are banks perceived?

When it comes to customers, their relationship with banks, and cyber crime, it is all down to trust. Overall, 58% state that their bank intervened efficiently when they faced cyber crime. However, 1/3 stated that their banks did not respond, which still shows a lack of awareness within banking organisations.

American (71%) and Kenyan (89%) customers find their banks particularly efficient when it comes to protecting them against cyber threats. In Europe, Italian customers are the least convinced of their bank's efficiency in this area (70%). France ranks in the middle with 81%.

For the customers of our study, the priority is to reinforce identification methods, with 54% stating this measure as important. They furthermore expect governments to implement stricter regulations to increase cyber security (51%). Governments tend to agree and are implementing initiatives accordingly. The Economic Commission for Africa held a summit in Lomé in Q1 this year to discuss cyber crime with representatives of the continent's leading banks. This underlines the growing threat to Africa from such attacks. On Sept 15, 2022, the EU Commission presented the proposal for the EU Cyber Resilience Act, bolstering the cyber security rules to ensure more secure hardware and software products. This regulation is one amongst others in the field of cyber security, directly impacting the banking business.

While few European customers are ready to pay for an extra service guaranteeing data protection, they largely buy into identity protection. This is different in the African market, where 35% to 46% are ready to subscribe to such a service.

Banks need to reduce the vulnerability of endpoints (tablets, PCs, ATMs, etc.), secure the open banking services and APIs that accompany digitalisation, and avoid data leaks due to working from home. At the same time, these measures should not interrupt the seamless customer service and excellent user experience.

Takeaway for banks

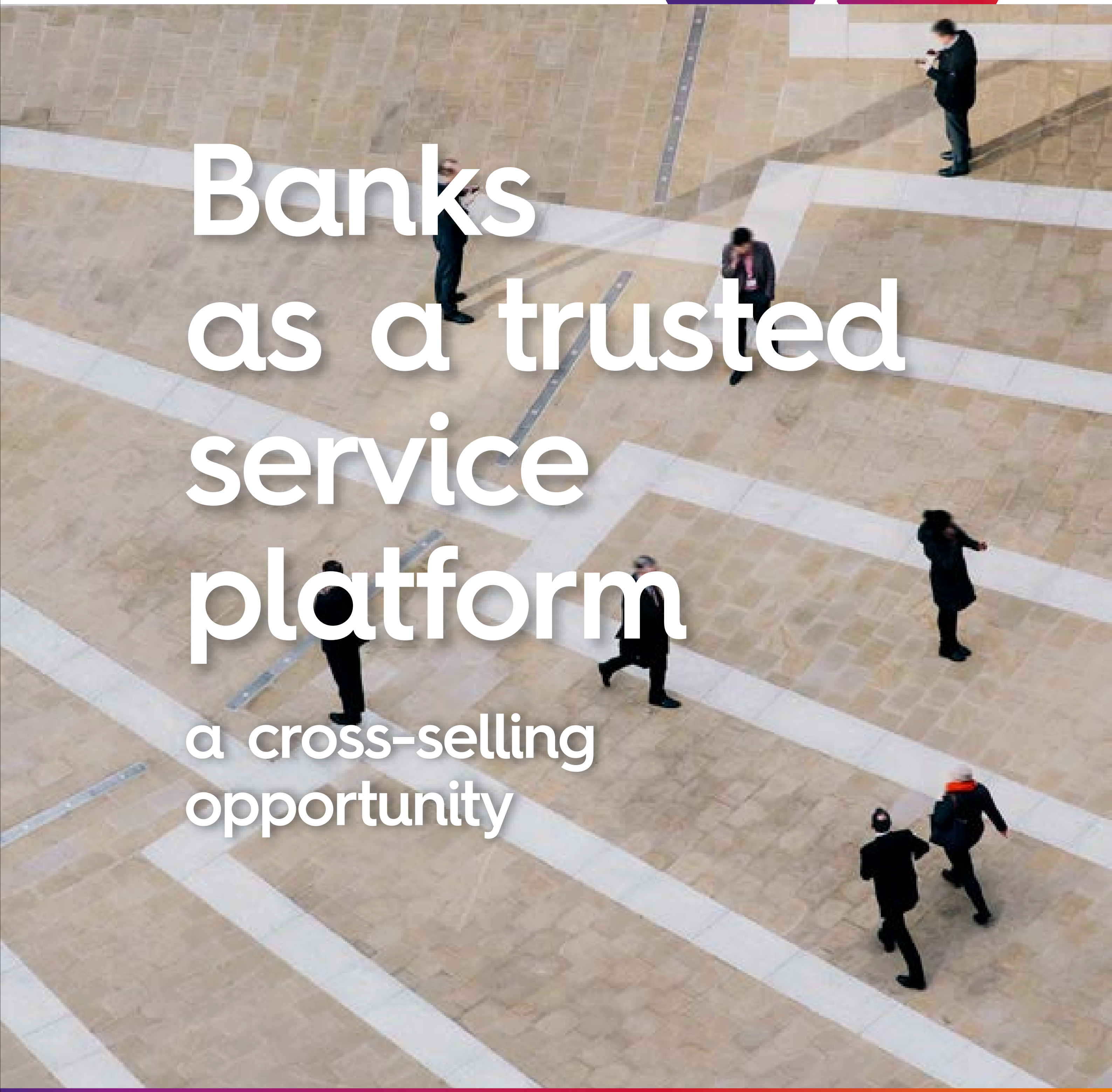
Open banking and inherent APIs are necessary to provide digital services but are also the cause of many cyber threats that banks must face.

There are high expectations of banks regarding cyber security. They need to be active in protecting the customer (preferably for free), while providing an excellent and uninterrupted customer experience.

However, customers are aware of cyber threats and their expectations provide an opportunity for banks to differentiate themselves in this field, building a real competitive advantage.

Data and identity protection is at the forefront of customer considerations and is an area in which technology can play a critical role through any number of tried and tested solutions to counter cyber threats.

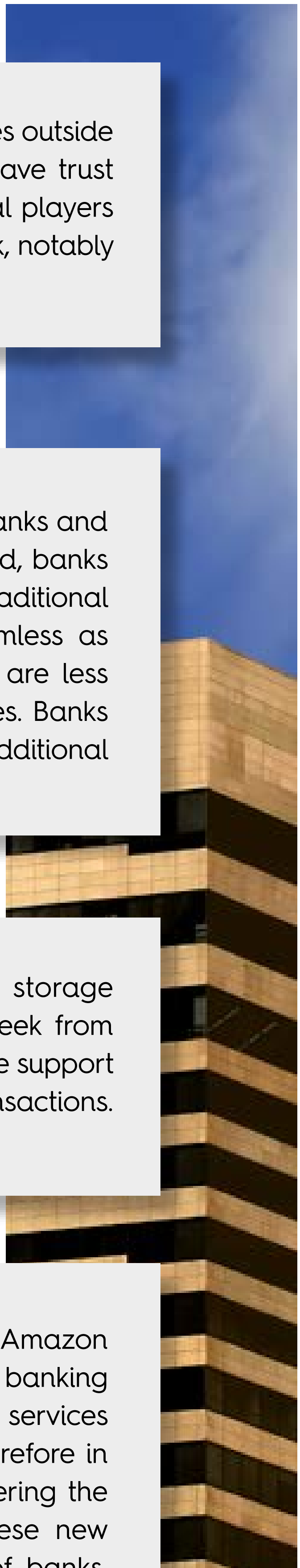
03



Banks as a trusted service platform

a cross-selling opportunity

Key findings



1

Customers are open to additional services outside a traditional banking portfolio. Banks have trust capital with their customers that financial players in other industries (i.e. Google, Apple) lack, notably because banking is heavily regulated.

2

There is a dichotomy when it comes to banks and their revenue generation: on the one hand, banks are required to consistently enhance traditional banking services, making them as seamless as possible. On the other hand, customers are less and less inclined to pay for those services. Banks are hence incentivised to search for additional revenue streams.

3

Insurance products and secure data storage are the main services that customers seek from banks. The majority would also appreciate support services when it comes to real estate transactions.

4

Non-banking providers like Google and Amazon are competitors when it comes to basic banking and have the potential to push retail and services offerings to their customers. They are therefore in direct competition with banks when entering the retail and services space. However, these new players do not have the trust capital of banks, which are very well positioned to propose complex and money-heavy services that are not part of their traditional portfolio.

A cross-selling opportunity

State of the market

Banks in particular are trusted partners in their customers' lives. As such, they are in a privileged and underexploited position to offer specific services alongside their main business. These services are in the field of insurance, travel, real estate, secure data storage and cryptocurrencies.

Most banks are already successfully offering insurance services alongside other products. However, other types of services remain rare even though they are a lucrative add-on for banks when it comes to generating revenues. **Our study shows that 59% of all customers would welcome a secure data storage service from their bank, and 52% want real estate support services (i.e. administrative procedures).**

Consistent with the findings of the Sustainable Finance chapter, clients are also keen for advice on sustainable consumption. More than half of our survey participants state that they would like specific guidance on which brands or products to buy and would trust their bank to provide this advice.

Italy particularly is very sustainability-oriented: customers here are the most interested in sustainable services around consumption (64%), the impact of their investments (65%) and the tracking of the overall carbon emission of their purchases (60%). For most other European countries this is between 25% and 45%.

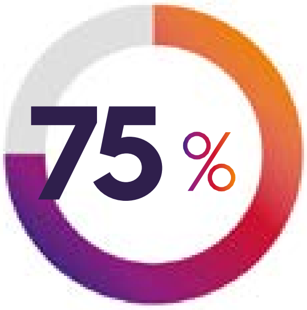
While US customers have a similarly low interest in those services, all four African countries score high in those three categories (between 70% – 95%).

Who is the target?

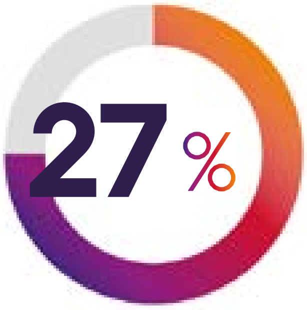
European customers are particularly interested in insurance and data storage solutions but show less interest in other solutions such as travel and mobile phone services. Italians (approx. 50%) and Luxembourgers (approx. 52%) are more open to using non-banking services offered by their banks than the rest of Europe.

Americans are less keen than Europeans on non-banking services: indeed they have one of the most competitive and mature services markets worldwide.

Africans, for their part, are extremely keen on a range of non-banking solutions, such as insurance, mobile phone services and travel etc. - between 65% and 91% say they would be interested in such services offered by their banks.



of Ivorian customers would buy insurance products from their bank.



Only

of Dutch customers are interested in services related to sustainable consumption.

of Luxembourgish customers would welcome safe data storage provided by their banks.

How are banks perceived?

Banks now face competition not only from other banks but also from new players in the market. **The new study shows that 33% of banking customers state that they would use banking services from non-banking players.** That also means that reversely, these players have the possibility to push non-banking services to these clients.

Customers favour approaches from retail companies such as Amazon, Alibaba and Uber with 46% of banking customers ready to use their banking services. Furthermore, 46% are also ready to work with technology firms such as Apple or Microsoft.

These companies do not have the same strict requirements as banks and can use data in a different way to propose customised retail offerings. However, they do not have the same trust capital as banks either. In general, banks only offer basic account products that do not support customers with more complex financial needs.

While banks will be in direct competition with these new players, they can play the trust card to provide non-banking services, creating add-on sources of revenue.

Banks have the possibility to sell more complex products, i.e. insurance and real estate services, a field where non-banking players do not have the credibility, competency or qualifications to compete.

Takeaway for banks

Positioning is the key. Should banks focus only on delivering their current services and boost their quality, or should they broaden their portfolio to offer a more diverse range of solutions?

The answer is not binary. Customers expect ever more from their banks, including seamless in-person and digital customer services, in addition to strong financial performance from their investments. This requires large-scale investment and comes at a time when customers are less willing to pay for such services.

As a result, banks need to find additional sources of revenue and leverage their trust capital to increase their product portfolio and offer additional high-value services.

A prevailing notion in our study was the fact that customers expect to be better accompanied throughout their different life events. A packaged combining financial/non-financial services would cater to this need for more customer centricity.

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04

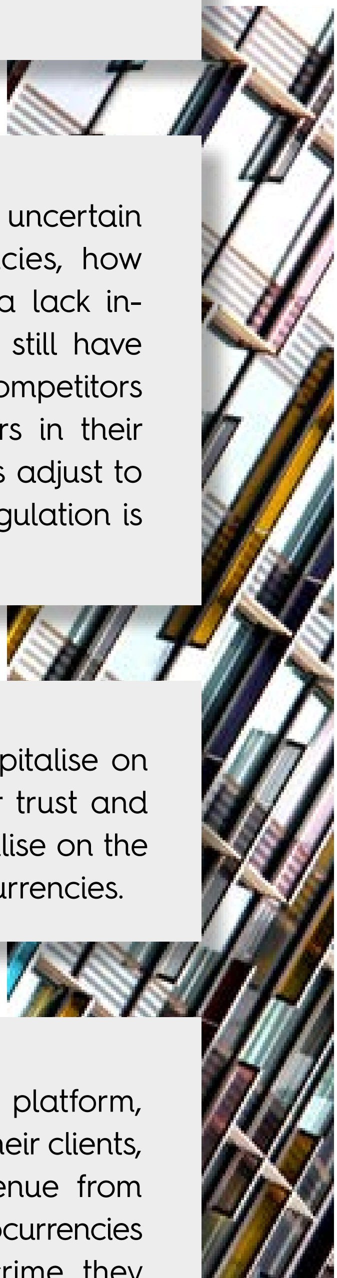
Banks as a trusted cyptocurrency adviser

How banks can leverage their positioning

Key findings

1

The cryptocurrency market, linked to growing internet penetration, is expected to increase by more than 50% in the next five years and become a key sector.



2

Many financial institutions have been uncertain about how best to use these currencies, how to avoid associated challenges, and a lack innovation in general. Thankfully, banks still have time to differentiate themselves from competitors in this domain and act as first movers in their regions while regulators and institutions adjust to the new realities. As such, increased regulation is an opportunity for banks.

3

In addition, banks are expected to capitalise on two of their strongest assets; customer trust and knowledge of their user base, to capitalise on the customers' growing interest in cryptocurrencies.

4

Banks should offer not only a trading platform, but also regular, up-to-date advice to their clients, which would generate additional revenue from transaction and custody. Although cryptocurrencies have experienced volatility and cybercrime, they also have the potential to outperform conventional banking products, offering greater efficiency, less bureaucracy, and more transparency. There is momentum for greater cryptocurrency popularity in the coming year, as a hedge against inflation.

How banks can best leverage trust capital

State of the market

The global cryptocurrency market was valued at $1.69 billion in 2021 and is expected to grow at a 58.4% CAGR during 2022-2027. **Globally more than one out of four clients has already invested in cryptocurrencies, even more in the US and Africa.** One of the key elements that significantly contributes to the market's growth is increasing worldwide internet usage, expected to grow twofold in the next 20 years.

Retail banks have made significant efforts to combat fraud, protect data, and prevent money laundering, investing in automation and standardisation (introducing real-time information sharing, and building predictive models). These initiatives have increased efficiency but have led to longer onboarding times and higher costs, reflecting the significant operating-model changes and manual effort required. The decentralised blockchain structure may be a solution, as it eliminates overlapping KYC and AML compliance checks, lightens the information burden, and allows banks to disseminate data as it is updated.

However, this underlines the growing market need for reliable crypto service providers. Our study clearly shows that 48% of crypto users have only moderate trust in their investment platform provider.

Regulation, is shifting from a "patchy" regional model to a quasi-global framework (MiCA in Europe, executive orders in the US), facilitating global institutions' expansion in the domain. Some government initiatives have also facilitated the adoption of cryptocurrencies (the Dubai Blockchain Center in the UAE).

Globally, remittance payments play an important role in the widespread use of cryptocurrency. It is worth noting that Nigeria has the highest rate of cryptocurrency use in the world (followed by Vietnam and the Philippines).

Who is the target?

Customer interest shows regional particularities: 32% have already invested in crypto in the US, 42% in Africa and 19% in Europe. Among the Europeans, 32% in Luxembourg are already users, 21% in the UK and 18% in Italy, with Italians showing great interest for crypto but only moderate adoption.

- Cryptocurrency adopters are predominantly young, male, higher-level professions, environmentally-aware, have already invested in crypto, frequently check their bank accounts and are targets for online fraudsters.
- In that group, 45% would like their banks to offer an app to invest in cryptocurrencies.

How are banks perceived?

Banks have the opportunity to position themselves as sources of insight and trusted partners for crypto investments i.e. through a regulated investment platform, creating a digital ecosystem of products and services by capitalising on the trust customers already have in their banks. Globally, 70% of customers would like their bank to offer information about crypto, 66% to act as an intermediary to invest in crypto, a trend that is even stronger amongst current crypto users. Customers are largely willing to be educated on the topic (cf "Crypto and Learn and Earn" example) by their banks: once again, banks can take advantage of their trust capital to offer this service.

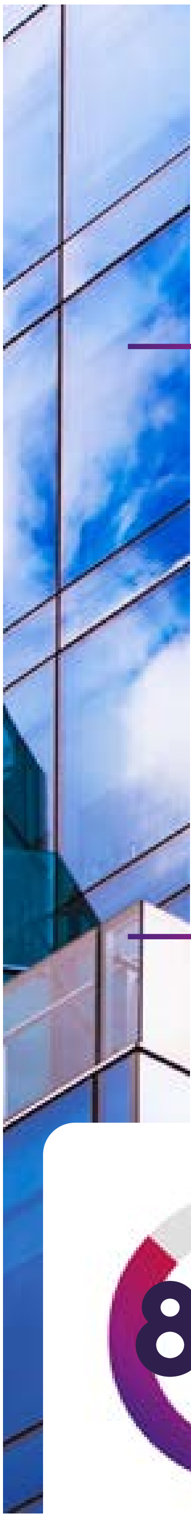
This wish to be educated on crypto is particularly strong in the US and Africa (67% and 87% respectively), and less so in Europe (59%).

Most victims of cyber crime are also crypto users. Banks therefore have the opportunity to position themselves as guardians of their customers security.

Takeaway for banks

Banks will have to embrace the crypto space. They have the opportunity to be the guardians of an under-regulated territory, which poses multiple risks for users, especially those with little knowledge. Many banks have already launched offerings in this space. Crypto products should be eco-sensitive, cyber-safe, frequently updated, and efficiently communicated.

Key findings

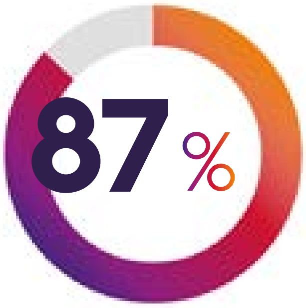


1 out of 4 clients

in Kenya consider ESG to be an important investment criteria compared to 53% of US citizens.

1 out of 3 clients

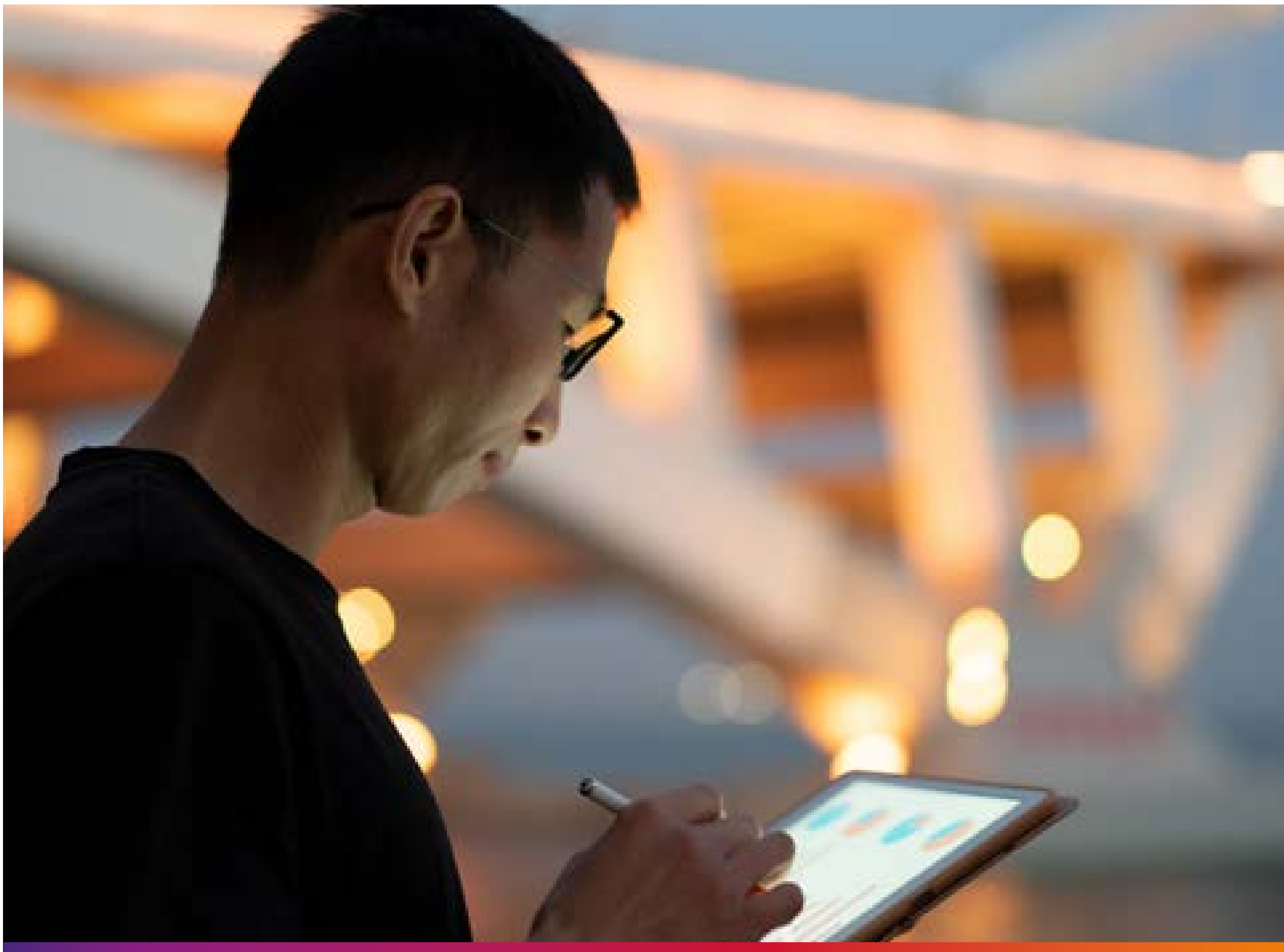
trust their bank to offer crypto and investment advice.



of African users would like their bank to provide crypto investment services.

Examples of offerings

- In the UK, Barclays bought a stake in crypto custody-trading-prime brokerage firm Copper in July 2022.
- "Crypto Learn and Earn" by Revolut offers educational courses and crypto rewards.
- Santander worked with California-based Ripple in 2018 to launch the first blockchain-based money-transfer service.
- JPMorgan launched its digital currency in 2019



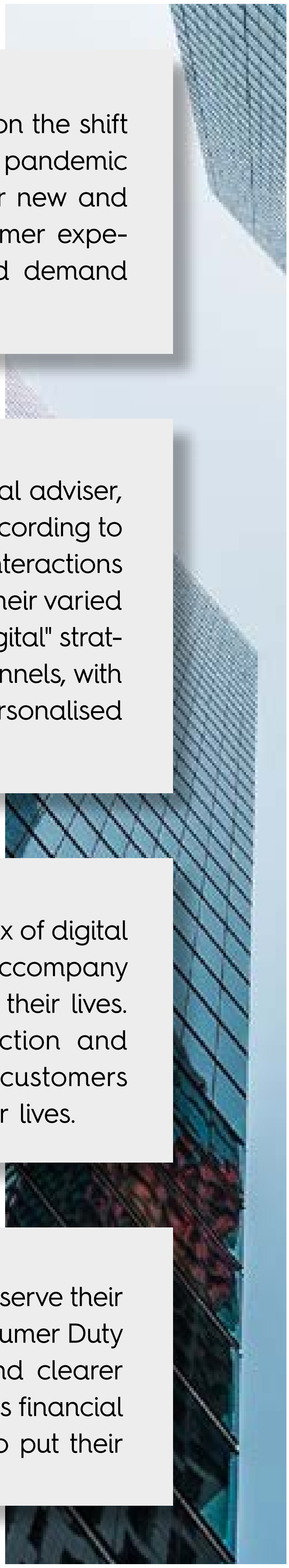
05

Personalised client relations

the best way to monetise banking services

- Digital banking to reinforce client relations
- Multichannel access to banking services to add value
- Personalised client follow-up throughout life as competitive advantage

Key findings



1

Banks have the potential to capitalise on the shift in digital use that occured during the pandemic to leverage their clients' trust and offer new and improved services that enhance customer experience. They should address increased demand for more personalised services.

2

Clients want access to a trusted financial adviser, - which varies in form and frequency according to region - and for new and improved interactions with greater functionality according to their varied needs. Customers want a seamless "phygital" strategy, connecting physical and digital channels, with one key improvement being to offer personalised services for older and disabled users.

3

The key to success indeed is the right mix of digital presence and in-person advice to accompany clients throughout the key moments in their lives. Banks could boost customer satisfaction and closeness by better accompanying customers throughout the different phases of their lives.

4

Regulation is also impacting how banks serve their consumers. For example, the FCA's Consumer Duty announced in July 2022 sets higher and clearer standards of consumer protection across financial services in the UK and requires firms to put their customers’ needs first.

An efficient way to monetise traditional banking services

State of the market

- 4 out of 10 clients have an online bank account, more in Africa and in the US (46%) and less so in Europe (34%).
- Globally, there is a higher proportion of customers who have only a high street bank, compared to those who have both bricks-and-mortar and online accounts, meaning that high street banks are still visible, present and have a large impact on their customer's lives
- **1/3 global respondents check their account at least once a day, underlining the importance of digital channels. Customers check their account online (website 56%, app 49% and also in branch (47%).**
- Among customers with only high street bank accounts, current online communication tools are underused, with webchat or online adviser functions not adapted to their needs. There is therefore considerable room for improvement when it comes to digital banking.
- There are some noticeable regional differences. African consumers prefer to use apps (66%), while American users favour website (62%) as do Europeans, but to a lesser degree (54%), while users in France, Germany, Italy and Belgium primarily use their branch. African consumers preferring apps is no surprise as many countries have more reliable mobile networks rather than internet cable connections.

Who is Who – the target market

Customers using digital banking tend to be young, have multiple accounts, are open to updates on new products, and check their account daily.

There is heavy mobile banking usage in Africa (65%) with consumers using a wide range of functionalities and receiving a wide variety of advice directly to their smartphone.

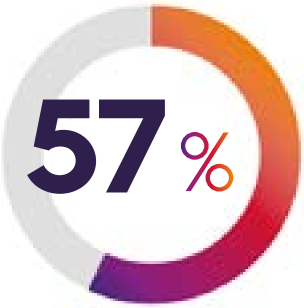
32

2 out of 3 clients

dissatisfied with their digital tools.

# of clients

willing to open a bank account with a big tech company.



would use eco-related services

An efficient way to monetise traditional banking services

Digital banking as added value?

Digital banking is used throughout the world, yet some countries prefer face-to-face interaction with an adviser. The customers who speak most often to their advisers in branches are those in France, Germany, Italy and Belgium, and represent 56% of the total market.

Customers are predominantly dissatisfied with relations with their banks, particularly in Europe (63%), and with the online tools that are currently available, judging them unfit for their needs.

However, the dedicated adviser is not seen as absolutely necessary: only 6 out of 10 clients would prefer to see an adviser face-to-face if subscribing to a new service or receiving advice, with this number rising as clients get older, while in Africa almost all clients prefer face-to-face meetings.

About 1 out of 2 clients have been in touch with their bank at the key moments of their life (inheritance, retirement, financing a project, divorce, marriage etc.). While such meetings have left clients predominantly unsatisfied in Europe, American and African customers are slightly more satisfied. This shows that banking advisory needs a push when it comes to better understanding customers' immediate needs.

Clients are also not satisfied with the digital tools on offer, with only 1 in 3 judging themselves very satisfied and believing them safe, efficient, personalised, and user-friendly in Europe and the US, however in Africa, the proportion of satisfied clients rises to 1 in 2. As a result, 45% of clients in Europe are willing to open a bank account with one of the big tech players, and an even higher proportion of clients in the US and Africa. For basic banking services, new tech-savvy entrants represent a real threat to banks.

How are banks perceived?

Personalised advice should be offered to clients via smartphones. More than 65% of customers would like personalised financial advice and the option of chatting to an adviser. Current digital banking apps should be updated and offer customers a seamless multi-channel experience.

Personalisation combined with the existing trust customers have with their bank, can be leveraged to help clients adopt new services. **76% would use loyalty programmes with their bank, 63% would like personalised investment advice.**

Customers would welcome an all-in-one digital service from their banks. 68% say they would like all their payment tools to be gathered in one place and want real-time money transfers. 61% reported wanting instalment payment options while, 58% said they would like to replace their bank card with an app.

They would also like their bank to help with administrative expenses (69%), and 52% would like to be offered insurance, cloud, real estate and crypto investment, phone contract and travel guidance, or even get advice on their carbon footprint or the environment, particularly in Africa (84%).

Takeaway for banks

Banks have ready access to the kind of financial information that would enable them to provide faster and more personalised support for the purchase of big-ticket items that often require financing, such as homes or cars. For these types of services, banks could be well positioned to own the full customer journey, including the browsing experience and the transaction. This increase in usage of personal data is driving a need for enhanced cyber security at every stage of the process (data gathering, processing, offerings), underlining the conclusions of our recent cyber security report.

Banks need to improve support to older clients and those with disabilities, offering them products and services that are adapted to their needs, in addition to boosting all customers' digital experience, with innovations such as user-friendly authentication.

Beyond banking

Example of products/services

- **Sterling bank** (Nigeria) offers a personalised banking service to customers who can initiate a number of bank transactions including bank transfers, airtime and bill payments, check balance and make BVN enquiries via WhatsApp.
- **KBC Bank** (Belgium) launched “My Car”, which uses blockchain technology to create a smooth car loan experience from the instant the customer signs the order to the moment they drive their car off the dealer’s lot. This includes the car loan, insurance, the acquisition of a licence plate and even breakdown assistance.
- **BarclayCard** (UK) created “Grab+Go” which transforms a shopper’s smartphone into a "pocket checkout" so the retail customer can scan the items they want to buy as they pick them off the store shelves.
- **N26** (Germany) has partnered with insurtech company Clark to provide insurance to its clients.

Regulation

The FCA in the UK announced the Consumer Duty in 2022 to encourage more customer-centric communications from banks. Clients should receive communications they can understand, products and services that meet their needs and offer fair value, and get the customer support they need, when they need it.

The world is
how we shape it